

78. You are given:

- (i) Claim size, X , has mean μ and variance 500.
- (ii) The random variable μ has a mean of 1000 and variance of 50.
- (iii) The following three claims were observed: 750, 1075, 2000

Calculate the expected size of the next claim using Bühlmann credibility.

- (A) 1025
- (B) 1063
- (C) 1115
- (D) 1181
- (E) 1266