Life Insurance 2 – practicals 2016/2017

Homework 3

Compute and plot the gross premium reserves for:

1) Pure endowment insurance until 65 years with the net annual premium collected during the whole period.
2) Life annuity due deferred until the age 65 years with net annual premium collected during the deferment period.

Consider the sum insured $SI = 100\,000$, and the input ages $x = 25, 30,$ and 35 years. Use the unisex life tables (TIR=1.3%) and the corresponding commutation functions. The expenses values are

Alpha = 3%,
Beta = 0,5%,
Gamma = 1%,
Delta = 0,4%.

Please send a PDF file with the results in the format *surname_name_hw3.pdf* **to my e-mail.**

DEADLINE: May 22, 2017