Subject Instructions

In this experiment, you are asked to choose between two options on each of nine decision pages. On each decision page you will choose between a different pair of options. The example below shows the two options you will chose between on one of the nine decision pages in the experiment.

In <u>Option K</u> you receive either $0 or $ 14. Your payoff is determined by drawing one ball from an urn that contains 10 balls numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10.

If a ball with number 1, 2, 3, or 4 is drawn then the money payoff is $0. If a ball with number 5, 6, 7, 8, 9, or 10 is drawn then the money payoff is $ 14.

In <u>Option L</u> you receive either $0 or $4 or $ 14. Your payoff is determined by drawing one ball from an urn containing 10 balls numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10. If a ball with number 1, 2, or 3 is drawn then the money payoff is $0. If a ball with number 4 or 5 is drawn then the money payoff is $4. If a ball with number 6, 7, 8, 9, or 10 is drawn then the money payoff is $ 14.

Option K		
Payoff	$ 0	$ 14
Probability	4/10	6/10
Ball Numbers	1,2,3,4	5,6,7,8,9,10

Option L			
Payoff	$ 0	$ 4	$ 14
Probability	3/10	2/10	5/10
Ball Numbers	1,2,3	4,5	6,7,8,9,10

Your Choice		
Option K	Option L	I Don't Care

Marking Choices

Please mark your choice on each of the 9 decision pages. On each page, please circle your choice of one option or the other option, or circle I don't Care, in the table labeled Your Choice. If you circle I don't Care on some page, your option on that page will be determined by the experimenter tossing a coin.

Payoffs

<u>After you make a decision on each of the 9 decision pages</u>, one of the pages will be randomly selected and your choice on that page will be played. The selection of the page is carried out by drawing a ball from **Urn I** that contains balls numbered 1,2,3,4,5,6,7,8,9. The number on the drawn ball determines the decision page that is selected. Since ONLY ONE of your nine decisions will be randomly selected for money payoff, you should decide which option you prefer on each decision page **independently** of your choices on other pages.

After the one page is randomly selected, your money payoff will be determined by playing the lottery in the Option you selected on that page. Your payoff in the option you selected will be determined by drawing a ball from **Urn II** that contains balls numbered 1,2,3,4,5,6,7,8,9,10.

Your Identification Code:

Option Q		
Payoff	$ 0	$ 14
Probability	9/10	1/10
Ball Numbers	1,2,3,4,5,6,7,8,9	10

Option R			
Payoff	$ 0	$ 4	$ 14
Probability	8/10	2/10	0/10
Ball Numbers	1,2,3,4,5,6,7,8	9,10	none

Your Choice
Option Q   Option R   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option E		
Payoff	$ 0	$ 14
Probability	8/10	2/10
Ball Numbers	1,2,3,4,5,6,7,8	9,10

Option F			
Payoff	$ 0	$ 4	$ 14
Probability	7/10	2/10	1/10
Ball Numbers	1,2,3,4,5,6,7	8,9	10

Your Choice
Option E   Option F   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option T		
Payoff	$ 0	$ 14
Probability	7/10	3/10
Ball Numbers	1,2,3,4,5,6,7	8,9,10

Option U			
Payoff	$ 0	$ 4	$ 14
Probability	6/10	2/10	2/10
Ball Numbers	1,2,3,4,5,6	7,8	9,10

Your Choice
Option T   Option U   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option G		
Payoff	$ 0	$ 14
Probability	6/10	4/10
Ball Numbers	1,2,3,4,5,6	7,8,9,10

Option H			
Payoff	$ 0	$ 4	$ 14
Probability	5/10	2/10	3/10
Ball Numbers	1,2,3,4,5	6,7	8,9,10

Your Choice
Option G   Option H   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option X		
Payoff	$ 0	$ 14
Probability	5/10	5/10
Ball Numbers	1,2,3,4,5	6,7,8,9,10

Option Y			
Payoff	$ 0	$ 4	$ 14
Probability	4/10	2/10	4/10
Ball Numbers	1,2,3,4	5,6	7,8,9,10

Your Choice
Option X   Option Y   I Don't Care

Please circle the option you choose in the Your Choice table

Your Identification Code:

Option K		
Payoff	$ 0	$ 14
Probability	4/10	6/10
Ball Numbers	1,2,3,4	5,6,7,8,9,10

Option L			
Payoff	$ 0	$ 4	$ 14
Probability	3/10	2/10	5/10
Ball Numbers	1,2,3	4,5	6,7,8,9,10

Your Choice
Option K   Option L   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option O		
Payoff	$ 0	$ 14
Probability	3/10	7/10
Ball Numbers	1,2,3	4,5,6,7,8,9,10

Option P			
Payoff	$ 0	$ 4	$ 14
Probability	2/10	2/10	6/10
Ball Numbers	1,2	3,4	5,6,7,8,9,10

Your Choice
Option O   Option P   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option A		
Payoff	$ 0	$ 14
Probability	2/10	8/10
Ball Numbers	1,2	3,4,5,6,7,8,9,10

Option B			
Payoff	$ 0	$ 4	$ 14
Probability	1/10	2/10	7/10
Ball Numbers	1	2,3	4,5,6,7,8,9,10

Your Choice
Option A   Option B   I Don't Care

Please circle the option you choose in the Your Choice table.

Your Identification Code:

Option I		
Payoff	$ 0	$ 14
Probability	1/10	9/10
Ball Numbers	1	2,3,4,5,6,7,8,9,10

Option J			
Payoff	$ 0	$ 4	$ 14
Probability	0/10	2/10	8/10
Ball Numbers	0	1,2	3,4,5,6,7,8,9,10

Your Choice
Option I   Option J   I Don't Care

Please circle the option you choose in the Your Choice table.