

Instructions (Rebate)

Welcome!

This experiment will take about 30 minutes to complete. At the beginning of the experiment, we will demonstrate the rules. If you fully understand the instructions and make your decisions carefully, you will receive a 100 New Taiwan dollars(NTD) show-up fee, plus possible additional earnings at the end of the experiment. Therefore, it is very important for you to read the instructions carefully. If you have any questions about the instructions, please raise your hand and we will come to explain it to you. Additionally, to help you to check your understanding of the instructions, you need to answer several comprehensive questions after reading the instructions. The experiment will begin when all participants answer the comprehensive questions correctly.

During the entire experiment, please do not contact any other participants and do not use your mobile phone. If you violate the rules, you will be asked to leave the room without receiving any payment.

During the experiment, the payoffs are denominated as tokens and 1 token is equal to NTD 6. The possible additional earnings you can earn in this experiment are decided by your decisions and luck. At the end of experiment, you can receive NTD 100 show-up fee and additional earnings from the experiment which is converted from tokens to NT dollars. The total experimental earnings are calculated by:
Total experimental earnings = NTD 100 show-up fee + 6 × the tokens you earn in the experiment

One of the participants in the room will be chosen at random to be the monitor for this experiment. The monitor will verify that the instructions, as they appear here, have been followed. At the end of the experiment, the monitor will be paid NTD 200.

Every participant will be paid in private. You are not obligated to tell others how much you earn from the experiment.

In this experiment, you are asked to make allocation decisions for three problems. For each allocation problem, you are given 20 tokens as your endowment. In addition, you are paired with the charity in each allocation problem. The selected charity in this experiment is “Jing Chuan Child Safety Foundation.” This foundation promotes child safety education advocacy, legislative amendments, policy initiatives, and accident injury trauma healing, etc.

The decision you have to make

In each allocation problem, you are asked to allocate the endowment between yourself and the charity. Please enter the number you want to allocate to the charity for each allocation problem and click “OK” to complete your decisions. **Note that the allocation amount may be any integer between 0 and your endowment.** The remaining tokens will be automatically allocated to you.

Example 1: Assume the allocation problem is “**For every token you allocate to the charity, the experimenter will refund to you 0.2 tokens.**”

If you elect to keep 12 tokens and allocate 8 tokens to the charity, you will earn 13.6 tokens (the 12 tokens you kept plus the 1.6 tokens refund ($= 8 \text{ tokens} \times 0.2$)). The charity will receive 8 tokens.

Example 2: Assume the allocation problem is “**For every token you allocate to the charity, the experimenter will refund to you 0.25 tokens.**”

If you elect to keep 10 tokens and allocate 10 tokens to the charity, you will earn 12.5 tokens (the 10 tokens you kept plus the 2.5 tokens refund ($= 10 \text{ tokens} \times 0.25$)). The charity will receive 10 tokens.

The aforementioned two examples are for demonstrations only. Your allocation decisions can be different from the examples.

After you have completed making the allocation decisions, the computer will select at random one of the allocation problems and the experimenter will carry out the decisions made for that allocation problem for all subjects.

You have finished reading the instructions. If you have any questions, please raise your hand.

Comprehensive questions:

1. Suppose the scenario is: For every token allocated to the charity, you receive a refund of 0.4 tokens. If you have an endowment of 20 tokens and you allocate 6 tokens to the charity. How many tokens will the charity receive?

- (A) 6 tokens
- (B) 3.6 tokens
- (C) 2.4 tokens

2. Suppose the scenario is: For every token allocated to the charity, you receive a refund of 0.3 tokens. If you have an endowment of 20 tokens and you allocate 4 tokens to the charity. How many tokens will you earn?

- (A) 16 tokens
- (B) 17.2 tokens
- (C) 14.8 tokens

Instructions (Match)

Welcome!

This experiment will take about 30 minutes to complete. At the beginning of the experiment, we will demonstrate the rules. If you fully understand the instructions and make your decisions carefully, you will receive a 100 New Taiwan dollars(NTD) show-up fee, plus possible additional earnings at the end of the experiment. Therefore, it is very important for you to read the instructions carefully. If you have any questions about the instructions, please raise your hand and we will come to explain it to you. Additionally, to help you to check your understanding of the instructions, you need to answer several comprehensive questions after reading the instructions. The experiment will begin when all participants answer the comprehensive questions correctly.

During the entire experiment, please do not contact any other participants and do not use your mobile phone. If you violate the rules, you will be asked to leave the room without receiving any payment.

During the experiment, the payoffs are denominated as tokens and 1 token is equal to NTD 6. The possible additional earnings you can earn in this experiment are decided by your decisions and luck. At the end of experiment, you can receive NTD 100 show-up fee and additional earnings from the experiment which is converted from tokens to NT dollars. The total experimental earnings are calculated by:
Total experimental earnings = NTD 100 show-up fee + 6 × the tokens you earn in the experiment

One of the participants in the room will be chosen at random to be the monitor for this experiment. The monitor will verify that the instructions, as they appear here, have been followed. At the end of the experiment, the monitor will be paid NTD 200.

Every participant will be paid in private. You are not obligated to tell others how much you earn from the experiment.

In this experiment, you are asked to make allocation decisions for three problems. For each allocation problem, you are given 20 tokens as your endowment. In addition, you are paired with the charity in each allocation problem. The selected charity in this experiment is “Jing Chuan Child Safety Foundation.” This foundation promotes child safety education advocacy, legislative amendments, policy initiatives, and accident injury trauma healing, etc.

The decision you have to make

In each allocation problem, you are asked to allocate the endowment between yourself and the charity. Please enter the number you want to allocate to the charity for each allocation problem and click “OK” to complete your decisions. **Note that the allocation amount may be any integer between 0 and your endowment.** The remaining tokens will be automatically allocated to you.

Example 1: Assume the allocation problem is **“For every token you allocate to the charity, the experimenter will match it with additional 0.25 tokens.”**

If you elect to keep 12 tokens and allocate 8 tokens to the charity, you will earn 12 tokens. The charity will receive 10 tokens (8 tokens from you plus an additional 2 tokens ($= 8 \text{ tokens} \times 0.25$) from the experimenter).

Example 2: Assume the allocation problem is **“For every token you allocate to the charity, the experimenter will match it with additional 0.33 tokens.”**

If you elect to keep 10 tokens and allocate 10 tokens to the charity, you will earn 10 tokens. The charity will receive 13.3 tokens (10 tokens from you plus an additional 3.3 tokens ($= 10 \text{ tokens} \times 0.33$) from the experimenter).

The aforementioned two examples are for demonstrations only. Your allocation decisions can be different from the examples.

After you have completed making the allocation decisions, the computer will select at random one of the allocation problems and the experimenter will carry out the decisions made for that allocation problem for all subjects.

You have finished reading the instructions. If you have any questions, please raise your hand.

Comprehensive questions:

1. Suppose the scenario is: For every token allocated to the charity, the charity will receive an additional 0.4 tokens from the experimenter. If you have an endowment of 20 tokens and you allocate 6 tokens to the charity. How many tokens will you earn?

- (A) 14 tokens
- (B) 8.4 tokens
- (C) 11.6 tokens

2. Suppose the scenario is: For every token allocated to the charity, the charity will receive an additional 0.3 tokens from the experimenter. If you have an endowment of 20 tokens and you allocate 5 tokens to the charity. How many tokens will the charity receive?

- (A) 5 tokens
- (B) 6.5 tokens
- (C) 1.5 tokens