

MODIFICATION NOTICE

To	Takaful Re Limited
Address	Level 41, Emirates Towers Offices, PO Box 211181, Dubai - UAE
DFSA Firm Reference No.	F000067
Notice No.	W 39/05

THE DFSA HEREBY GIVES NOTICE THAT:

The Rules specified in the table herein do not apply to the above mentioned Person in the form appearing in the Rulebook but instead apply to that Person in the modified form prescribed in that table.

This notice is issued by the DFSA under Article 25 of the Regulatory Law 2004.

Effective date: This notice comes into effect on 1 December 2005 and expires on 1 December 2007, or the date on which any Rule specified herein is amended, which ever is the earlier.

RULES MODIFIED

The Rules listed in the left hand column of the table below are modified as shown in the right hand column of the table. In this table, underlining indicates new text and striking through indicates deleted text.

The version of Rules to which this notice relates is GEN/VER5/09-05

Rule	Modified Text
A 4.1.3	<p><u>(1)</u> The classes of non-life insurance are as follows:</p> <p>Class 1 – Accident</p> <p>(a) Contracts of insurance providing fixed pecuniary benefits or benefits in the nature of indemnity, or a combination of both, against risks of the Person insured:</p>

	<ul style="list-style-type: none"> (i) sustaining injury as the result of an accident or of an accident of a specified class; (ii) dying as the result of an accident or of an accident of a specified class; or (iii) becoming incapacitated in consequence of disease or of disease of a specified class; <p>inclusive of contracts relating to industrial injury and occupational disease.</p> <p>Class 2 – Sickness</p> <ul style="list-style-type: none"> (b) Contracts of insurance providing fixed pecuniary benefits or benefits in the nature of indemnity, or a combination of the two, against risks of loss to the Persons insured attributable to sickness or infirmity. (c) and so on ... up to Class 8 <p><u>(2) For the purposes of classification in (1), in relation to a Contract of Insurance on human life, such a contract may be classified as Class 1 or Class 2, provided that:</u></p> <ul style="list-style-type: none"> <u>(a) the policy has a duration not exceeding one year;</u> <u>(b) the policyholder is a Body Corporate, and the lives covered are those of its Employees or their dependants;</u> <u>(c) those whose lives are covered have no opportunity to choose or amend the terms of coverage; and</u> <u>(d) the benefits are not to be determined, in whole or in part, by reference to the value of, or the income from, property of any description (whether or not specified in the contracts) or by reference to the fluctuations in, or in an index of, the value of property of any description (whether or not so specified);</u> <u>or</u> <u>(e) it is a contract of reinsurance where the</u>
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	<u>underlying contract fulfils conditions (a)-(d).</u>
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CONDITIONS

This modification has effect only for so long as the gross annual premiums attributable to contracts of the type specified in GEN A 4.1.3(2) do not exceed \$2 million.

INTERPRETATION

The provisions in this notice are to be construed in accordance with GEN section 6.2 as if these provisions are provisions of the Rulebook.

Defined terms are identified in this notice by the capitalisation of the initial letter of a word or of each word in a phrase and are defined in the Glossary (GLO). Unless the context otherwise requires, where capitalisation of the initial letter is not used, an expression has its natural meaning.

This notice was issued by:

Name: David Knott

Position: Chief Executive

Date: 1 December 2005