

6. You are given:

Claim Size (X)	Number of Claims
(0, 25]	25
(25, 50]	28
(50, 100]	15
(100, 200]	6

Assume a uniform distribution of claim sizes within each interval.

Calculate $E(X^2) - E[(X \wedge 150)^2]$.

- (A) Less than 200
- (B) At least 200, but less than 300
- (C) At least 300, but less than 400
- (D) At least 400, but less than 500
- (E) At least 500

7. The number of claims follows a negative binomial distribution with parameters β and r , where β is unknown and r is known. You wish to estimate β based on n observations, where \bar{x} is the mean of these observations.

Determine the maximum likelihood estimate of β .

- (A) \bar{x} / r^2
- (B) \bar{x} / r
- (C) \bar{x}
- (D) $r\bar{x}$
- (E) $r^2\bar{x}$