RISK MANAGEMENT DEVICE

ABSTRACT

A risk management device includes a memory for storing actual total loss amounts of N periods, and a processor connected to this memory. The processor is programmed to determine whether actual levels showing confidence intervals of actual total loss amounts in a total loss amount distribution calculated by a risk weighing device follow a uniform distribution on an interval [0,1], by a goodness-of-fit test using order statistics for a uniform distribution.

Figure 1