## Glossary

- 1. **General insurance:** It essentially applies to an insurance risk that is not a life insurance or health insurance risk.
- 2. **Health insurance**: As coverage that provides for the payments of benefits as a result of sickness or injury. Includes insurance for losses from accident, medical expense, disability, or accidental death and dismemberment".
- 3. Survival function: Survival function of X, denoted by s(x) is defined by the formula  $s(x) = P[X > x] = P[X \ge x]$ .
- 4. Life tables : It is a mortality table, such that the survival distribution is estimated by compiling mortality data.
- 5. **Radix :** Let  $l_0$  be an arbitrary positive number called the **radix** of the life table . Usually  $l_0 = 100000$ .
- 6. Force of mortality : It is the instantaneous 'probability' that someone exactly age x dies at age x.
- 7. **Curtate future lifetime:** It is denoted by K(x), is defined by the relation K(x) = [T(x)]. That is, P[K(x) = k] is the probability of (x) living exactly more than k year but dies before  $(k+1)^{st}$  year after age x.
- 8. **Motor vehicle insurance:** It is an insurance policy that, the insured party pays an amount of money (the premium) to the insurer at the start of the period of insurance cover.
- 9. **Uniform Distribution:** Random variable *X* has the uniform distribution on the interval (0,  $\omega$ ) with pdf

 $f(x, \omega) = 1/\omega$ ,  $0 < x < \omega$ ; and zero elsewhere.

10. **Bernoulli distribution :** Bernoulli random variable(disribution) X, which takes 0 for failure and 1 for success.