

Credibility theory

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Abstract

The credibility theory based on the idea of restricting the estimator of individual premium to the class of estimators that are linear with respect to all observations. Where a model of Bühlmann which sets out this idea. We propose in this paper the modified model Bühlmann. We will implement a new tariff for a single contract using the method of credibility theory based on the decomposition of the total cost of an insured. And we'll even change the credibility premium, or specify the credibility factor.

References

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