



3. **Risk Assessment:** The portfolio undergoes a thorough risk assessment, which includes analyzing market risk, credit risk, liquidity risk, and other relevant risks. This step helps in identifying potential vulnerabilities within the portfolio and assessing the adequacy of the risk mitigation measures in place.
4. **Performance Evaluation:** The performance of the investment portfolio is evaluated against benchmarks and objectives. This involves analyzing returns, comparing them with expectations, and understanding the drivers of performance variations.
5. **Regulatory Compliance Check:** Compliance with all relevant regulations, including those specifically governing tied assets, is checked. This includes ensuring that tied assets are adequately diversified, secured, and aligned with the obligations they are meant to cover.
6. **Documentation and Reporting:** Detailed documentation of the evaluation process and outcomes is prepared. This includes financial statements, risk management reports, and compliance reports. These documents are essential for internal audits, regulatory reviews, and informing stakeholders.
7. **Adjustments and Rebalancing:** Based on the evaluation, adjustments may be necessary to align the portfolio with the investment strategy, risk appetite, and regulatory requirements. This could involve rebalancing asset allocations, modifying risk controls, or changing investment tactics.
8. **Submission to Regulatory Bodies:** The final step involves submitting the evaluation report and other relevant documentation to regulatory bodies, such as FINMA. This submission typically includes detailed descriptions of the assets, their valuations, and compliance with the tied

