

182. A company insures 100 people age 65. The annual probability of death for each person is 0.03. The deaths are independent.

Use the inversion method to simulate the number of deaths in a year. Do this three times using:

$$u_1 = 0.20$$

$$u_2 = 0.03$$

$$u_3 = 0.09$$

Calculate the average of the simulated values.

(A) $\frac{1}{3}$

(B) 1

(C) $\frac{5}{3}$

(D) $\frac{7}{3}$

(E) 3