## **Instructions**

Welcome! Please read the following instructions very carefully.

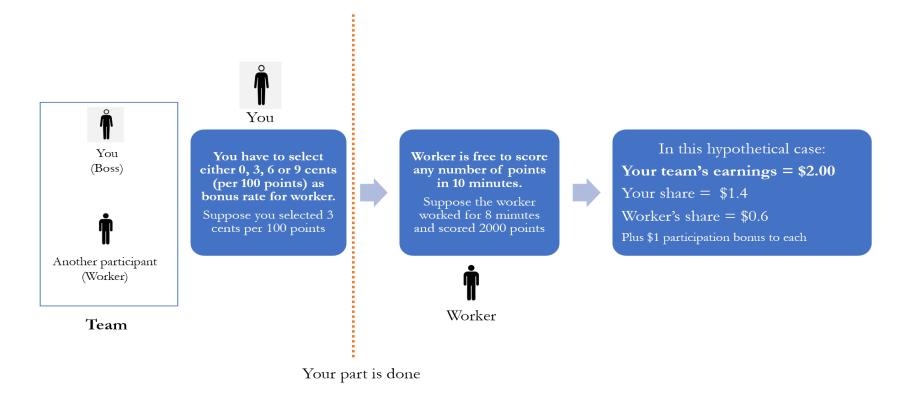
In this study, you and another participant have been matched together to form a two-member team - think of yourself as the boss and your team member as the worker. Your team member/worker will work on a button-pressing task (to be described on the next page) for upto 10 minutes. Each of you will earn \$1 simply for participating in this study. You may each earn additional bonus amounts based on the decisions you and your worker take. Your respective earnings will be transferred to your accounts within 24 hours.

Once the button-pressing task begins, your team will earn \$0.10 for every 100 points your worker will score. However, before the worker starts the task, you have to decide how much of these \$0.10 you want to split between yourself and your worker. The amount you select for the worker will serve as his/her bonus rate for the task. Specifically, out of the 10 cents per 100 points that your team will receive, you can choose to give 0, 3, 6 or 9 cents to your worker, keeping the rest for yourself. Of course, the bigger the bonus rate you choose for your worker, the less your own bonus will be. On the other hand, you would want to try and incentivize your worker to score as many points as possible.

Your worker will not know anything about your identity and will only see the bonus rate selected by you before starting to work on the task.

To summarize, all you will need to do is select a bonus rate for your worker who will observe what you have chosen before starting work on the button-pressing task. Bonus payments will be determined once your worker has finished working on the task.

Here is one EXAMPLE of what can happen in the experiment.



Here is an illustrative calculator for practice which you can use to calculate hypothetical earned bonuses. To do that, first select a bonus rate for the worker (0, 3, 6 or 9 cents per 100 points). Next enter the number of points you **imagine** the worker will score. The calculator will show you the earned bonus amounts for you and your worker. Of course, these bonuses are hypothetical since you don't know how many points the worker will actually score. This calculator will remain accessible to you at the time you will be making your decision about the bonuses.

## **Bonus Calculator**

Bonus rate for worker (per 100 points scored)	\$ Select here ▼
Your bonus rate (per 100 points scored)	\$ Auto Calculated
Points scored by worker	Your guess
Your bonus amount	\$Auto Calculated
Worker's bonus amount	\$Auto Calculated

On the next screen, you will see a description of the button-pressing task that the worker will be working on. You can always access these instructions by clicking "View Instructions" in the next pages.

Click next to continue.

