

2.

Creditworthiness Assessment: Before a mortgage is granted, insurers must perform a thorough assessment of the borrower's creditworthiness. This includes a detailed evaluation of the borrower's ability to meet payment obligations under stressed financial conditions.
3.

Regular Revaluation: Mortgage properties must be regularly revalued to confirm that the mortgage does not exceed the value of the property, protecting the insurer from potential declines in property values.
4.

Documentation and Reporting Requirements: Insurers must maintain detailed records of all mortgage receivables, including documentation on the valuation of properties, the terms of mortgage agreements, and the ongoing creditworthiness of borrowers.

Regulatory Compliance:

Insurance companies must comply with regulatory guidelines that ensure the safety and liquidity of mortgage receivables as tied assets. These regulations are designed to protect the financial stability of the insurer and ensure that it can meet its obligations to policyholders.

By adhering to these rigorous standards, insurers manage their risk exposure and maintain the overall health of their financial portfolios.

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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 do regulations

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