

26. You are given:

- (i) Low-hazard risks have an exponential claim size distribution with mean θ .
- (ii) Medium-hazard risks have an exponential claim size distribution with mean 2θ .
- (iii) High-hazard risks have an exponential claim size distribution with mean 3θ .
- (iv) No claims from low-hazard risks are observed.
- (v) Three claims from medium-hazard risks are observed, of sizes 1, 2 and 3.
- (vi) One claim from a high-hazard risk is observed, of size 15.

Determine the maximum likelihood estimate of θ .

- (A) 1
- (B) 2
- (C) 3
- (D) 4
- (E) 5