

Exercise 5.7

First, we have that

$$\ddot{a}_{x:\overline{10}|} = \ddot{a}_x - {}_{10|}\ddot{a}_x = 10 - 4 = 6$$

so that

$$\begin{aligned} A_{x:\overline{10}|} &= 1 - d\ddot{a}_{x:\overline{10}|} \\ &= 1 - (1 - v)\ddot{a}_{x:\overline{10}|} \\ &= 1 - (1 - 0.94)(6) = 0.64 \end{aligned}$$

Finally, we then have

$$A_{x:\overline{10}|}^1 = A_{x:\overline{10}|} - {}_{10}E_x = 0.64 - 0.375 = 0.265$$