

Week 15.

Quiz formulas for the next week: 450: 1-19

p.520. 31, 43, 49, 74, 75, 83, 84, 85, 93,

Additional A1: Jasmine is 45 years old and purchases a 20-year deferred contingent annuity with a face value of \$40000 paid at the beginning of year while she is alive. This policy will be paid by level payments made at the beginning of the next 20 years while Jasmine is alive. Assume that $\delta = 0.05$ and constant force of mortality is 0.02. Find the annual benefit premium for this policy using the equivalent principle. Compute $V(L)$.