1, 88: Prob[N(t+h) - N(**t**) = 1] = λh + o(h).

1, p.654, Q. 21.46: • $P_{i,\ i+1}$ = 0.94 for i = 1, 2, ..., 2**4**

2, p. 114: A coinsurance factor is the proportion of any loss that is paid by the insurer after any other modifications (such as deductibles or **maximum covered losses**) have been applied.

3, page 70, solution 2.94:
Second moment = $(2{,}000^2 + 17{,}000^2 + 271{,}000^2 + 10{,}000^2)/4$ = 18,458,500,**000**.
Final answer is okay.

3, p.252, sol. 5.160: $\alpha = \frac{N}{\sum \ln[x_i] - N \ln[\theta]}$.

3, p.531, sol. 11.13: 80% confidence interval is: 11 ± (1.282)(2) / $\sqrt{8}$ = **(10.093, 11.907)**.

3, p.615, Q. 15.35: σ = 1.7.

3, p.619: Use the following grouped data for the next three questions:

Bottom of Interval	Top of Interval	# claims in the Interval
0	2.5	2625
2.5	5	975
5	10	775
10	25	500
25	Infinity	125
Total		5000

3, p.1145, Q. 29.5, choice B is equivalent to choice D. Change choice B to:
B. $\overline{X} \geq 5 + k$, for some k > 0

3, p.1299, solution 31.76, the correct solutions for parts (a) and (b) are switched:
(a) The series system functions only of all of the components function.
Thus the survival function of the system is $\mathbf{S(x)^N}$.
(b) The parallel system fails only if all of the components fail.
Thus the distribution function of the system is $F(x)^N$.
Its survival function is: $1 - F(x)^N = \mathbf{1 - \{1 - S(x)\}^N}$.

3, p.1433, solution 33.45: $f(x) = e^{-0.1(x+\delta)}$

3, p.1447, solution 33.86: $MSE[\gamma] = Var[\gamma] + Bias[\gamma]^2 = 1.6875 + 0.15^2 = 1.71$.
$| \mathbf{MSE}[\mu] - \mathbf{MSE}[\gamma] | = |0.26 - 1.71| = 1.45$.

3, p.1570, solution 38.21:The sample variance is:
$$\frac{(1.16 - 1.39)^2 + (-6.78 - 1.39)^2 + (4.04 - 1.39)^2 + (7.68 - 1.39)^2 + (0.85 - 1.39)^2}{5 - 1} = 28.42.$$
Final answer is okay.

4, p.106: **Model** SS is the amount of variation explained by the model.
Thus in this example, (**Model** SS) / (Total SS) =

4, p.301:
Then if H_0 is true, where D_0 and D_1 are the deviances of the two models:
$$F = \frac{(D_0 - D_1) / (k_0 - k_1)}{D_{\mathbf{1}} / (N - k_{\mathbf{1}} - 1)} = \frac{(RSS_0 - RSS_1) / (k_0 - k_1)}{RSS_{\mathbf{1}} / (N - k_{\mathbf{1}} - 1)},$$
has an F-Distribution with $k_0 - k_1$ and $N - k_{\mathbf{1}} - 1$ degrees of freedom.

4, p.663: Added variable plots and partial residual plots are no longer on the syllabus.

5, p.64, Q. 4.4: The m in the denominator should be mu. $\exp[- 5(x-\mu)^2 / (x\boldsymbol{\mu}^2)]$

5, p.283, Q. 12.30: $\ln(\mathbf{Y}_i) = \beta_0 + \beta_1 x_{1i} + \beta_2 x_{2i} + \beta_3 x_{3i} + \beta_4 x_{4i}$

5, p.412, Q. 18.3 (also solution):
An otherwise similar GLM excluding 2 parameters has a deviance of 2**1**32.

6, pages 11 and 241: Expected Test MSE = $E[(y_0 - \hat{\mathbf{f}}(x_0))^2]$

Usually more flexible methods have a larger variance but **a lower bias than less flexible methods**.

6, page 32: From **least to most** computationally intense:
validation set approach, k-fold validation (k < n), LOOCV.

6, Section 4: the header should read **§4 Subset Selection**

6, page 81, in both text and footnote: $\hat{Y}$ = 3**5**.25.

6, p.117, Q. 5.5, in Statement B: $\hat{\beta}_p^R$ rather than $\hat{\beta}_3^R$.

8, pages 91 and 131, the formulas should have **i** = 1 to n:

For the series system $S(t) = \prod_{i=1}^{n} S_i(t)$.

For a parallel system $r(p) = 1 - \prod_{i=1}^{n} (1 - p_i)$. Therefore, $S(t) = 1 - \prod_{i=1}^{n} F_i(t)$.

9, p.200 and p.316, parentheses are out of place:

$\text{Var}[x_t] = \sigma_W^2 \{1 + (\alpha+\beta)^2/(1-\alpha^2)\}$.

$\gamma_k = \sigma_W^2 \{(\alpha+\beta)\alpha^{k-1} + (\alpha+\beta)^2\alpha^k/(1-\alpha^2)\}$, for k > 1.

12, p. 244, question 12.4: The first column should be headed **number of spline knots**.

12, p. 294: $\ln\left[\frac{\text{Prob}[Y = 1 \mid X]}{1 - \text{Prob}[Y = 1 \mid X]}\right] = \beta_0 + f_1(X_1) + f_2(X_2) + \ldots + f_p(X_p)$.

This is equivalent to: $\text{Prob}[Y = 1 \mid X] = \frac{\exp[\beta_0 + f_1(X_1) + f_2(X_2) + \ldots + f_p(X_p)]}{1 + \exp[\beta_0 + f_1(X_1) + f_2(X_2) + \ldots + f_p(X_p)]}$.

12, p. 307: $\text{Prob}[Y = 1 \mid X] = \frac{\exp[\beta_0 + f_1(X_1) + f_2(X_2) + \ldots + f_p(X_p)]}{1 + \exp[\beta_0 + f_1(X_1) + f_2(X_2) + \ldots + f_p(X_p)]}$.