specific limits, and the insurance company must ensure that commitments made in subsequent years do not lead to these limits being exceeded. The investments in high-risk assets are recognized at no more than market value, and the insurance company must receive net asset values for hedge funds on at least a monthly basis and for private equity and private debt on a quarterly basis. The general provisions on foreign assets do not have to be complied with for investments in alternative investments.
Answer 2:
Investments in high-risk assets by insurance companies are regulated under strict guidelines to manage and mitigate the risks associated with these types of investments. According to the FINMA Circular 2016/5, here are the key regulatory measures:

Limit on High-Risk Investments: Investments in high-risk assets must be made cautiously and should be an appropriate diversification of the total tied assets. This ensures that these investments do not disproportionately affect the overall investment portfolio's risk profile.

Risk Capacity Consideration: The insurance company's risk capacity must always be taken into account when investing in high-risk assets. This includes assessing the financial stability and risk tolerance of the company to ensure that it can handle potential losses from these investments.

Credit Rating Requirement: Investments in securities with the lowest credit rating (rating level 5) are only permissible if there is corresponding technical expertise in the area of credit risks. This implies that the company must have adequate knowledge and