

40. For a fully discrete whole life insurance of 1000 on (60), the annual benefit premium was calculated using the following:

(i) $i = 0.06$

(ii) $q_{60} = 0.01376$

(iii) $1000A_{60} = 369.33$

(iv) $1000A_{61} = 383.00$

A particular insured is expected to experience a first-year mortality rate ten times the rate used to calculate the annual benefit premium. The expected mortality rates for all other years are the ones originally used.

Calculate the expected loss at issue for this insured, based on the original benefit premium.

(A) 72

(B) 86

(C) 100

(D) 114

(E) 128