

Your endowment is £10.

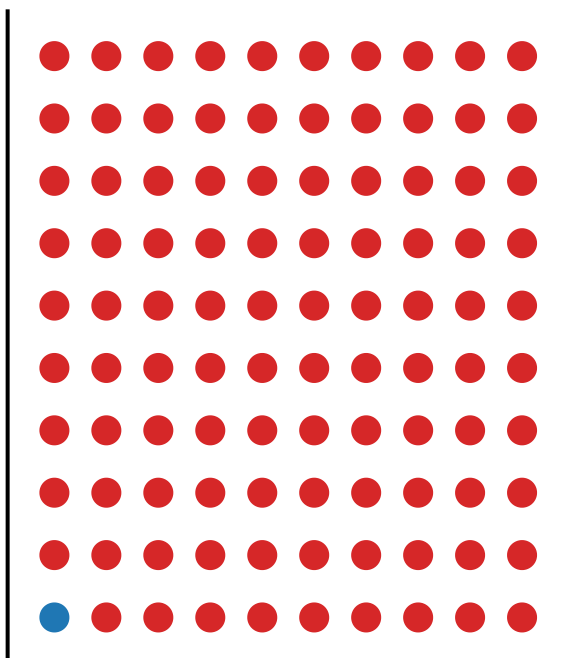
Option 1: Take risk

(i.e., adjust my endowment by the outcome of):

With 99% probability the
outcome is £0.10 and with 1%
probability the outcome is £-9.95

99/100: red ●

1/100: blue ●



If red ● you get £0.10

If blue ● you get £-9.95

Option 2: Take amount

(i.e., adjust my endowment by):

£0.08