

MATH 3630 - Actuarial Mathematics I
Fall 2008 - Valdez
Homework No. 4
due Wednesday, 6:50 PM, October 22, 2008

Please return this page with your signature. Please write your name and student number at the spaces provided:

Name: _____ Student ID: _____

I certify that this is my own work, and that I have not copied the work of another student.

Signature: _____ Date: _____

A life insurance policy is issued to age 30 with the following decreasing scale of death benefits:

age	death benefit
30-35	2,000
35-40	1,000
40-45	500
over 45	100

Assume the benefits are payable at the end of the year of death and that:

- mortality follows the Illustrative Life Table; and
- $i = 6\%$.

Calculate the actuarial present value of the benefits for this policy. (Your answer must be a number!)