

Insurance companies must thoroughly assess the risks associated with structured products, including market, credit, and liquidity risks.

A comprehensive due diligence process is necessary to understand all the components of the structured product, such as underlying assets and derivative components.

Qualified Personnel:

Companies must ensure that personnel managing structured products are well-qualified and have the requisite knowledge and experience.

Staff should be familiar with the specific complexities of structured products to manage them effectively.

Investment Strategy:

Structured products should be integrated into the overall investment strategy of the company.

The strategy must account for the risk profile and investment objectives of the company, ensuring that these products are suitable for their portfolio.

Risk Management Systems:

Robust risk management systems need to be in place to monitor and control the risks associated with structured products continually.

This includes setting limits on exposure to structured products and ensuring these limits are adhered to.

Reporting

[Get started with ChatGPT](#)