

233. You are given:

- (i) A region is comprised of three territories. Claims experience for Year 1 is as follows:

Territory	Number of Insureds	Number of Claims
A	10	4
B	20	5
C	30	3

- (ii) The number of claims for each insured each year has a Poisson distribution.
- (iii) Each insured in a territory has the same expected claim frequency.
- (iv) The number of insureds is constant over time for each territory.

Determine the Bühlmann-Straub empirical Bayes estimate of the credibility factor Z for Territory A.

- (A) Less than 0.4
- (B) At least 0.4, but less than 0.5
- (C) At least 0.5, but less than 0.6
- (D) At least 0.6, but less than 0.7
- (E) At least 0.7