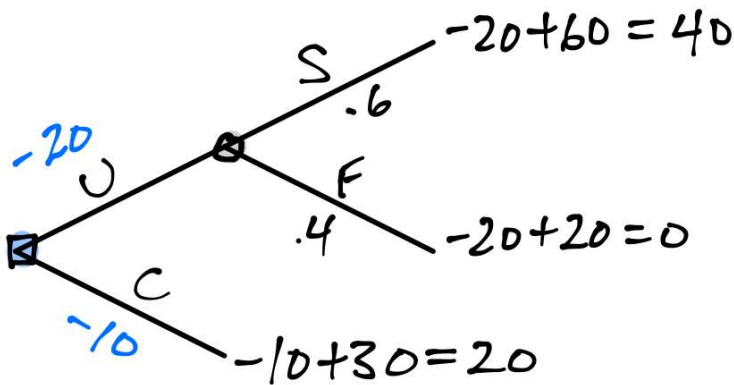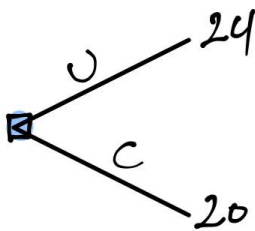# Solution: Computing upgrade

Decision tree:

Evaluating the right-most node:

$$EV = 0.6 * 40 + 0.4 * 0 = 24$$

Updating the tree:

Evaluating the last node:

Action U is best
EV of the payoff is $24M