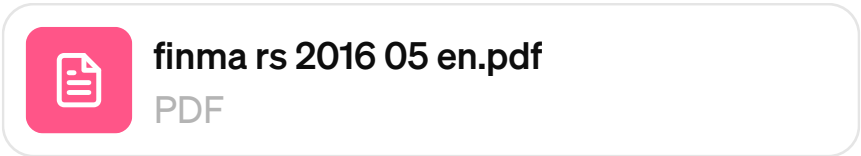
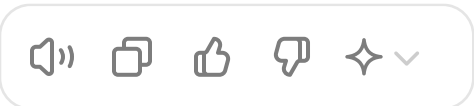


Document Insights

The FINMA circular specifically outlines the regulatory requirements and conditions under which insurers must manage their cash deposits, focusing on aspects like permissible investments, special requirements for agreements with counterparties, and specific valuation rules. Answer 2 captures these aspects effectively, making it highly relevant and accurate in the context of the provided document. This evaluation demonstrates that while both answers understand the concept of cash deposits, Answer 2 is superior due to its alignment with the specific regulatory requirements for insurers detailed in the document.



I need you to analyze a document along with a set of questions and their respective answers. These are related to the provided PDF document. Please evaluate each answer based on their relevance, accuracy, completeness, and clarity in relation to the content of the PDF. Assign a score from 0 to 10 for each answer, where 10 indicates the answer is 100% consistent with the information in the provided document and 0 indicates the answer is completely incorrect and inconsistent with the document.

Question: "How are bonds and convertible bonds treated?"

Answers:

Answer 1.:

1. Bonds:

Bonds are treated as fixed-term liabilities. They are recognized in the financial statements at their nominal value. The amortization of the discount or the imputation of the accrued interest is recognized over the term of the bond.