

The Calculus of Retirement Income: Typos and Omissions

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This section contains corrections to typos and omissions found within The Calculus of Retirement Income. It will be updated on an ongoing basis. To report an error found within the book, please e-mail info@ifid.ca

1 Equation (6.24), Page 128

On page 128, equation (6.24) should have the variable K , which is the partial payment fraction, multiplying the two integrals on the third line. This should be rather obvious from the second line of equation (6.24) which is correct, where K itself is multiplied by four different terms in the integrand. Likewise, the first sentence after equation (6.24) is strictly incorrect as well. Equation (6.24) differs from equation (6.20) in all three terms. Fortunately, none of the numerical values in the subsequent example are affected, since it was assumed that $K=1$. Equation (6.24) should therefore read:

$$\begin{aligned}\bar{a}_{x,y} &= \int_0^\infty e^{-rs} [({}_s p_x)({}_s p_y) + ({}_s p_x)(1 - ({}_s p_y))K + (1 - ({}_s p_x))({}_s p_y)K] ds \\ &= K \int_0^\infty e^{-rs} ({}_s p_x) ds + K \int_0^\infty e^{-rs} ({}_s p_y) ds \\ &\quad + (1 - 2K) \int_0^\infty e^{-rs} ({}_s p_x)({}_s p_y) ds.\end{aligned}\tag{6.24}$$