

These regulations ensure that mortgage receivables are allocated to tied assets in a manner that is compliant with regulatory requirements, ensuring that the mortgage claims are related to properties that can be assigned to tied assets, and that the mortgage claims are not subordinate to other claims secured by mortgage. They also set limits on the offsetting and deduction of mortgages, and require a credit check and assessment of affordability before granting a loan. The regulations also specify how the tied assets are to be held and managed by the custodian bank, ensuring that the assets are securely held and that the custodian bank does not assert any rights that would conflict with the claims of the policyholders of the depositor.

Answer 2:

Mortgage receivables are treated under tied assets regulations according to specific criteria to ensure they are secure and adequate to cover the claims of insured persons. Here's how they are managed:

Criteria for Including Mortgage Receivables in Tied Assets:

Permissible Property Types: The mortgaged property must qualify under the specified categories (residential buildings, commercial buildings, and permitted buildings under building law).

Valuation: Mortgages must be tied to properties that are easily realizable and whose valuation is subject to minimal uncertainty. The mortgage receivables are evaluated at nominal value but must be secure, implying that the underlying properties have reliable, sustainable value.

Loan-to-Value Ratio: The lending value of the property should not

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