

KFUPM  
Mathematics & Statistics

Term 182  
AS 483

Date: 10/2/2019  
Duration: 40 minutes

Quiz# 2

Name:

ID #:

Section:

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Q1: The annual number of accidents for an individual driver has a Poisson distribution with mean  $\lambda$ . The Poisson means,  $\lambda$ , of a heterogeneous population of drivers have the a Gamma distribution wit mean 0.1 and variance 0.01. Calculate the probability that driver selected at random from the population will have 2 or more accidents in one year.

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Q2: You are given:  $p_1^M = \frac{1}{6}$   $p_2^M = \frac{1}{9}$  and  $p_3^M = \frac{2}{27}$  Find  $p_0^M$

Q3:  $X$  has an exponential distribution with mean  $\theta$  and  $\theta$  has a uniform  $(0,100)$ .  $Y$  has a Uniform distribution  $(0,\alpha)$  and  $\alpha$  has an exponential distribution with mean 100. Find  $\frac{\text{Var}(X)}{\text{Var}(Y)}$

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Q4: For a discrete distribution, you are given

- $p_0 = 0.8$
- $p_k = \frac{p_{k-1}}{4k}$  for  $k > 1$

Calculate the mean and variance of the distribution?

**Q5:** Claim frequency follows a distribution in the  $(a,b,0)$  class. You are given that

- (i) The probability of 4 claims is 0.066116
- (ii) The probability of 5 claims is 0.068761
- (iii) The probability of 6 claims is 0.068761

Calculate the probability of no claims.