The purpose of this session is to study how people make decisions in a particular situation. This experiment consists of 4 modules. We ask that you plan on continuing until the end of the session, which will last about 30 minutes.

Instructions will be given on your screen at the beginning of each module.

Module 1:

a) In this module half of the participants will receive an *Endowment* of **1000 ECUs** (group A), and the other half will not (group B).
b) Each participant who receives an *Endowment* (group A) will be randomly paired with another person in this room who has not (group B). You will not know your partner's identity, nor will they know yours. Nor will these identities be revealed after the session is completed.
c) However, before the endowments are distributed and the pairing takes place, you may allocate the endowment between yourself and the other person as you wish if you were to receive this *Endowment*.
d) Profits in this module will be calculated in the following way:
    i) *Group A: Profits = Endowment – Amount Sent*
    ii) *Group B: Profits = Amount Received*
e) You will be informed of your earnings for this module at the end of the experiment.
f) The exchange rate is: **1000ECUs = $1**

Module 2:

g) This module consists of 5 rounds. When you started this HIT, you were assigned to groups of four people with three other Amazon Mechanical Turk workers. You won't know the identity of the other group members. The composition of each group will remain unchanged throughout this HIT.

h) In each one-minute round you will be asked to compute a series of additions. Your *Preliminary Gains* depend on how many correct answers you provide. You will get **150 ECUs** for each correct answer.

i) At the end of each round, once you have received information concerning your *Preliminary Gains*, you will be asked to declare these gains. In this module **50%** of these *Declared Gains* will then be deducted from your *Preliminary Gains.*

j) In each round there is a certain probability that your *Declared Gains* will be compared with your actual *Preliminary Gains* in order to verify these two amounts correspond. In this module this probability is **0%.**

k) If this verification finds a discrepancy between the *Preliminary* and *Declared* gains an extra amount will be deducted from your *Preliminary Gains*. In this module this amount will correspond to **50%** of the observed discrepancy. In addition, the regular deduction of **50%** will apply to the *Preliminary Gains* and not to the declared amount.

l) Deductions applying to the four group members will then be pooled and equally distributed amongst those members.

m) Your profits are calculated and displayed at the end of each round in the following manner:

Profit = Preliminary Gains – Deduction from the Declared Gains – Potential deductions due to discrepancy + Group amount

n) At the end of the module one round will be chosen at random, and your earnings will be based on your profit of that round at the exchange rate **1000ECUs = $1**

o) You will be informed of your earnings for this module at the end of the experiment.

Module 3:

p) This module consists of 5 rounds. In this module you are remained to be in the same group of four you were assigned in the previous module. You won't know the identity of the other group members.

q) In each one-minute round you will be asked to compute a series of additions. Your *Preliminary Gains* depend on how many correct answers you provide. You will get **150 ECUs** for each correct answer.

r) At the end of each round, once you have received information concerning your *Preliminary Gains*, you will be asked to declare these gains. In this module **50%** of these *Declared Gains* will then be deducted from your *Preliminary Gains.*

s) In each round there is a certain probability that your *Declared Gains* will be compared with your actual *Preliminary Gains* in order to verify these two amounts correspond. In this module this probability is **100%.**

t) If this verification finds a discrepancy between the *Preliminary* and *Declared* gains an extra amount will be deducted from your *Preliminary Gains*. In this module this amount will correspond to **50%** of the observed discrepancy. In addition, the regular deduction of **50%** will apply to the *Preliminary Gains* and not to the declared amount.

u) Deductions applying to the four group members will then be pooled and equally distributed amongst those members.

v) Your profits are calculated and displayed at the end of each round in the following manner:

Profit = Preliminary Gains – Deduction from the Declared Gains – Potential deductions due to discrepancy + Group amount

w) At the end of the module one round will be chosen at random, and your earnings will be based on your profit of that round at the exchange rate **1000ECUs = $1**

x) You will be informed of your earnings for this module at the end of the experiment.

(The instructions for Module 4, a post-experimental survey, are not included.)