

This work deals with the topic of lapse rate modelling in the field of Life Insurance. First, the theoretical apparatus is established: the linear models and their extension, generalized linear models. Furthermore, we describe the process of model selection and evaluation. In the second part of this work we describe the influence of various individual as well as macroeconomical parameters on the lapse rate. We summarize the findings of previous works in this field. The last part introduces models in statistical software R based on generalized linear models and describes the process of their selection and evaluation. Outputs from these models are interpreted and compared to the ratio analysis results.