



- **Investment Structure:** The investment structure for the tied assets must be designed to ensure that the assets are held in a way that is secure and easily accessible to the policyholder. This includes the use of appropriate investment vehicles and structures, such as mutual funds or separate accounts, that are designed to provide the policyholder with the necessary liquidity and flexibility to meet their investment objectives.

- **Investment Regulations:** The investment regulations for the tied assets must be designed to ensure that the assets are managed in a way that is consistent with the policyholder's needs and objectives, as well as the regulatory requirements for the management of tied assets. This includes the implementation of appropriate risk management strategies, as well as the use of appropriate investment tools and techniques to ensure that the assets are managed in a way that is consistent with the policyholder's risk tolerance and investment objectives.

These provisions are designed to ensure that the tied assets in unit-linked life insurance policies are managed in a way that is consistent with the policyholder's needs and objectives, while also ensuring that the assets are secure, liquid, and able to meet the claims of the policyholders in a timely and predictable manner. By following these provisions, insurers can ensure that they are providing their policyholders with the necessary protection and security, while also ensuring that they are able to generate the necessary returns to meet their investment objectives and support the long-term viability of the insurance company.

Answer 2:

Specific provisions that must be followed when dealing with tied assets in relation to unit-linked life insurance policies, according to the FINMA Circular 2016/5, include the following:

1. **Separate Tied Assets Requirement:** Separate tied assets must be established for unit-linked life insurance and capitalization transactions. This ensures that the policyholder claims are secured by designated assets, directly correlating to the liabilities arising from these policies.



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