

Annex E

In this Annex, underlining indicates new text and striking through indicates deleted text.



GLOSSARY (GLO)

Defined Term	Definition
Captive Cell	A Cell established by a Protected Cell Company to which are attributable assets and liabilities arising out of Insurance Business only in respect of risks related to or arising out of the business or operations of members of a Group which together hold a majority of the Cell Shares, including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.
Captive Insurer	A Captive Insurer means a: (a) Class 1 Captive Insurer; (b) Class 2 Captive Insurer; or (c) Class 3 Captive Insurer.
<u>Class 1 Captive Cell</u>	<u>A Cell established by a Protected Cell Company to which are attributable assets and liabilities arising out of Insurance Business only in respect of risks related to arising out of the business or operations of members of a Group which together hold a majority of Cell Shares, including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.</u>
<u>Class 2 Captive Cell</u>	<u>A Cell established by a Protected Cell Company to which are attributable assets and liabilities arising out of Insurance Business, 80% of the Gross Written Premium in any year being attributable to risks related to or arising out of the business or operations of members of a Group which together hold a majority of the Cell Shares, including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.</u>
<u>Class 3 Captive Cell</u>	<u>A Cell established by a Protected Cell Company:</u> (a) <u>to which are attributable assets and liabilities arising out of Insurance Business only in respect of risks related to or arising out of the business</u>

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	<p><u>or operations of persons who engage in similar, related or common:</u></p> <p>(i) <u>businesses;</u> (ii) <u>activities;</u> (iii) <u>trade;</u> (iv) <u>services; or</u> (v) <u>operations;</u></p> <p><u>including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant; and</u></p> <p>(b) <u>owned by such Persons or by a Body Corporate of which all such Persons are members.</u></p>
Class 1 Captive Insurer	A DIFC Incorporated Insurer permitted under the conditions of its licence authorisation to effect and or carry out Contracts of Insurance only in respect of risks related to or arising out of the business or operations of entities to which it is related <u>the Group</u> , including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.
Class 2 Captive Insurer	A DIFC Incorporated Insurer required under the conditions of its licence authorisation to obtain at least 80 per cent of its <u>Gross Written Premium</u> in any year from Contracts of Insurance in respect of risks related to or arising out of the business or operations of entities to which it is related <u>the Group</u> , including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant.
<u>Class 3 Captive Insurer</u>	<p><u>A DIFC Incorporated Insurer which is:</u></p> <p>(a) <u>permitted under the conditions of its licence to effect or carry out Contracts of Insurance only in respect of risks related to or arising out of the business or operations of persons who engage in similar, related or common:</u></p> <p>(i) <u>businesses;</u></p>

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	<p>(ii) <u>activities;</u> (iii) <u>trade;</u> (iv) <u>services; or</u> (v) <u>operations;</u></p> <p><u>including for this purpose only contracts of reinsurance in respect of such risks insured by the cedant, and</u></p> <p>(b) <u>owned by such Persons or by a Body Corporate of which all such Persons are members.</u></p>