

**King Fahd University Of Petroleum & Minerals**  
**Department of Mathematics & Statistics**  
**STAT416 : Stochastic Processes for Actuaries (151)**  
**Assignment # 3** (Due December 20, 2015)

Write 5-10pages about one of the following topics:

Topic # 1 Explain how to find the limiting probabilities vector for not irreducible Markov chain (Better for you)

NOTE: See, for example, the following link: <http://www.win.tue.nl/resing/SOR/handout.pdf>

OR:

Topic # 2 Explain the hidden Markov chains (See Section 4.11 from your text)