

ABSTRACT

CONTINUE ANNUAL PREMIUM ANALYSIS BY THE LAW OF MORTALITA MAKEHAM ON SINGLE-LIFE STATUS

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What happens in the future no one can be sure. This uncertainty can lead to the emergence of a risk. One of the efforts to transfer this risk to another party is by taking life insurance. A person who follows life insurance has an obligation to pay a premium. The type of premium that is in great demand is the annual premium. This is because the annual premium payment can be repaid in installments. Annual premiums can be calculated using a mortality table and a mortality law approach. This final project describes the continuous annual premium according to Makeham's law of mortality in single life status. Based on the results of the discussion, a continuous annual premium formula is obtained according to Makeham's law of mortality. The calculation of continuous annual premiums with the Makeham mortality law approach has several advantages including the Makeham mortality law approach which is more flexible for any age, which can be fractional age or more generally real age, the Makeham mortality law approach is carried out directly without taking a discrete approach and Makeham mortality law takes into account death with age and other risk factors that are not influenced by age.

Keywords: Life insurance, risk, mortality table, fractional age