Title: Individual Parametric Insurance Product Design

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Abstract: This report presents a design of a parametric insurance product for individual consumers in two neighboring countries Ambernïa and Palòmïnïa. Unlike traditional insurance, this product issues a predetermined payout to a policyholder when a pre-agreed event has been triggered. By conducting analyses on given health data in the countries, we first projected individual losses and calculated premiums according to gender, age and risk factor information. Then we defined triggering events and modeled the payout scheme for our product. Comprehensive strategies are also provided for marketing and risk mitigation.