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- **Matchings:** The experiment consists of a series of **rounds**. You will be matched with the **same** group of 7 other people in each round. The decisions that you and the 7 other people make will determine the amounts earned by each of you.
- **Decisions:** At the beginning of each round, you will be asked to choose a number between (and including) **0.00** and **100.00**. At the same time, each of the other people in your group will also choose a number between (and including) **0.00** and **100.00**. None of you will be able to see anyone else's number until after your decision is submitted.
- **Earnings:** The numbers selected by all 8 people in your group will be averaged, and then an amount that is a fraction (**0.70**) of the average will be calculated and announced. The person whose number is closest to 0.70 of the average will earn **\$7.00**. The 7 other people will earn **\$0.00**.
- **Subsequent Matchings:** The groups of 8 people will be the same in all subsequent rounds, so the 7 other people you are matched with in one round are the same people that you are matched with in the next round.

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- **Target Number:** The person who earns the high payoff \$7.00 will be the one whose number is closest to a "target", calculated as **0.70** times the **average** of all numbers submitted by those in your group. Thus if the average is A, the target is **0.70*A**.
- **Ties:** If more than one person ties for having a number that is closest to the target, then the payment of **\$7.00** is divided equally among those who tied. The others will earn \$0.00.

Instructions Summary

- You will be matched with the **same** group of 7 other people in each round.
- All participants will begin by choosing a number between (and including) **0.00** and **100.00**. The numbers for all the people in your group of **size 8** (including your own number) will be averaged. The person whose number is closest to a fraction **0.70** of the average will receive **\$10.00**, and the others will receive **\$0.00**.
- The program will keep track of your earnings. There will be a number of rounds in this part of the experiment. Your earnings for each round will be calculated for you and added to previous earnings, as will be shown in the total earnings column of the record form that you will see next.