

Location and Use Restrictions: The properties should be suitable for insurance purposes, meaning they should not be subject to restrictions or characteristics that could impair their value or saleability. Properties must be located in Switzerland to be included in tied assets.

Valuation Requirements: Real estate must be valued at market value, and valuations must be updated regularly to reflect current market conditions. This is to ensure that the real estate's book value aligns closely with what it could realistically fetch on the market.

These limitations ensure that real estate investments are secure, not overly concentrated, and liquid enough to meet the insurance company's obligations, especially in scenarios of financial distress or claims payouts.



Based on the information detailed in the FINMA Circular 2016/5 regarding limitations on real estate investments within tied assets, here are the evaluations for the two answers provided:

Answer 1 Evaluation:

Relevance: This answer focuses on general regulations related to different investment types, including structured products, but it strays from directly addressing real estate limitations within tied assets.

Accuracy: The specifics mentioned, such as collective investment schemes and liquidity conditions, are relevant to the broader investment guidelines but not specifically accurate to real estate investments within tied assets as outlined in the circular.

Completeness: The answer attempts to cover various compliance aspects but lacks direct focus

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