A   Appendix B: Instructions

(Instructions are translated from German.)

Welcome to this experiment!

Thank you for your participation in this experiment. Please read the instructions carefully. For your participation today you will receive **4 Euro**. During the experiment you will have the possibility to earn further money. Your additional payment will depend on your choices, the choices of other participants, as well as random events. Please switch off your mobile phone and avoid any communication with your neighbors. We kindly ask you to read the following instruction carefully. If you have any questions, please raise your hand and we will come to answer your questions at your seat. This experiment has two parts. You will first work on Part 1. When you will be finished with Part 1, you will receive the instruction of Part 2.

Part 1   In this part you have to work on a given number of tasks just as all other participants in today's experiment. These tasks consist of multiple sliders that will appear on your screen. Each slider has to be moved from its initial location to the "target" location. When the target location is reached, the value will be displayed in green. All participants have to complete 12 such sliders. Each participant will get **10 tokens** for the completion of these tasks.
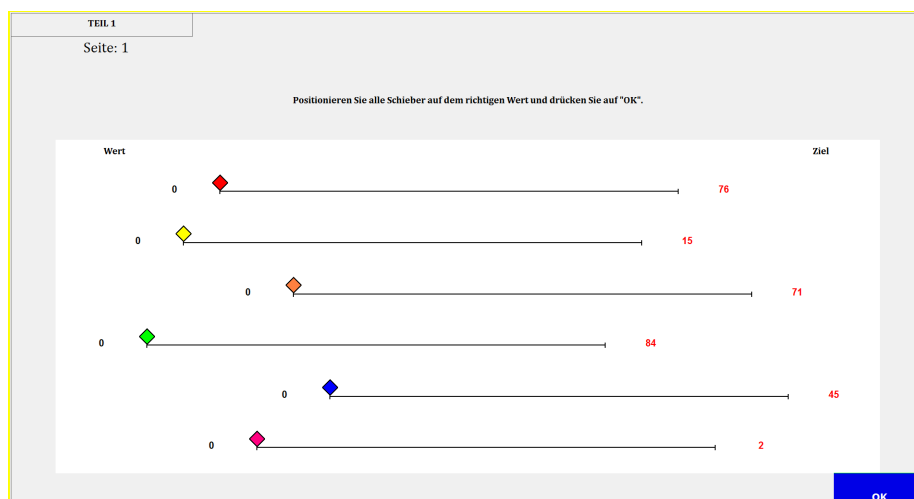

Figure 1: Slider Task

Instructions of Allocators:

Part 2   In this part of the experiment, you have been paired with another participant. You have been randomly assigned to the role of **Participant A**. The other participant has been randomly assigned to the role of **Participant B**.

Your task: Both participants have earned 10 tokens in Part 1. Hence, together you obtained 20 tokens. As Participant A you have to distribute these **20 tokens** between yourself and Participants B. You can take up to 8(2) tokens from Participant B and you can give up to 8(2) of your own tokens to Participant B.

Task of Participant B: Participant B decides at which price the 20 tokens are sold. He can set a price of 0.5€ per token (20 tokens = 10€) or a price of 0.25€ per token (20 tokens = 5€), whereby he then will get an additional compensation of 5€ just for himself.

On the next screen you will see the options of Participant B in detail.

These are not your instructions! These are the complete instructions of Participant B.

Participant A is going to distribute the 20 tokens between himself and you. He will, hence, decide how many tokens he wants to keep and how many he wants to give to you. As Participant B you have to decide what is the value of the tokens:

Option A: Each token will be worth 0,50€ (20 tokens = 10€).

Option B: Each token will be worth 0,25€ (20 tokens = 5€)., and as compensation you will receive 5€ just for yourself.

Participant A will know only after his decision which of the two options you have chosen. Likewise, you will get to know how Participant A distributed the tokens only after your decision.

Please note that the instructions to the seller do not specify how many tokens you can distribute as Participant A.

You can now go back to your own instructions by clicking on the box on the right ("Part2"). Comprehension questions will

now follow.

Part 2 In this part of the experiment, you have been paired with another participant. You have been randomly assigned to the role of Participant B. The other participant has been randomly assigned to the role of Participant A. Both participants have earned 10 tokens in Part 1. Hence, together you obtained 20 tokens. Participant A is going to distribute the 20 tokens between himself and you. He will, hence, decide how many tokens he wants to keep and how many he wants to give to you. As Participant B you have to decide what is the value of the tokens:

Option A: Each token will be worth 0,50€ (20 tokens = 10€).

Option B: Each token will be worth 0,25€ (20 tokens = 5€), and as compensation you will receive 5€ just for yourself.

Participant A will know only after his decision which of the two options you have chosen. Likewise, you will get to know how Participant A distributed the tokens only after your decision.