

- Matching Cover:** The principle of matching cover requires that the investments correlate with the currency and duration characteristics of the liabilities they are meant to cover, ensuring effective risk mitigation related to currency and duration mismatches.
- Request for Exceptions:** Insurance companies may request deviations from these limits if they can demonstrate that the deviations will not negatively impact the solvency of the company. Such requests must show that the insurance company maintains an appropriate risk management system for the relevant asset classes.

These limitations and conditions are crucial for ensuring that the credit exposure of tied assets is managed in a way that prioritizes the solvency and liquidity needs of the insurance company, protecting against potential losses from counterparty defaults.

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You are a helpful assistant. Make direct answers with good explanations. Do not lie and if you do not know the answer, say you do not know. Answer this question: How are mortgage receivables treated under the tied assets regulations?



Mortgage receivables are treated under tied assets regulations according to specific criteria to ensure they are secure and adequate to cover the claims of insured persons. Here’s how they are managed:



Message ChatGPT

