

**Instructions No. (1) of 2000**  
**Classes and Licences of Insurance Business**<sup>\*</sup>  
**Issued by the Board of Directors of the Insurance Commission**<sup>\*\*</sup>  
**pursuant to paragraph (B) of Article (3) of the**  
**Insurance Regulatory Act No. (33) of 1999**<sup>\*\*\*</sup>

**Article (1):**

These Instructions shall be known as the (Classes and Licenses of Insurance Business Instructions) and shall come into force as of the date of its publication in the Official Gazette.

**Classes of General Insurance Business**

**Article (2):**

The general insurance business shall be divided into the following classes:-

1- **Accidents:** including the loss of the Insured due to risks the Insured is exposed to and which lead to:-

- A- Bodily injury as a result of an accident or of an accident of a specified class.
- B- Death as a result of an accident or of an accident of a specified class.
- C- Disability as a result of a disease or of a disease of a specified class including industrial injuries and occupational diseases, however, excluding the Medical Insurance class stipulated in paragraph (2) of this Article and the Permanent Health Insurance class stipulated in paragraph (5) of Article (4) of these Instructions.

For which fixed pecuniary benefits, benefits in the nature of indemnity or a combination of both benefits shall be provided.

2- **Medical:** including the loss of the Insured due to damage attributable to sickness or infirmity, however, excluding Permanent Health Insurance class stipulated in paragraph (5) of Article (4) of these Instructions, for which fixed pecuniary benefits, benefits in the nature of indemnity or a combination of both benefits shall be provided.

3- **Land Motors:** including:-

- A- Loss and damage to land motors vehicles.
- B- Loss and damage to land motors other than land motors vehicles.

4- **Railway Locomotives and Wagons:** including loss and damage to railway locomotives and wagons.

5- **Aircrafts:** including loss and damage to Aircrafts.

6- **Ships:** including loss and damage to ships, vessels and boats used in seas, lakes, rivers or canals.

7- **Goods in Transit:** including loss and damage to goods or baggage in transit, irrespective of the form of transport.

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\* These Instructions were published in the Official Gazette volume (4463) dated 1/11/2007 page (3353).

\*\* The title of the Commission has been amended according to Article (3) of the Temporary Act No. (67) of 2002, known as the Act Amending the Insurance Supervision Act, published in the Official Gazette number (4572) dated 17/11/2002 page (5482).

\*\*\* The title of the Act has been amended according to Article (2) of the Temporary Act No. (67) of 2002.

- 8- **Fire and Natural Forces:** including loss and damage to property (excluding property included in the classes stipulated in paragraphs (3-7) of this Article) due to fire, explosion, storm, natural forces (other than storms) nuclear energy risk and land subsidence.
- 9- **Other Damage to Property:** including loss and damage to property (excluding the property included in the classes stipulated in paragraphs (3-7) of this Article) due to hail, frost or any other event such as theft, other than those stipulated under paragraph (8) of this Article.
- 10- **Land Motor Liability:** including loss due to liability arising out of the use of the motor on land, including the carriers' liability.
- 11- **Aircraft Liability:** including loss due to liability arising out of the use of aircrafts, including carriers' liability.
- 12- **Liability for Ships:** including loss due to liability arising out of the use, of ships, vessels and boats in seas, lakes, rivers or canals, including the carriers' liability.
- 13- **General Liability:** including losses due to all liabilities, other than those covered by the classes stipulated in paragraphs (10), (11) and (12) of this Article.
- 14- **Credit:** including the loss of the Insured due to bankruptcy, failure to pay due debts, export credit, installment credit, mortgage and agricultural credit.
- 15- **Suretyship:** including loss due to direct and indirect surtyships.
- 16- **Miscellaneous Financial Losses:** including the loss of the Insured due to any of the following risks:-
  - A- Interruption of business carried on by the Insured or reduction of the scope of that business.
  - B- Incurring unforeseen expenses.
  - C- Financial loss of the Insured, neither stated under paragraph (A) nor (B) of this Article.
- 17- **Legal Expenses:** including the loss of the Insured attributable to legal expenses incurred, including litigation costs.
- 18- **Assistance:** includes providing either of the following benefits:-
  - A- In cash or contribution in kind to people who get into difficulties while travelling, while away from their home or while away from their permanent residence.
  - B- In cash or contribution in kind to people who get into difficulties in cases other than those stated under paragraph (A) of this Article.

### **Licences For General Insurances Business**

#### **Article (3):**

Licences for the general insurance business classes shall be granted severally or jointly, for each class of the insurance classes stipulated in Article (2) of these Instructions, according to the following provisions:-

- 1- **Motor Insurance Licence:** Shall be granted for the following:-

- A- Bodily injuries or death to passengers stipulated in the Accidents Insurance class.
  - B- Land Motor Insurance class.
  - C- Goods in Transit on the Motor Insurance class.
  - D- Land Motor Vehicles Liability Insurance class.
- 2- **Marine & Transport Insurance Licence:** Shall be granted for the following:-
- A- Bodily injuries or death to passengers stipulated in the Accidents Insurance class.
  - B- Railway Locomotives and Wagons Insurance class.
  - C- Ships Insurance class.
  - D- Goods in Transit Insurance class.
  - E- Ships Liability Insurance class.
- 3- **Aviation Insurance Licence:** Shall be granted for the following:-
- A- Bodily injuries or death to passengers stipulated in the Accidents Insurance class.
  - B- Aircrafts Insurance class.
  - C- Goods in Transit on the Aircrafts Insurance class.
  - D- Aircrafts Liability Insurance class.
- 4- **Fire & Other Damage to Property Insurance Licence:** Shall be granted for the following: -
- A- Fire and Natural Forces Insurance classes.
  - B- Other Damage to Property Insurance class.
- 5- **Liability Insurance Licence:** Shall be granted for the following:-
- A- Land Motor Vehicles Liability Insurance class.
  - B- Aircrafts Liability Insurance class.
  - C- Ships Liability Insurance class.
  - D- General Liability Insurance class.
- 6- **Credit and Suretyship Insurance Licence:** Shall be granted for the following:-
- A- Credit Insurance class.
  - B- Suretyship Insurance class.
- 7- **General Insurances Licence:** Shall be granted for all general insurance classes.

### **Classes of Life Assurance Business**

**Article (4):**

Life assurance shall be divided into the following classes:-

- 1- **Life Assurance:** including:-
- A- Life assurance on survival to certain age only.
  - B- Insurance on death.
  - C- Life assurance on survival to certain age or on death, whichever occurs first.
  - D- Life assurance with return of premiums.
- Excluding assurances stated under paragraph (4) of this Article.
- 2- **Marriage & Birth Assurances:** including:-
- A- Providing the sum assured on marriage.
  - B- Providing the sum assured on birth.
- Excluding assurances stated under paragraph (4) of this Article.

- 3- **Annuities or Pension Assurances:** including providing periodical installments for a limited period, or during the life of the assured, however excluding insurances stated under paragraph (4) of this Article.
- 4- **Investment Linked Assurances:** including insurances stipulated in paragraphs (1), (2), and (3) of this Article, which are linked to investment tools.
- 5- **Permanent Health Assurance:** including insurance contracts providing specified benefits against risks of disability due to injury resulting from an accident, an accident of a specified class, or of sickness or infirmity since:-
  - A- It stipulates clearly, that the contract is valid for not less than five years, until the normal retirement age of the persons concerned, or without such limitation.
  - B- It does not stipulate that it may be terminated by the Insurer, or stipulates that it may be terminated in special circumstances stipulated in the contract.
- 6- **Management of Group Pension Funds:** including management of pension funds investment, or contracts of such type combined with insurance contracts concerning either the security of the capital or payment of the minimum interest.
- 7- **Additional Insurances:** including personal accidents including work disability or disability due to an accident or disease, added to any class of life assurance.

#### **Licences for Life Assurances**

##### **Article (5):**

- A- Life assurance licences shall be granted for each of the life assurance classes.
- B- Licence for the Management of the Group Pension Funds class shall be granted to the Company which transacts life assurance business only.

##### **Article (6):**

The Company licenced to transact life assurance may be licenced to transact Medical Assurance as stipulated in paragraph (2) of Article (2) of these Instructions.

##### **Article (7):**

The Director General shall issue the Decisions necessary for implementing the provisions of these Instructions.

#### **Board of Directors of the Insurance Commission**