

MATH 3630 - Actuarial Mathematics I
Fall 2016 - Valdez
Quiz No. 8
Monday, 5 December 2016

Name: _____ Student ID: _____

For a special two-year endowment insurance issued to (70) , you are given:

- A benefit of 10 is payable at the end of the year of death, if he dies before age 72.
- A benefit of $2P$ is payable at age 72, if he survives to reach 72.
- An annual benefit premium of P is payable at the beginning of each year.
- $q_{70} = 0.02$ $q_{71} = 0.03$
- $i = 0.05$

Calculate P .