

ACTL90005 Life Contingencies

Credit Points:	12.50						
Level:	9 (Graduate/Postgraduate)						
Dates & Locations:	2012, Parkville This subject commences in the following study period/s: Semester 2, Parkville - Taught on campus.						
Time Commitment:	Contact Hours: A 2 hour seminar and a 1 hour workshop per week Total Time Commitment: Estimated total time commitment of 120 hours per semester						
Prerequisites:							
Corequisites:	<table border="1"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>ACTL90007 Life Insurance Models 2</td> <td>Semester 2</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	ACTL90007 Life Insurance Models 2	Semester 2	12.50
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ACTL90007 Life Insurance Models 2	Semester 2	12.50					
Recommended Background Knowledge:	Students should be competent in the use of Excel.						
Non Allowed Subjects:	None						
Core Participation Requirements:	For the purposes of considering requests for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Students Experiencing Academic Disadvantage Policy, academic requirements for this subject are articulated in the Subject Description, Subject Objectives, Generic Skills and Assessment Requirements for this entry. The University is dedicated to provide support to those with special requirements. Further details on the disability support scheme can be found at the Disability Liaison Unit website: http://www.services.unimelb.edu.au/disability/						
Coordinator:	Prof David Dickson						
Contact:	Graduate School of Business and Economics Level 4, 198 Berkeley Street Telephone: +61 3 8344 1670 Online Enquiries (https://nexus.unimelb.edu.au/OnlineEnquiryForm.aspx?campaigncode=CMP-01311-VZ8293&cssurl=https://nexus.unimelb.edu.au/cssfiles/gsbe.css&redirecturl=http://www.gsbe.unimelb.edu.au/contactus/nexus/gsbe.html) Web: www.gsbe.unimelb.edu.au (http://www.gsbe.unimelb.edu.au/)						
Subject Overview:	Topics include traditional life insurance products; present values of annuities and assurances for single lives; net and gross premiums and policy values; joint life theory; cashflow models; competing risks; discounted emerging costs; guarantees and options.						
Objectives:	On successful completion of this subject a student should be able to: <ul style="list-style-type: none"> # Define simple assurance and annuity contracts, and develop formulae for the means and variances of the present values of the payments under these contracts, assuming constant deterministic interest; # Describe practical methods of evaluating expected values and variances of the simple insurance contracts; # Describe and calculate, using ultimate or select mortality, net premiums and net premium provisions of simple insurance contracts; # Describe the calculation, using ultimate or select mortality, of net premiums and net premium provisions for increasing and decreasing benefits and annuities; # Describe the calculation of gross premiums and provisions of assurance and annuity contracts; # Define and use straightforward functions involving two lives; # Describe methods which can be used to model cashflows contingent upon competing risks; 						

	<ul style="list-style-type: none"> # Describe the technique of discounted emerging costs, for use in pricing, reserving, and assessing profitability; # Describe the calculation of the cost of guarantees and options under long term insurance contracts.
Assessment:	An assignment of up to 1,000 words (10%) One hour mid-semester test (20%) Two hour end of semester exam (70%)
Prescribed Texts:	You will be advised of prescribed texts by your lecturer.
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	<p>High level of development:</p> <ul style="list-style-type: none"> # Written communication; # Problem solving; # Statistical reasoning; # Application of theory to practice; # Synthesis of data and other information.
Related Course(s):	Master of Actuarial Science Postgraduate Diploma in Actuarial Science