Problem Set 9

Exercise	Modification or comments
5.102a	Change the premium from \$350 to \$275 and the probability of dying from .002 to .0015
5.102b	Compute just the mean with its interpretation, making the same changes as in part (a)
6.80a	Change the mean and standard deviation to 4 and 1 respectively
6.80c	Same changes as in part (a)
6.82c	Change the standard deviation to .15
6.84	Change 28 and 5 to 33 and 4 respectively
6.90	Change 90% to 99%
7.94	Change 24 and 7 to 20 and 6 respectively
7.96a	Make the same changes as for 7.94, and find the probablility that the mean is less than 18
7.104	Change from 30% below 65 to 25% below 65 Hint. Each z-score formula for 65 and 90 gives an equation that contains the unknown mean μ and standard deviation σ. You could solve one equation for μ in terms of σ and insert this into the other equation to get a single equation for σ. Knowing σ you can use either equation to find μ. (This is not the only way to do this problem.)