

- **If your friend has an exponential arrival time with $1/\lambda = 1/20$ mins then**
 - a) He will mostly likely arrive after 30 mins
 - b) He is equally likely to arrive in any minute
 - c) Don't bother calling him when his late
 - d) Don't do things with him

- **The sum of two exponential rvs is**
 - a) An exponential rv
 - b) A gamma rv
 - c) A Poisson rv
 - d) An Erlang rv

- **If a stock price, S , follows a geometric Brownian motion,**
 - a) $P\{S \text{ drops in 1 week}\}$ is the same at all days.
 - b) $P\{S \text{ rises in 1 week}\}$ is the same at all days.
 - c) $P\{S \text{ drops by \$5 1week}\}$ is the same at all days.
 - d) The stock is a good buy.

- **The amount of money people spends in downtown Beirut**
 - a) Is a Poisson rv.
 - b) Is a binomial rv.
 - c) Is currently zero.
 - d) Is a normal rv.