

- 31.** A company establishes a fund of 120 from which it wants to pay an amount, C , to any of its 20 employees who achieve a high performance level during the coming year. Each employee has a 2% chance of achieving a high performance level during the coming year, independent of any other employee.

Determine the maximum value of C for which the probability is less than 1% that the fund will be inadequate to cover all payments for high performance.

- (A) 24
- (B) 30
- (C) 40
- (D) 60
- (E) 120