Instructions for the treatments with a baseline of the linear public goods (LPG) game
Welcome to the Economics Study!

This experiment is a study of group and individual investment behavior. The instructions are simple. If you follow them carefully and make good investment decisions then you may earn a considerable amount of money. If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question.

The experiment will last about an hour.

The Experiment
You have been organized into groups of 4 people. Each group will consist of 4 different randomly assigned persons in each period. There will be 20 periods in this session. In each period you will be required to make some decisions and what you earn from each decision will depend on what you and the other 3 people in your group decide.

Once all your decisions in the 20 periods have been made, we will randomly select one of the 20 periods as the period-that-counts. We will use the period-that-counts to determine your actual earnings. Note, since all periods are equally likely to be chosen, you should make your decision in each period as if it will be the period-that-counts.

First, we will describe the instructions for the first 10 periods.

First 10 Periods: Investment Decision
At the beginning of each period you will be randomly assigned to a new group of 4 players, and you will be given an automatic payment of $1.00.

In each period you will be choosing how to divide 5 tokens between two investment opportunities:

THE RED INVESTMENT
Each token you invest in the RED investment will earn you a return of $3.00.

Example: Suppose you invest 4 tokens in the RED investment, then you would earn $ 12.00 from this investment.

Example: Suppose you invest 0 tokens in the RED investment, then you would earn $ 0.00 from this investment.

THE BLUE INVESTMENT
What you earn from the BLUE investment will depend on the total number of tokens that you and the other 3 members of your group invest in the BLUE investment. The more the group invests in the BLUE investment, the more each member of the group earns.

Each token you invest in the BLUE investment will earn you and all your group members a return of $2.00.

The process is best explained by a number of examples.
Example: Suppose that you decided to invest no tokens in the BLUE investment but that the 3 other members invest a total of 9 tokens. Then your earnings from the BLUE investment would be $18.00 (which is 9 tokens multiplied by $2.00). Everyone else in your group would also earn $18.00.

Example: Suppose that you invest 2 tokens in the BLUE investment and that the 3 other members of your group invest a total of 9 tokens. This makes a group total of 11 tokens. Your return from the BLUE investment would be $22.00 (which is 11 tokens multiplied by $2.00). The other 3 members of the group would also get a return of $22.00.

Example: Suppose that you invest 3 tokens in the BLUE investment and the other 3 members invest nothing. Then you, and everyone else in the group, would get a return from the BLUE investment of $6.00 (which is 3 tokens multiplied by $2.00).

As you can see, every token invested in the BLUE investment will earn $2.00 for every member of the group, not just the person who invests it there. It does not matter who invests tokens in the BLUE investment. Everyone will get a return from every token invested there—whether they invest tokens in the BLUE investment or not.

YOUR TASK

Your task is to decide how many of your tokens to invest in the RED investment and how many to invest in the BLUE investment. You are free to invest some of your tokens in the RED investment and some in the BLUE investment. Alternatively, you can invest all of them into the RED investment or all of them into the BLUE investment.

Earnings

Once you and the other 3 members of your group have made your decisions, you will receive an Earnings Statement for that period. You will be given anonymous details of all your group’s investments and earnings.

Your earnings have been computed using the following simple formula:

\[
1^{st} \text{ Stage Earnings} = (\$3.00) \times (\text{Your investment to the RED investment}) + (\$2.00) \times (\text{Total group investments to the BLUE investment})
\]

For example imagine you invested 4 to the BLUE investment, your other group members invest 2, 3, and 3 to the BLUE investment.

In this example 1\text{st} stage earnings are computed as follows:

1\text{st} Stage Earnings = (\$3.00) \times (5-4) + (\$2.00) \times (4 + 2 + 3 + 3)

1\text{st} Stage Earnings = (\$3.00) \times (1) + (\$2.00) \times (12)

1\text{st} Stage Earnings = $3.00 + $24.00

1\text{st} Stage Earnings = $27.00

Your earnings will be your 1\text{st} Stage earnings plus your $1.00 automatic payment. You will also be given a summary of your current and previous earnings.

You must make your investment decisions without knowing what the others in your group are deciding. Do not discuss your decision with any other participant.
Your Group

For each decision period you will be in a group of 4 people in the room today. **After each decision period we will randomly re-match you with a new group of 4 people in the room.** As a result, each decision you make will be with a new group of 4 participants. The probability that you will ever be in the same group of 4 participants again is extremely remote.

After 10 periods of this one stage investment decision, you will be given directions for another type of decision.

Things to remember

- You will be in a group of 4 people
- You will have automatic earnings of $1.00 each period
- You will have 5 tokens to invest each period
- Each token you invest in the **RED** investment earns you $3.00
- Each token you invest in the **BLUE** investment earns you and every member of your group $2.00
- There will be a total of 10 decision periods.
- The groups will be randomly re-matched every decision period.
- Please feel free to use the calculator, and scratch paper provided to help you with your calculations.

If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question.

Thank you.
Please wait to be told when you can begin making decisions for the first 10 periods.
The instructions used in period 11-20 for the LPG-G4H treatment
Next 10 Periods: Two Stage Investment Decision

Stage 1: Administrator Fund

At the beginning of each period you will be randomly assigned to a new group of 4 players. If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question.

In Stage 1 you will receive 4 tokens. You will be asked to invest in an Administration Fund in Stage 1. You may enter any investment from zero up to 4 tokens. Investments in excess of 4 tokens will not be accepted. Each token you do not invest in the Administration Fund can be exchanged for $0.25.

Once all 4 members of your group have entered their choice of investment in the Administration Fund, the sum of these investments will be computed. If your group reaches the threshold of 8 or more tokens, then your group will hire a computer simulated Administrator.

ADMINISTRATOR

If your group is overseen by a computer simulated Administrator, the Administrator will examine the number of tokens you invest in the BLUE investment in Stage 2. The computer-simulated Administrator may take a deduction from your payoff according to certain rules which we will go over in detail in a few minutes. For now, it is most important for you to know that the computer-simulated Administrator will take a deduction from the lowest investor to the BLUE investment in your group.

In Stage 1 you and your other group members will decide how much to invest in the Administration Fund. Your decision along with your other 3 group members will determine if your group hires a computer simulated Administrator.

Stage 1 Earnings & Administrator Hiring

Now we will go through some examples of the Stage 1 decision and the resulting earnings.

Example: Suppose you invest 4 tokens in the Administration Fund. The other players in your group invest a total of 5 tokens. Then total investments are 9, which is greater than the threshold of 8. In the 2nd stage your group will be monitored by a computer simulated Administrator, and so the lowest investor to the BLUE investment in your group will have a payoff deduction. You invested all 4 of your tokens, and the Administration Fund threshold was met, so your payoff from Stage 1 is $0.00 (0 tokens multiplied by $0.25).

Example: Suppose you invest 3 tokens in the Administration Fund. The other players in your group invest a total of 4 tokens. Then total investments in the Administration Fund are 7, which is less than the threshold of 8, so there will be no payoff deductions in Stage 2. When the Administration Fund threshold is not met, then your investment of 3 tokens to the Administration Fund will be given back to you---so you will get back the 3 tokens you had at the beginning of Stage 1. Your payoff from these tokens will be $1.00 (4 multiplied by $0.25).

Example: Suppose you invest 1 token in the Administration Fund. The other players in your group invest a total of 9 tokens. Then total investments in the Administration Fund are 10, which is greater than the threshold of 8. In the 2nd stage your group will be monitored by a computer simulated Administrator, and so the lowest investor to the BLUE investment in your group will have a payoff deduction. You invested 1 of your tokens in the Administration Fund, so you must have kept 3 of your 4 Stage 1 tokens. Each token kept will be exchanged for $0.25, so your payoff from Stage 1 will be $0.75 (3 multiplied by $0.25).
Your payoff from Stage 1 is computed using the following simple formula.

If the group investments to the Administration Fund meets or exceeds the threshold of 8 tokens:
1st Stage Earnings = ($0.25)*(4 - Your investment to the Administration Fund)

If the group investments to the Administration Fund are less than the threshold of 8 tokens:
1st Stage Earnings = ($0.25)*(4)= $1.00

You must make your investment decisions without knowing what the others in your group are deciding. Do not discuss your decision with any other participant.

At the end of Stage 1, you will be informed whether your group has hired a computer simulated Administrator for Stage 2.
Stage 2: Investment Decision

Stage 2 is very similar to the decision you made in the first 10 periods, and will only differ if a computer simulated Administrator was hired in Stage 1.

In each period you will be choosing how to divide 5 tokens between two investment opportunities:

**THE RED INVESTMENT**

Each token you invest in the RED investment will earn you a return of $3.00.

**THE BLUE INVESTMENT**

Each token you invest in the BLUE investment will earn you a return of $2.00 for you and all the members of your group.

You will be reminded whether your group met the administration threshold during this period. If your group's total investments to the Administration Fund in Stage 1 exceeded the threshold then the lowest investor to the BLUE investment will have a deduction taken from their payoff.

**ADMINISTRATOR**

If your group is overseen by a computer-simulated Administrator, the Administrator will examine the number of tokens you invest in the BLUE investment. The computer-simulated Administrator may take a deduction from your payoff according to these rules:

1. Only the lowest investor (or investors in case of a tie) to the BLUE investment will have a deduction taken from their payoff by the Administrator.
2. The size of the deduction will depend on the investment choices of your group members. The deduction will be the difference between the payoff of the lowest investor and the payoff of the second lowest investor to the BLUE investment in your group plus $3.00.
3. If there is a tie for the lowest investor, all those who tied will have the deduction taken from their payoff.
4. If all 4 members of your group tie for the lowest investor, then all of you will have $3.00 taken from your payoffs.
5. If all members of your group allocate the whole of their 5 tokens to the BLUE investment, then no one will have a deduction taken from their payoffs.

Thus, when the Administrator has been hired the only way you can avoid having a deduction is to avoid being the lowest investor to the BLUE investment. When the Administrator has been hired, the only way everyone in the group can avoid a deduction is if everyone invests all 5 tokens to the BLUE investment.

If the Administrator was not hired, then no deductions will be taken from anyone’s earnings. In this case, things will proceed with the same rules used in the first 10 periods of today’s study.
Earnings: If Administration Fund threshold is met

Example: Suppose that you invest 3 tokens in the RED investment and 2 tokens in the BLUE investment. Suppose that the 3 other members of your group invest 4, 4, and 1 tokens in the BLUE investment respectively. This makes a group total of 11 tokens. Your return from the BLUE investment would be $22.00. The other 3 members of the group would also get a return of $22.00 from the BLUE investment. Your initial payoff from this stage would be:

$$3 \times ($3.00) + (2 + 4 + 4 + 1) \times ($2.00) = $31.00$$

You invested 2 tokens to the BLUE investment, while another player invested only 1 token, so you are not the lowest investor to the BLUE investment. Thus, you will not have a payoff deduction. Your earnings for Stage 2 of this period will be your initial earnings of $31.00.

Example: Suppose that you invest 3 tokens in the RED investment and 2 tokens in the BLUE investment. Suppose that the 3 other members of your group invest 3, 4, and 2 tokens in the BLUE investment respectively. This makes a group total of 11 tokens. Your return from the BLUE investment would be $22.00. The other 3 members of the group would also get a return of $22.00 from the BLUE investment. Your initial payoff from this stage would be:

$$3 \times ($3.00) + (2 + 3 + 4 + 2) \times ($2.00) = $31.00$$

You invested 2 tokens to the BLUE investment, so you and the other player that invested 2 tokens tied for being the lowest investors to the BLUE investment. Thus, you (and the other player that invested only 2 in the BLUE investment) will have a payoff deduction. The size of the deduction will be $3.00 plus the difference between your initial earnings and the next lowest investor in the BLUE investment. The next lowest investor in your group invested 3 tokens in the BLUE investment and earned $28.00. In this example that would mean your deduction would be $3.00+ ($31.00- $28.00) = $6.00. Your Stage 2 net earnings will be your initial earnings of $31.00 minus your deduction of $6.00, which in total equals $25.00. You will be told that you were the lowest investor when your period earnings are reported to you.

Example: Suppose that you invest 0 tokens in the RED investment and 5 tokens in the BLUE investment. Suppose that the 3 other members of your group invest 5, 5, and 5 tokens in the BLUE investment respectively. This makes a group total of 20 tokens. Your return from the BLUE investment would be $40.00. The other 3 members of the group would also get a return of $40.00 from the BLUE investment.

Everyone invested all their 5 tokens to the BLUE investment, so there is no lowest investor to the BLUE investment. In this specific case even though there is a computer simulated Administrator, no one will have a payoff deduction. Your payoff for Stage 2 of this period will be $40.00.

Earnings: If Administration Fund threshold is not met

If your group did not meet the threshold of 8 tokens, then Stage 2 will be exactly the same as the investment decision in the first 10 periods. No one will have a deduction taken from their payoffs. Your Stage 2 earnings for the last 10 periods are computed by the following formula:

If the group investments to the Administration Fund meet or exceed the threshold of 8 tokens:

$$\text{2nd Stage Earnings} = ($3.00) \times (\text{Your investment to the RED investment}) + ($2.00) \times (\text{Total group investments to the BLUE investment}) - (\text{Payoff Deduction if you are the lowest investor to the BLUE investment})$$

If the group investments to the Administration Fund are less than the threshold of 8 tokens:

$$\text{2nd Stage Earnings} = ($3.00) \times (\text{Your investment to the RED investment}) + ($2.00) \times (\text{Total group investments to the BLUE investment})$$
Your Group

A decision period consists of Stage 1 and Stage 2. For each decision period you will be in a group of 4 people in the room today. This means you will be in the same group of people during Stage 1 and Stage 2, and then **after the end of stage 2 in that decision period we will randomly rematch you with a new group of 4 people in the room.** As a result, each period you will be with a new group of 4 participants. The probability that you will ever be in the same group of 4 participants again is extremely remote.

Your Earnings

Once all your decisions in the 20 periods have been made, we will randomly select one of the 20 periods as the period-that-counts. We will use the period-that-counts to determine your actual earnings. Note, since all periods are equally likely to be chosen, you should make all your decision in each period as if it will be the period-that-counts.

Things to Remember

- This part of the study will have two stages. In the Stage 1 you and your other group members will decide whether to hire a computer-simulated Administrator by investing in an Administration Fund.
  - If your group investment in the Administration Fund meets or exceeds 8 tokens, then in Stage 2 there will be an Administrator.
    - The Administrator will be responsible for taking a deduction from the earnings of the lowest investor in the BLUE investment.
    - The deduction will equal to (the earnings of the lowest BLUE investor) – (the earnings of the second lowest BLUE investor) + $3.00.
    - If several people are tied for the lowest investor, all will receive a deduction from their earnings.
    - If all people in the group invest all 5 tokens in the BLUE investment, then no one will receive a deduction.
  - On the other hand, if your group investment in the Administration Fund is below 8 tokens, then Stage 2 will be exactly like the first 10 periods, so there will be no computer simulated Administrator.
- Please feel free to use the calculator, and scratch paper provided to help you with your calculations.

If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question

Thank you.

Please wait to be told when you can begin making decisions for the next 10 periods.
The instructions used in period 11-20 for the LPG-P2P treatment
Next 10 Periods: Two Stage Investment Decision

Stage 1 is exactly the same as the decision you made in the first 10 periods. At the beginning of each period you will be randomly assigned to a new group of 4 players, and you will be given an automatic payment of $1.00.

In each period you will be choosing how to divide 5 tokens between two investment opportunities:

1. **THE RED INVESTMENT**

Each token you invest in the **RED** investment will earn **you** a return of **$3.00**.

2. **THE BLUE INVESTMENT**

Each token you invest in the **BLUE** investment will earn **you and all your group members** a return of **$2.00**.

**Stage 1 Earnings**

Once you and the other members of your group have made your decisions, you will receive an Earnings Statement for that period. Your earnings have been computed using the following simple formula:

\[
\text{1}\text{st Stage Earnings} = (\$3.00) \times (\text{Your contribution to the RED investment}) + (\$2.00) \times (\text{Total group contributions to the BLUE investment})
\]

**Stage 2: Decision**

At the beginning of Stage 2 of each decision period you will be informed about how much each group member contributed to the **BLUE** investment and their initial earnings at the end of the Stage 1. Moreover, during Stage 2 you can **change or leave unchanged** the earnings of each of the other members of your group by assigning **deduction points**. The other group members can also reduce **your** earnings, if they so wish.

You now have to decide how many deduction points to give to each of the other group members. You must enter a number for each of them. If you do not want to change the earnings of a particular group member, you enter 0. If you assign deduction points, there will be a cost for each deduction point that you assign. The more deduction points you assign the higher are your costs. Each deduction point costs you $1.00.

If you assign 0 deduction points to a certain group member, you do not change the earnings of this group member. If however, you assign 1 deduction point to a group member, you reduce that group member’s earnings by $3.00.

*Example*: Suppose you assign 2 deduction points to player 1 this costs you $2.00 and reduces player 1’s income by $6.00.

*Example*: Suppose you assign 0 deduction points to player 1 this costs you $0.00 and reduces player 1’s income by $0.00.

*Example*: Suppose you assign 1 deduction point to player 1, 2 deduction points to player 2, and 3 deduction points to player 3. That is a total of 6 deduction points (6=1+2+3) that you assigned to other players. This costs you $6.00 and reduces player 1’s income by $3.00, reduces player 2’s income by $6.00, reduces player 3’s income by $9.00.

*Example*: Suppose player 1 assigns 0 deduction point to you, player 2 assigns 1 deduction point to you, and player 3 assigns 3 deduction points to you. That means in total you were assigned 4 deduction points (4=0+1+3) by the other players in your group. This will lower your payoff by $12.00 (4 deduction points multiplied by $3.00).
Earnings

Your total earnings from the two stages is therefore calculated as follows:

Total Earnings at the end of the period = 1st stage Earnings – Total of Deductions you receive – Cost of Deductions you give

Please note that using this formula, your earnings at the end of the period can be negative. If this happens, we will pay your $0.00 for this period. You cannot owe us money at the end of the session.

You must make your investment decisions without knowing what the others in your group are deciding. Do not discuss your decision with any other participant.

Your Group

For each decision period you will be in a group of 4 people in the room today. After each decision period we will randomly rematch you with a new group of 4 people in the room. As a result, each decision you make will be with a new group of 4 participants. The probability that you will ever be in the same group of 4 participants again is extremely remote.

Your Earnings

Once all your decisions in the 20 periods have been made, we will randomly select one of the 20 periods as the period-that-counts. We will use the period-that-counts to determine your actual earnings. Note, since all periods are equally likely to be chosen, you should make all your decision in each period as if it will be the period-that-counts.

Things to Remember

- You will be in a group of 4 people
- The groups will be randomly re-matched every decision period
- You will have automatic earnings of $1.00 each period
- This part of the study will be like the first 10 rounds, but with a second stage added after the investment decision.
- In Stage 2 you can reduce the earnings of other members of your group by assigning deduction points.
- You pay $1.00 for each deduction point.
- Each deduction point you assign to another group member will reduce their earnings by $3.00.
- If your period earnings are negative we will pay you $0.00 for this period.
- Please feel free to use the calculator, and scratch paper provided to help you with your calculations.

Thank you.

Please wait to be told when you can begin making decisions for the next 10 periods.
Instructions for the treatments with a baseline of the peer to peer punishment (P2P) game
Welcome to the Economics Study!

This experiment is a study of group and individual investment behavior. The instructions are simple. If you follow them carefully and make good investment decisions then you may earn a considerable amount of money. If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question.

The experiment will last about an hour.

The Experiment

You have been organized into groups of 4 people. Each group will consist of 4 different randomly assigned persons in each period. There will be 20 periods in this session. In each period you will be required to make some decisions and what you earn from each decision will depend on what you and the other 3 people in your group decide.

Once all your decisions in the 20 periods have been made, we will randomly select one of the 20 periods as the period-that-counts. We will use the period-that-counts to determine your actual earnings. Note, since all periods are equally likely to be chosen, you should make your decision in each period as if it will be the period-that-counts.

First, we will describe the instructions for the first 10 periods.

First 10 Periods: Two Stage Investment Decision

Stage 1: Investment Decision

At the beginning of each period you will be randomly assigned to a new group of 4 players, and you will be given an automatic payment of $1.00.

In each period you will be choosing how to divide 5 tokens between two investment opportunities:

THE RED INVESTMENT

Each token you invest in the RED investment will earn you a return of $3.00.

Example: Suppose you invest 4 tokens in the RED investment, then you would earn $12.00 from this investment.

Example: Suppose you invest 0 tokens in the RED investment, then you would earn $0.00 from this investment.

THE BLUE INVESTMENT

What you earn from the BLUE investment will depend on the total number of tokens that you and the other 3 members of your group invest in the BLUE investment. The more the group invests in the BLUE investment, the more each member of the group earns.

Each token you invest in the BLUE investment will earn you and all your group members a return of $2.00.

The process is best explained by a number of examples.
Example: Suppose that you decided to invest no tokens in the BLUE investment but that the 3 other members invest a total of 9 tokens. Then your earnings from the BLUE investment would be $18.00 (which is 9 tokens multiplied by $2.00). Everyone else in your group would also earn $18.00.

Example: Suppose that you invest 2 tokens in the BLUE investment and that the 3 other members of your group invest a total of 9 tokens. This makes a group total of 11 tokens. Your return from the BLUE investment would be $22.00 (which is 11 tokens multiplied by $2.00). The other 3 members of the group would also get a return of $22.00.

Example: Suppose that you invest 3 tokens in the BLUE investment and the other 3 members invest nothing. Then you, and everyone else in the group, would get a return from the BLUE investment of $6.00 (which is 3 tokens multiplied by $2.00).

As you can see, every token invested in the BLUE investment will earn $2.00 for every member of the group, not just the person who invests it there. It does not matter who invests tokens in the BLUE investment. Everyone will get a return from every token invested there—whether they invest tokens in the BLUE investment or not.

**YOUR TASK**

Your task is to decide how many of your tokens to invest in the RED investment and how many to invest in the BLUE investment. You are free to invest some of your tokens in the RED investment and some in the BLUE investment. Alternatively, you can invest all of them into the RED investment or all of them into the BLUE investment.

**Earnings**

Once you and the other 3 members of your group have made your decisions, you will receive an **Earnings Statement** for that period. You will be given anonymous details of all your group’s investments and earnings.

Your earnings have been computed using the following simple formula:

\[
1^{st}\text{ Stage Earnings} = (3.00)(\text{Your investment to the RED investment}) + (2.00)(\text{Total group investments to the BLUE investment})
\]

For example imagine you invested 4 to the BLUE investment, your other group members invest 2, 3, and 3 to the BLUE investment.

In this example 1st stage earnings are computed as follows:

1st Stage Earnings = (3.00)(5-4) + (2.00)(4 + 2 + 3 + 3)  
1st Stage Earnings = (3.00)(1) + (2.00)(12)  
1st Stage Earnings = $3.00+$24.00  
1st Stage Earnings = $27.00

Your earnings will be your 1st Stage earnings plus your $1.00 automatic payment. You will also be given a summary of your current and previous earnings.

**You must make your investment decisions without knowing what the others in your group are deciding. Do not discuss your decision with any other participant.**
Stage 2: Decision

At the beginning of Stage 2 of each decision period you will be informed about how much each group member contributed to the BLUE investment, RED investment and their initial earnings at the end of the Stage 1. Moreover, during Stage 2 you can change or leave unchanged the earnings of each of the other members of your group by assigning deduction points. The other group members can also reduce your earnings, if they so wish.

You now have to decide how many deduction points to assign to each of the other group members. You must enter a number for each of them. If you do not want to change the earnings of a particular group member, you enter 0. If you assign deduction points, there will be a cost for each deduction point that you assign. The more deduction points you assign the higher are your costs. Each deduction point costs you $1.00.

If you assign 0 deduction points to a certain group member, you do not change the earnings of this group member. If however, you assign 1 deduction point to a group member, you reduce that group member’s earnings by $3.00.

Example: Suppose you assign 2 deduction points to player 1. This costs you $2.00 and reduces player 1’s income by $6.00.

Example: Suppose you assign 0 deduction points to player 1. This costs you $0.00 and reduces player 1’s income by $0.00.

Example: Suppose you assign 1 deduction point to player 1, 2 deduction points to player 2, and 3 deduction points to player 3. That is a total of 6 deduction points (6=1+2+3) that you assigned to other players. This costs you $6.00 and reduces player 1’s income by $3.00, reduces player 2’s income by $6.00, reduces player 3’s income by $9.00.

Example: Suppose player 1 assigns 0 deduction point to you, player 2 assigns 1 deduction point to you, and player 3 assigns 3 deduction points to you. That means in total you were assigned 4 deduction points (4=0+1+3) by the other players in your group. This will lower your payoff by $12.00 (4 deduction points multiplied by $3.00).

Earnings

Your total earnings from the two stages is therefore calculated as follows:

\[
\text{Total Earnings at the end of the period} = \text{1st stage Earnings} - \text{Total of Deductions you receive} - \text{Cost of Deductions you give}
\]

Please note that using this formula, your earnings at the end of the period can be negative. If this happens, we will pay your $0.00 for this period. You cannot owe us money at the end of the session.

**You must make your investment decisions without knowing what the others in your group are deciding. Do not discuss your decision with any other participant.**

Your Group

For each decision period you will be in a group of 4 people in the room today. **After each decision period we will randomly rematch you with a new group of 4 people in the room.** As a result, each decision you make will be with a new group of 4 participants. The probability that you will ever be in the same group of 4 participants again is extremely remote.
Things to Remember

- You will be in a group of 4 people
- The groups will be randomly re-matched every decision period.
- You will have automatic earnings of $1.00 each period.
- In Stage 2 you can reduce the earnings of other members of your group by assigning deduction points.
- You pay $1.00 for each deduction point.
- Each deduction point you assign to another group member will reduce their earnings by $3.00.
- If your period earnings are negative we will pay you $0.00 for this period.
- Please feel free to use the calculator, and scratch paper provided to help you with your calculations.

Thank you.

Please wait to be told when you can begin making decisions for the next 10 periods.
The instructions used in period 11-20 for the P2P-P2P treatment
Next 10 Periods: Two Stage Investment Decision

Your session has been chosen to do the same task in Periods 11-20, as you did in the first 10 periods. So, the last 10 periods will be exactly the same as the first 10 periods. We will take a moment now to review the instructions.

At the beginning of each period you will be randomly assigned to a new group of 4 players, and you will be given an automatic payment of $1.00.

In each period you will be choosing how to divide 5 tokens between two investment opportunities:

1. **THE RED INVESTMENT**

   Each token you invest in the RED investment will earn you a return of $3.00.

2. **THE BLUE INVESTMENT**

   Each token you invest in the BLUE investment will earn you and all your group members a return of $2.00.

### Stage 1 Earnings

Once you and the other members of your group have made your decisions, you will receive an Earnings Statement for that period. Your earnings have been computed using the following simple formula:

\[
1\text{st Stage Earnings} = (\$3.00) \times (\text{Your contribution to the RED investment}) + (\$2.00) \times (\text{Total group contributions to the BLUE investment})
\]

### Stage 2: Decision

At the beginning of Stage 2 of each decision period you will be informed about how much each group member contributed to the BLUE investment and their initial earnings at the end of the Stage 1. Moreover, during Stage 2 you can change or leave unchanged the earnings of each of the other members of your group by assigning deduction points. The other group members can also reduce your earnings, if they so wish.

You now have to decide how many deduction points to give to each of the other group members. You must enter a number for each of them. If you do not want to change the earnings of a particular group member, you enter 0. If you assign deduction points, there will be a cost for each deduction point that you assign. Each deduction point costs you $1.00.

If you assign 0 deduction points to a certain group member, you do not change the earnings of this group member. If however, you assign 1 deduction point to a group member, you reduce that group member’s earnings by $3.00.

### Earnings

Your total earnings from the two stages is therefore calculated as follows:

\[
\text{Total Earnings at the end of the period} = 1\text{st stage Earnings} - \text{Total of Deductions you receive} - \text{Cost of Deductions you give}
\]

Please note that using this formula, your earnings at the end of the period can be negative. If this happens, we will pay your $0.00 for this period. You cannot owe us money at the end of the session. At minimum you will be paid $7 for today’s session.
You must make your investment decisions without knowing what the others in your group are deciding. *Do not discuss your decision with any other participant.*

Your Group

For each decision period you will be in a group of 4 people in the room today. **After each decision period we will randomly rematch you with a new group of 4 people in the room.** As a result, each decision you make will be with a new group of 4 participants. The probability that you will ever be in the same group of 4 participants again is extremely remote.

Your Earnings

Once all your decisions in the 20 periods have been made, we will randomly select one of the 20 periods as the periods-that-counts. We will use the period-that-counts to determine your actual earnings. Note, since all periods are equally likely to be chosen, you should make all your decision in each period as if it will be the period-that-counts.

Things to Remember

- You will be in a group of 4 people
- The groups will be randomly re-matched every decision period.
- You will have automatic earnings of $1.00 each period
- This part of the study will be exactly like the first 10 periods.
- In Stage 2 you can reduce the earnings of other members of your group by assigning deduction points.
- You pay $1.00 for each deduction point.
- Each deduction point you assign to another group member will reduce their earnings by $3.00.
- If your period earnings are negative we will pay you $0.00 for this period.
- At minimum you will be paid $7 for today’s session.
- Please feel free to use the calculator, and scratch paper provided to help you with your calculations.

Thank you.

Please wait to be told when you can begin making decisions for the next 10 periods.
The instructions used in period 11-20 for the P2P-P2P/G4H treatment
Next 10 Periods: Investment Decision with Administrator Hiring

Stage 1: Administrator Fund

If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question.

At the beginning of each period you will be randomly assigned to a new group of 4 players. In Stage 1 you will receive 4 tokens. You will be asked to invest in an Administration Fund in Stage 1. You may enter any investment from zero up to 4 tokens. Investments in excess of 4 tokens will not be accepted. Each token you do not invest in the Administration Fund can be exchanged for $0.25.

Once all 4 members of your group have entered their choice of investment in the Administration Fund, the sum of these investments will be computed. If your group reaches the **threshold of 8 or more tokens**, then your group will hire a **computer simulated Administrator**.

**ADMINISTRATOR**

If your group is overseen by a **computer simulated Administrator**, the Administrator will examine the number of tokens you invest in the **BLUE** investment in Stage 2. The computer-simulated Administrator may take a deduction from your payoff according to certain rules which we will go over in detail in a few minutes. For now, it is most important for you to know that the computer-simulated Administrator will take a deduction from the lowest investor to the **BLUE** investment in your group.

In Stage 1 you and your other group members will decide how much to invest in the Administration Fund. Your decision along with your other 3 group members will determine if your group hires a computer simulated Administrator.

### Stage 1 Earnings & Administrator Hiring

Now we will go through some examples of the Stage 1 decision and the resulting earnings.

**Example**: Suppose you invest 4 tokens in the Administration Fund. The other players in your group invest a total of 5 tokens. Then total investments are 9, which is greater than the threshold of 8. In the 2nd stage your group will be monitored by a computer simulated Administrator, and so the lowest investor to the **BLUE** investment in your group will have a payoff deduction. You invested all 4 of your tokens, and the Administration Fund threshold was met, so your payoff from Stage 1 is $0.00 (0 tokens multiplied by $0.25).

**Example**: Suppose you invest 3 tokens in the Administration Fund. The other players in your group invest a total of 4 tokens. Then total investments in the Administration Fund are 7, which is less than the threshold of 8, so there will be no payoff deductions in Stage 2. When the Administration Fund threshold is not met, then your investment of 3 tokens to the Administration Fund will be given back to you---so you will get back the 3 tokens you had at the beginning of Stage 1. Your payoff from these tokens will be $1.00 (4 multiplied by $0.25).

**Example**: Suppose you invest 1 token in the Administration Fund. The other players in your group invest a total of 9 tokens. Then total investments in the Administration Fund are 10, which is greater than the threshold of 8. In the 2nd stage your group will be monitored by a computer simulated Administrator, and so the lowest investor to the **BLUE** investment in your group will have a payoff deduction. You invested 1 of your tokens in the Administration Fund, so you must have kept 3 of your 4 Stage 1 tokens. Each token kept will be exchanged for $0.25, so your payoff from Stage 1 will be $0.75 (3 multiplied by $0.25).
Your payoff from Stage 1 is computed using the following simple formula.

If the group investments to the Administration Fund *meets or exceeds* the threshold of 8 tokens:

\[
1^\text{st} \text{ Stage Earnings} = (\$0.25) \times (4 - \text{Your investment to the Administration Fund})
\]

If the group investments to the Administration Fund are *less than* the threshold of 8 tokens:

\[
1^\text{st} \text{ Stage Earnings} = (\$0.25) \times (4) = $1.00
\]

You must make your investment decisions without knowing what the others in your group are deciding. *Do not discuss your decision with any other participant*

At the end of Stage 1, you will be informed whether your group has hired a computer simulated Administrator for Stage 2.
Stage 2: Investment Decision

Stage 2 is very similar to the decision you made in the first 10 periods.

In each period you will be choosing how to divide 5 tokens between two investment opportunities:

THE RED INVESTMENT

Each token you invest in the RED investment will earn you a return of $3.00.

THE BLUE INVESTMENT

Each token you invest in the BLUE investment will earn you a return of $2.00 for you and all the members of your group.

You will be reminded whether your group met the administration threshold during this period. If your group's total investments to the Administration Fund in Stage 1 exceeded the threshold then the lowest investor to the BLUE investment will have a deduction taken from their payoff.

ADMINISTRATOR

If your group is overseen by a computer-simulated Administrator, the Administrator will examine the number of tokens you invest in the BLUE investment. The computer-simulated Administrator may take a deduction from your payoff according to these rules:

1. Only the lowest investor (or investors in case of a tie) to the BLUE investment will have a deduction taken from their payoff by the Administrator.
2. The size of the deduction will depend on the investment choices of your group members. The deduction will be the difference between the payoff of the lowest investor and the payoff of the second lowest investor to the BLUE investment in your group plus $3.00.
3. If there is a tie for the lowest investor, all those who tied will have the deduction taken from their payoff.
4. If all 4 members of your group tie for the lowest investor, then all of you will have $3.00 taken from your payoffs.
5. If all members of your group allocate the whole of their 5 tokens to the BLUE investment, then no one will have a deduction taken from their payoffs.

Thus, when the Administrator has been hired the only way you can avoid having a deduction is to avoid being the lowest investor to the BLUE investment. When the Administrator has been hired, the only way everyone in the group can avoid a deduction is if everyone invests all 5 tokens to the BLUE investment.

If the Administrator was not hired, then no deductions will be taken from anyone’s earnings.
Earnings: If Administration Fund threshold is met

Example: Suppose that you invest 3 tokens in the RED investment and 2 tokens in the BLUE investment. Suppose that the 3 other members of your group invest 4, 4, and 1 tokens in the BLUE investment respectively. This makes a group total of 11 tokens. Your return from the BLUE investment would be $22.00. The other 3 members of the group would also get a return of $22.00 from the BLUE investment. Your initial payoff from this stage would be:

$$3 \times ($3.00) + (2+ 4+ 4+ 1) \times ($2.00) = 31.00$$

You invested 2 tokens to the BLUE investment, while another player invested only 1 token, so you are not the lowest investor to the BLUE investment. Thus, you will not have a payoff deduction. Your earnings for Stage 2 of this period will be your initial earnings of $31.00.

Example: Suppose that you invest 3 tokens in the RED investment and 2 tokens in the BLUE investment. Suppose that the 3 other members of your group invest 3, 4, and 2 tokens in the BLUE investment respectively. This makes a group total of 11 tokens. Your return from the BLUE investment would be $22.00. The other 3 members of the group would also get a return of $22.00 from the BLUE investment. Your initial payoff from this stage would be:

$$3 \times ($3.00) + (2+ 3+ 4 +2) \times ($2.00) = 31.00$$

You invested 2 tokens to the BLUE investment, so you and the other player that invested 2 tokens tied for being the lowest investors to the BLUE investment. Thus, you (and the other player that invested only 2 in the BLUE investment) will have a payoff deduction. The size of the deduction will be $3.00 plus the difference between your initial earnings and the next lowest investor in the BLUE investment. The next lowest investor in your group invested 3 tokens in the BLUE investment and earned $28.00. In this example that would mean your deduction would be $3.00 + ($31.00-$ 28.00) = $6.00. Your Stage 2 net earnings will be your initial earnings of $31.00 minus your deduction of $6.00, which in total equals $25.00. You will be told that you were the lowest investor when your period earnings are reported to you.

Example: Suppose that you invest 0 tokens in the RED investment and 5 tokens in the BLUE investment. Suppose that the 3 other members of your group invest 5, 5, and 5 tokens in the BLUE investment respectively. This makes a group total of 20 tokens. Your return from the BLUE investment would be $40.00. The other 3 members of the group would also get a return of $40.00 from the BLUE investment.

Everyone invested all their 5 tokens to the BLUE investment, so there is no lowest investor to the BLUE investment. In this specific case even though there is a computer simulated Administrator, no one will have a payoff deduction. Your payoff for Stage 2 of this period will be $40.00.

Earnings: If Administration Fund threshold is not met

If your group did not meet the threshold of 8 tokens, then in Stage 2 no one will have a deduction taken from their payoffs. Your Stage 2 earnings for the last 10 periods are computed by the following formula:

If the group investments to the Administration Fund meet or exceed the threshold of 8 tokens:

$$2nd\text{ Stage Earnings} = ($3.00)\times(\text{Your investment to the RED investment}) + ($2.00)\times(\text{Total group investments to the BLUE investment}) - \text{(Payoff Deduction if you are the lowest investor to the BLUE investment)}$$

If the group investments to the Administration Fund are less than the threshold of 8 tokens:

$$2nd\text{ Stage Earnings} = ($3.00)\times(\text{Your investment to the RED investment}) + ($2.00)\times(\text{Total group investments to the BLUE investment})$$
Stage 3: Deduction Points Decision

At the beginning of Stage 3 of each decision period you will be informed about how much each group member contributed to the BLUE investment their initial earnings, the size of any Administrator Deductions and the Earnings minus these Administrator deductions at the end of the Stage 2.

Moreover, during Stage 3 you can change or leave unchanged the earnings of each of the other members of your group by assigning deduction points. The other group members can also reduce your earnings, if they so wish.

You now have to decide how many deduction points to give to each of the other group members. You must enter a number for each of them. If you do not want to change the earnings of a particular group member, you enter 0. If you assign deduction points, there will be a cost for each deduction point that you assign. The more deduction points you assign the higher are your costs. Each deduction point costs you $1.00.

If you assign 0 deduction points to a certain group member, you do not change the earnings of this group member. If however, you assign 1 deduction point to a group member, you reduce that group member’s earnings by $3.00.

Thus, Stage 3 earnings can be computed by the following formula:

If the group investments to the Administration Fund meet or exceed the threshold of 8 tokens:
Stage 3 Earnings = ($3.00)*(Your investment to the RED investment) + (2.00)*(Total group investments to the BLUE investment) – (Payoff Deduction if you are the lowest investor to the BLUE investment) – (Total of Deductions you receive) – (Cost of Deductions you give)

If the group investments to the Administration Fund are less than the threshold of 8 tokens:
Stage 3 Earnings = ($3.00)*(Your investment to the RED investment) + (2.00)*(Total group investments to the BLUE investment) – (Total of Deductions you receive) – (Cost of Deductions you give)

Costs

At the end of each decision period you will also be informed about the costs of that your group as a whole paid for the Administrator, and Deduction Points. These will be broken down as follows:

- You will be told how much money your group spent to hire an Administrator.
- You will be told the sum of the Administrator deductions in your group.
- You will be told how much money your group spent on purchasing deduction points.
- You will be told how much money was taken away from your group as a result of the assignment of deduction points.
Your Group

A decision period consists of Stage 1, Stage 2 and Stage 3. For each decision period you will be in a group of 4 people in the room today. This means you will be in the same group of people during Stage 1 and 2, and then after the end of Stage 3, we will randomly rematch you with a new group of 4 people in the room for the next decision period. As a result, each period you will be with a new group of 4 participants. The probability that you will ever be in the same group of 4 participants again is extremely remote.

Your Earnings

Once all your decisions in the 20 periods have been made, we will randomly select one of the 20 periods as the period-that-counts. We will use the period-that-counts to determine your actual earnings. Note, since all periods are equally likely to be chosen, you should make all your decision in each period as if it will be the period-that-counts.

Things to Remember

- This part of the study will have three stages.
- In the Stage 1 you and your other group members will decide how to allocate 4 Stage 1 tokens toward an Administration Fund.
  - If your group investment in the Administration Fund meets or exceeds 8 tokens, then in Stage 2 there will be an Administrator.
    - The Administrator will be responsible for taking a deduction from the earnings of the lowest investor in the BLUE investment.
    - The deduction will equal to (the earnings of the lowest BLUE investor) – (the earnings of the second lowest BLUE investor) + $3.00.
    - If several people are tied for the lowest investor, all will receive a deduction from their earnings.
    - If all people in the group invest all 5 tokens in the BLUE investment, then no one will receive a deduction.
  - On the other hand, if your group investment in the Administration Fund is below 8 tokens, then in Stage 2 there will be no computer simulated Administrator.
- In Stage 2 you and your group members will choose how to invest 5 Stage 2 tokens in the RED and the BLUE investment, and a computer simulated may take a deduction from your group.
- In Stage 3, you can reduce the earnings of other members of your group by assigning deduction points.
  - You pay $1.00 for each deduction point.
  - Each deduction point you assign to another group member will reduce their earnings by $3.00.
  - If your period earnings are negative we will pay you $0.00 for this period. At minimum you will be paid $7.00 for today’s study.
- Please feel free to use the calculator, and scratch paper provided to help you with your calculations.

If you have any questions about the instructions please raise your hand and someone will come and speak with you privately about your question.

Thank you.

Please wait to be told when you can begin making decisions for the next 10 periods.
Hired Gun Screenshots
LPG (1)

You have 5 tokens for this phase of the study.

You also have been given $0.50 for participating in this period. This amount will be added to your final payment.

Tokens in the PES investment earn $3.00 for you, and $0.50 for all other participants.

Tokens in the SLUS investment earn $3.00 for you and for all other participants.

Use the box to indicate how many tokens are to be invested in the PES investment.

Use the box to indicate how many tokens will be invested in the SLUS investment.
<table>
<thead>
<tr>
<th>Project</th>
<th>NPI (Investment)</th>
<th>SRI (Investment)</th>
<th>Initial Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>5</td>
<td>0</td>
<td>36.00</td>
</tr>
<tr>
<td>Project 2</td>
<td>0</td>
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<td>28.50</td>
</tr>
<tr>
<td>Project 3</td>
<td>3</td>
<td>2</td>
<td>24.50</td>
</tr>
<tr>
<td>Year</td>
<td>2</td>
<td>3</td>
<td>28.50</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**RESULTS:**

- R0 Investment: 3
- Rule Investment: 3
- Total Firms in Rule Investment: 10
- Average Payment: 1.08
- Your Earnings This Period: 27.08

<table>
<thead>
<tr>
<th>Period</th>
<th>Estimated Payment</th>
<th>R0 Investment</th>
<th>Rule Investment</th>
<th>Total Firms in Rule Investment</th>
<th>Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.08</td>
<td>2</td>
<td>3</td>
<td>10</td>
<td>27.08</td>
</tr>
</tbody>
</table>
P2P(1)

<table>
<thead>
<tr>
<th>Period</th>
<th>1 of 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Sheet 1 of 2)</td>
<td></td>
</tr>
<tr>
<td>You are in a group of 4 people.</td>
<td></td>
</tr>
<tr>
<td>You have 5 tokens for this stage 1 investment.</td>
<td></td>
</tr>
<tr>
<td>You also have been given 1.50 dollars for participating in this period. You may notice nothing with these dollars, but they will be added to your final payment.</td>
<td></td>
</tr>
<tr>
<td>Tokens in the P2P investment were $3.00 for you, and $0.75 for all other group members.</td>
<td></td>
</tr>
<tr>
<td>Tokens in the SURE investment were $2.00 for you, and for all other group members.</td>
<td></td>
</tr>
<tr>
<td>Use the box to decide how many of your 5 tokens will be invested in the P2P investment.</td>
<td></td>
</tr>
<tr>
<td>Use the box to decide how many of your 5 tokens will be invested in the SURE investment.</td>
<td></td>
</tr>
</tbody>
</table>
P2P(2)
P2P(3)

<table>
<thead>
<tr>
<th>Player</th>
<th>RED (Invested)</th>
<th>BLUE (Invested)</th>
<th>Shape 1 (Points)</th>
<th>Deduction Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Player 1</td>
<td>6</td>
<td>1</td>
<td>20.83</td>
<td></td>
</tr>
<tr>
<td>You</td>
<td>2</td>
<td>2</td>
<td>20.83</td>
<td></td>
</tr>
<tr>
<td>Player 3</td>
<td>2</td>
<td>3</td>
<td>20.83</td>
<td></td>
</tr>
<tr>
<td>Player 4</td>
<td>6</td>
<td>8</td>
<td>25.83</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

You can afford to lose this many deduction points: 20
P2P(3)
G4H(1)

Stage 1 of 2
You are in a tax group of 4 people.

A. Your group's tax investments in the Administration Fund are as follows:

Each group has invested in the Administration Fund and if the investments in Stage 2 will group will find an Administration.

NOTE: Automatically follows the Administration Fund:
1. In the above example, Group A's DPST investment will have a deduction taken in the first payroll for the Administration.
2. The rate of the deduction will be $25 per the difference between the pay of the lowest participant and the payroll of the second lowest participant to the DPST investment in payroll:
3. If there is no deduction to the Administration, all those selected will have the deduction taken from the payroll:
4. If the group's tax group is to the lowest participant, the amount will have $25 taken from your payroll:
5. If the amount of your group is in Stage 2 that will be (and at Stage 1 will be) the DPST investment to the Administration in order will have a deduction taken from the payroll:

D. Your group's investments in the Administration Fund are as follows:

If the above investments in the Administration Fund are given back or not.

NOTE: If your investments in the Administration Fund are given back or not.

Use this line to determine the amount of your group's tax investment in the Administration Fund.
<table>
<thead>
<tr>
<th>Period</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
</table>

**RESULTS (chart 1):**

- Your investment in the Administration Fund: 2
- Total group investment in the Administration Fund: 6
- Your group's total investment of $1 million exceeded the threshold of $5,000; a group meeting is an annual event for Stage 2.
- You kept 11 notes, which was 11% of the meeting summary (in brackets): 11/100
G4H(3)
G4H(4) - lowest

<table>
<thead>
<tr>
<th>Player</th>
<th>RED Investment</th>
<th>BLUE Investment</th>
<th>Initial Earnings</th>
<th>Deduction</th>
<th>Initial Earnings - Deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Player 1</td>
<td>3</td>
<td>2</td>
<td>28.80</td>
<td>6.00</td>
<td>22.80</td>
</tr>
<tr>
<td>Player 2</td>
<td>3</td>
<td>5</td>
<td>28.80</td>
<td>6.00</td>
<td>22.80</td>
</tr>
<tr>
<td>You</td>
<td>5</td>
<td>8</td>
<td>28.80</td>
<td>6.00</td>
<td>22.80</td>
</tr>
<tr>
<td>Player 4</td>
<td>2</td>
<td>3</td>
<td>28.80</td>
<td>6.00</td>
<td>22.80</td>
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<tr>
<td>Total</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
G4H (5) - lowest

You are at the lowest G4H investment level, and no deduction of G4H has been taken from your Stage 2 earnings.

<table>
<thead>
<tr>
<th>Period</th>
<th>Stage 1 Earnings</th>
<th>H4 Investment</th>
<th>Rule 5 Investment</th>
<th>Total Future In Stage 2</th>
<th>Amount of Deductions</th>
<th>Net Stage 2 Earnings</th>
<th>Stage 1 - Stage 2 Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.00</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>
You are in a new group of 4 people.

You have $800 to buy Stage 1 and Stage 2.

You can choose to keep these tokens or invest them in an Administration Fund. For each token you keep, you will earn $2.50.

Each token you invest in the Administration Fund will get you extra tokens or reduce your group's investment in the game.

A. Your group's total investment in the Administration Fund and the number of players in Stage 2 and group will determine:

- **NOTE**: Automatic Rules followed by Administration Fund.
- **1.** On the lowest investment in the Administration Fund, there will be a deduction taken from the players. The deduction will be $2.00.
- **2.** Any player who contributes to the Administration Fund will have their contribution reflected in their total score.
- **3.** If there is a player with the smallest deduction, all players will have the deduction taken from their score.
- **4.** If a player has $0, all players will be deducted their total.
- **5.** All investments over the group's investment in Stage 2 will result in an automatic deduction from that player's score.

If the group's investment in the Administration Fund is less than $1,000, the group will lose an extra $1.

In this case, your investment to the Administration Fund will be given back to you.

**NOTE**: Automatic Rules are followed by the Administration Fund. There will be a deduction taken from any other group members.

Use this button to indicate how many of your tokens you would like to invest in the Administration Fund.
G4H/P2P (2)
G4H/P2P (3)
**G4H/P2P (4) – not lowest**

<table>
<thead>
<tr>
<th>Player</th>
<th>Player (0)</th>
<th>Position (1)</th>
<th>Initial Earnings</th>
<th>Administrative Deduction</th>
<th>Final Earnings</th>
<th>Deduction Points</th>
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</thead>
<tbody>
<tr>
<td>Player 1</td>
<td>8</td>
<td>5</td>
<td>20.00</td>
<td>0.00</td>
<td>20.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Player 2</td>
<td>2</td>
<td>3</td>
<td>20.00</td>
<td>0.00</td>
<td>20.00</td>
<td>25.00</td>
</tr>
<tr>
<td>You</td>
<td>3</td>
<td>2</td>
<td>20.00</td>
<td>0.00</td>
<td>20.00</td>
<td>25.00</td>
</tr>
<tr>
<td>Player 3</td>
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</tr>
</tbody>
</table>

*You can afford to leave this many deduction points: 25.00*
G4H/P2P (5) – not lowest

<table>
<thead>
<tr>
<th>Period</th>
<th>Payee Information</th>
<th>NILD International</th>
<th>EIL International</th>
<th>Total Income</th>
<th>Quiet Earnings</th>
<th>Administrative Deduction</th>
<th>Quiet Earnings Tax Period</th>
<th>Quiet Earnings</th>
<th>Total Earnings</th>
<th>Period</th>
<th>Notes</th>
<th>Amount</th>
<th>Total Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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