

MATH 3630 - Actuarial Mathematics I
Fall 2015 - Valdez
Homework No. 4
due Monday, 5:00 PM, 2 November 2015

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 40 with the following varying scale of death benefits:

age	death benefit
40-45	250
45-50	500
50-60	1,000
over 60	250

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!)