1. You are offered to bet $1 on the following game. A pair of dice is rolled, if the sum equals 6 you will be paid $6. If the sum is not 6 you lose your Dollar. Find the expected value of this game. Would you bet on this game? Why?

2. An insurance company estimates that 13% of insured drivers of a certain type of automobile report an accident in a given year. The average damage to the driver's car per accident is $2350. Use the expected value to determine how much the insurance company should collect as premium for collision coverage?