NON-LIFE INSURANCE ACT

B.E. 2535 (1992)
TRANSLATION
(For official purpose only Thai texts will be relevant)

NON-LIFE INSURANCE ACT B.E. 2535 (1992)

Bhumibol Adulyadej, Rex.,
Given on the 4th day of April, B.E. 2535 (1992)
Being the 47th Year of the Present Reign

By Royal Command of His Most Excellent Majesty King Bhumibol Adulyadej, it is hereby proclaimed that:
Whereas it is deemed expedient to revise the Non-Life Insurance Act.
Be it, therefore, enacted by His Majesty the King, by and with the advice and consent of the National Legislative Assembly, as follows:

Section 1 This Act shall be called the "Non-Life Insurance Act, B.E. 2535. (1992)"

Section 2 This Act shall come into force on and from the day following the date of its publication in the Government Gazette.

Section 3 The Insurance Against Loss Act, B.E. 2510 (1967) shall be repealed.

Section 4 In this Act,
"Non-Life Insurance" means any damage which may be estimated in terms of money and shall include loss of rights, benefits or incomes.
"Company" means a limited company or a limited public company which has obtained a license to engage in the non-life insurance business under this Act and shall include a branch office of foreign non-life insurance company which has obtained a license to engage in the non-life insurance business in the Kingdom under this Act.
"Head Office" includes a branch office of foreign non-life insurance companies which has obtained a license to engage in the non-life insurance business in the Kingdom under this Act.
"Non-Life Insurance Business" includes the reinsurance business.

"Capital Fund" means the portion of the assets being in excess of the liabilities of the company in accordance with the appraised value of the assets and liabilities of the company as appraised under this Act.

"Non-Life Insurance Agent" means a person assigned by a company to induce persons to enter into a non-life insurance contract with the company.

"Non-Life Insurance Broker" means a person who, expecting commissions, indicates the opportunity or arranges for a person to enter into a non-life insurance contract with the company.

"Fund" means the fund for development of non-life insurance business.

"Competent Officer" means a person appointed by the Minister to act in accordance with this Act.

"Insurance Commissioner" means the Director General of the Department of Insurance or the persons as assigned by the Director General of the Department of Insurance.

"The Minister" means the Minister in charge of the enforcement of this Act.

Section 5 The Minister of Commerce shall be in charge of the enforcement of this Act and shall have power to appoint the competent officers and issue ministerial regulations setting fees not exceeding the rates shown in the Schedule annexed to this Act and other matters for the purpose of enforcement of the provisions of this Act and issue notifications under the provisions of this Act.

The ministerial regulations and notifications shall come into force only upon its publication in the Government Gazette.
Chapter 1

Company

Section 6 Subject to Section 7, the non-life insurance business may be undertaken only by a limited company under the provisions of the Civil and Commercial Code or a limited public company under the Law on Limited Public Companies and has been granted a license to engage in the non-life insurance business from the Minister with the approval of the Cabinet.

A formation of a limited company or limited public company under the first paragraph may be effected only after the consent of the Minister with the approval of the Cabinet. The precedent conditions may be prescribed in granting such approval.

Having registered as a limited company or limited public company and placed a security deposit in accordance with Section 19 and also maintained a capital fund in accordance with Section 27 it shall then submit an application for a license to engage in the non-life insurance business with the Minister within the time specified by the Minister, but not exceeding six (6) months from the date of registration of the limited company or limited public company.

The application for and issuance of a license to engage in the non-life insurance business shall be in accordance with the rules and procedures as prescribed in the ministerial regulation. Such approval may be granted with conditions as the Minister may prescribe.

Section 7 A foreign non-life insurance company may establish a branch office for the undertaking of the non-life insurance business under this Act only after a license from the Minister with the approval of the Cabinet has been obtained. Such approval may be granted with conditions as the Minister may prescribe.

The application for and issuance of a license to engage in the non-life insurance
business by establishing a branch office of the foreign non-life insurance company under
the first paragraph shall be in accordance with the rules and procedures as prescribed
in the ministerial regulations.

A branch office of the foreign non-life insurance company which has obtained
a license to engage in the non-life insurance business shall maintain its assets in Thailand
in accordance with amounts, types, rules and conditions as prescribed by the Minister
in the notifications. The amount of the assets as prescribed by the Minister shall not be
less than the amount of the capital fund maintained by the company under Section 27.

The Minister shall grant a license under the provision of the first paragraph only
after the company has placed the security deposit in accordance with Section 19 and
maintained the assets in Thailand in accordance with the third paragraph.

A company which is a branch office of the foreign non-life insurance company
may not open a branch office anywhere.

A branch office shall mean to include an office that is separated from the
company head office, no matter what name it is, and that receives expenditures from
the company either directly or indirectly. However, this does not include a place used
as location of an information operating unit, a document-keeping place and a training
place in relation to company’s business that obtain the Insurance Commissioner’s consent.

Section 8  Shares of the company shall be an ordinary share with name certificate,
having a par value of not more than one hundred (100) baht per share. The Articles of
Association of the company shall not have any restriction regarding transfer of shares.

Section 9  The amount of share of the company held by persons of Thai nationality
shall not be less than three fourths (3/4) of the total amount of shares sold and the number
of its directors who are persons of Thai nationality shall not be less than three fourths (3/
4) of the total number of directors.
Section 10  Any person has acquired shares of any company and such acquisition causes a number of shares or shareholders to violate Section 9 and not to be in compliance with Section 11, such person may not hold the shares in excess of the prescribed percentage against the company and the company shall not pay dividends or any pecuniary benefit on the excess shares to such person or allow such person to exercise voting right on the said shares at shareholders' meeting.

Section 11  For the purpose of compliance under Section 9 and Section 10, the company shall examine its register of shareholders not less than three (3) months prior to each shareholder's meeting and shall inform the Insurance Commissioner of the result of such examination in the particulars and within the period of time prescribed by the Insurance Commissioner. In the case where any shareholder is found to hold shares in excess of the percentage prescribed in Section 9, the company shall so notify such person within fifteen (15) days from the date of finding and such person may take steps to rectify this within one (1) month from the date of receipt of notice.

Section 12  Provisions of Section 8, Section 9, Section 10 and Section 11 shall not apply to the company which is a branch office of the foreign non-life insurance company under Section 7.

Section 13  A Company which has obtained a license to engage in the non-life insurance business shall not merge with any other limited company or limited public company except with the company which has obtained a license to engage in the non-life insurance business.

A merger of companies under the first paragraph may be effected only after a consent from the Minister has been obtained. In granting a consent, the Minister may prescribe any condition to be complied with before granting such consent.
When the merged company has been registered under the laws, the new merged company shall apply for a license to engage in the non-life insurance business under Section 6 within the time prescribed by the Minister but not exceeding three (3) months from the date of registration of the new merged company. During applying for a license the new merged company may continue undertaking the non-life insurance business under the previous license. If the application for a license to engage in the non-life insurance business is not submitted within the said period or the merger of companies is against this provision, the license to engage in the non-life insurance business issued to the company prior to the merger of companies shall be terminated.

Section 14 Apart from fees for a license to engage in the non-life insurance business, the company shall pay an annual fee for the undertaking of the non-life insurance business in each year except for a year which a license is issued.

Any company does not pay fees within three (3) months from the end of the calendar year. Its license shall expire.

Section 15 For the purpose of this Act, the expiration of the license to engage in the non-life insurance business shall be deemed that the license of the said company to engage in the non-life insurance business is revoked.

Section 16 The company under Section 6 which will open branch offices or change the location of its head office or branch office shall obtain a permission from the Insurance Commissioner and the provision of the sixth paragraph of Section 7 shall apply hereto mutatis mutandis.

The application for and the granting of a permission under the first paragraph shall be in accordance with rules, procedures and conditions as prescribed by the Minister.
Section 17  No person shall act as an insurer by entering into a non-life insurance contract with any other person unless he has obtained a license to engage in the non-life insurance business under this Act.

Section 18  No person shall make use of the name or the description of "Non-Life Insurance" or any other word or words having the same meaning except the following person:-

(1) A company;
(2) An association whose majority of the members are the company or association whose majority of the members are officers or employees of the company;
(3) An association whose majority of the members are the non-life insurance agents or brokers;
(4) An Employer's Association or Labor Union whose majority of the members are officers or employees of the company;
(5) A non-life insurance agent or broker makes use of the description in his business as an agent or brokers as the case may be;
(6) An institute of the non-life insurance education or other institutes relating to the non-life insurance business makes use of the description for the name of the said institute;
(7) A director, officer, employee, member or a person having any status, position or duty in the company, association, labor union, institute of the non-life insurance education or other institute relating to the non-life insurance business under (1), (2), (3), (4) and (6) for showing as the director, officer, employee, member or status, position or duty in the company, association, labor union of such institute.

Section 19  The company shall place securities with the Insurance Commissioner as the security deposit in the value as prescribed by the Insurance Commissioner in the ministerial regulations.
Prescription of a category of insurance and value of the securities placed with
the Insurance Commissioner under the first paragraph shall be in accordance with the
ministerial regulations.

The securities of the company required to be placed with the Insurance
Commissioner may be cash. That government bonds or any other assets as may be
prescribed by the Minister in the notifications.

The company may change the security deposit placed subject to the provisions
of the first and second paragraph.

Section 20 In the case where the value of the security deposit of any company
is lower than that prescribed in accordance with the ministerial regulations issued under
Section 19, the Insurance Commissioner may order such company to deposit an additional
security up to the amount as prescribed within two (2) months from the date of receipt
of the order.

Section 21 In the case where the value of the security deposit of any company
is higher than that prescribed in accordance with the ministerial regulations issued under
Section 19, the Insurance Commissioner may order to release the portion of the security
deposit which is in excess of the amount as prescribed upon the request of the company
being able to prove the excessive value.

Section 22 In the case where a company discontinues any category of the non-
life insurance business which results in the security deposit being higher than that
prescribed for the remaining non-life insurance business, the company shall be entitled
to the return of the properties placed as the security deposit only in the portion being
in excess of the amount of the security deposit as prescribed for the undertaking of such
remaining non-life insurance business upon the company showing evidence to the
satisfaction of the Insurance Commissioner that it has discharged from its debts and has
no further liability for the undertaking of the category of insurance business that was
discontinued.
Section 23 A company shall allocate reserves as follows:-

(1) The reserve for premiums have not yet been earned by the company;
(2) The reserve for the losses incurred and;
(3) The reserve for others as prescribed by the Minister in the notifications.

The allocation of assets to be as the reserves under the first paragraph shall be in accordance with rules and procedures as prescribed by the Minister in the notifications.

The assets of the company allocated as the reserves under the first paragraph may be cash, Thai government bonds or any other assets as may be prescribed by the Minister in the notifications.

Section 24 The Minister has power to order a company to place the reserve under Section 23 (1) with the Insurance Commissioner in accordance with a type of insurance and rates, rules and procedures as prescribed in the notification.

Section 25 In the case where the security deposit placed with the Insurance Commissioner by the company under Section 19 and the reserve placed with the Insurance Commissioner under Section 24 are the asset of which transfer or acquisition are required to register with the competent officer under the law or executed with the third party which involves in transfer or acquisition of the said asset, the Insurance Commissioner shall notify the competent officer or the person concerned in writing and no competent officer or the persons concerned transfer or dispose the said asset until the Insurance Commissioner has notified of revocation or change in the said asset in writing.

Section 26 The security deposit placed by the company under Section 19 and the reserves under Section 23 placed by the company with the Insurance Commissioner under Section 24 are not subject to the execution during a period for which the company has not yet dissolved.
In case of dissolution of companies, a creditor having the right to receive payment of debts from the insurance shall have a preferential right on the assets placed as a security deposit under Section 19 and reserve under Section 23 (1) placed with the Insurance Commissioner under Section 24 and shall have the right to receive payment from the said assets prior to any other creditors having other preferential rights.

In case of bankruptcy of companies, a creditor having the right to receive payment of debts from the insurance shall have a preferential right on the assets placed as a security deposit under Section 19 and reserve under Section 23 (1) placed with the Insurance Commissioner under Section 24 and shall have the same right to receive payment from the said assets as a secured creditor under the bankruptcy laws.

A creditor having the right to receive payment of debts from the insurance shall have the right to receive payment of debts from the company’s assets apart from the assets placed as a security deposit under Section 19 and reserve under Section 23 (1) placed with the Insurance Commissioner under Section 24 like a holder of preferential right on account of tax under the Civil and Commercial Code.

Section 27 A company shall maintain the capital fund during the undertaking of non-life insurance business in the amount of not less than ten (10) percent of all of the net premiums received for the last calendar year but not lower than thirty (30) million baht.

Chapter II
Supervision of companies

Section 28 Apart from the non-life insurance, a company may invest in only business as prescribed by the Minister in the notifications. The Minister may prescribe conditions for the said business to be observed by the company.
Section 29  Insurance policies including related documents and endorsement shall be in the forms and the texts as approved by the Insurance Commissioner.

The Insurance Commissioner may order, in his discretion or upon application by a company, to change, amend, add or repeal the forms and texts partially or wholly as already approved by the Insurance Commissioner under the first paragraph.

In the case where a company issues an insurance policy which differs in form or text from that which has been approved by the Insurance Commissioner under the first or second paragraph, the insured or beneficiary under the insurance policy shall have the option of holding the company liable for payment in the form and text either as issued by the company or as approved by the Insurance Commissioner and whether or not the insured or beneficiary under the insurance policy exercises the said right, the company shall not be released from liability as stated in this Act.

In the case where the company issues the insurance policy, forms or text of which are not approved by the Insurance Commissioner under the first or second paragraph, the insured shall have the option of holding the company liable under the insurance policy or terminating the non-life insurance contract, and having the company return premiums paid to the company and whether or not the insured or beneficiary exercises the said right, the company shall not be released from liability as stated in this Act.

Section 30  Premium rates as prescribed by the company shall be approved by the Insurance Commissioner.

The Insurance Commissioner may, in his discretion or upon application by a company, order to change such rate as approved by the Insurance Commissioner provided that any change in the rate shall not affect the insurance policy, the premium rates of which has been approved by the Insurance Commissioner.
Section 31 No Company shall:-

(1) engage in the life insurance business;

(2) underwrite risks exceeding the following amount except by written permission of the Insurance Commissioner.

(a) underwriting of fire insurance of a single or several risks combined for the same insured peril within an area prescribed by the Insurance Commissioner for the sum insured of exceeding ten (10) percent of the capital fund:

(b) underwriting of non-life insurance on a vehicle for land, water, air and persons or properties being in that said vehicle and liability insurance for the same insured peril for the sum insured of exceeding ten (10) percent of the capital fund for each vehicle:

(c) underwriting of other insurance other than (a) or (b) for any of a single sum insured of exceeding ten (10) percent of the capital fund;

In the case of reinsurance for risks under (a), (b) or (c) which becomes effective at the same time as the underwriting of non-life insurance, the sum insured of the reinsurance shall not be calculated to include in the sum as prescribed under (a), (b) or (c);

(3) reduce its capital without written permission of the Insurance Commissioner with the consent of the Minister;

(4) deposit money elsewhere than in banks, finance companies or finance and securities companies;

(5) keep cash anywhere except at the office of the company;

(6) pay any money or property to a director manager, adviser, officer or employee of the company as commissions or remunerations for or in connection with any transaction or any act other than gratuities, salaries, bonuses or money which may normally be paid to them;

(7) pay any money or property to non-life insurance agents or brokers apart from wages or commissions which may normally be paid to them;

(8) advance money or property to any person as commission or remuneration for works to be done for the company;
(9) pay commissions to a person who assists in obtaining an insurance contract but who is not a non-life insurance agent or broker of the company;

(10) buy or hold immovable properties except:-

(a) those for use as premises for the business of the company or for welfare of officers and employees of the company as may be reasonable;

(b) those for use for investment in other businesses as prescribed by the Minister under Section 28;

(c) those acquired by the company as a result of a debt settlement or enforcement of mortgage;

Buy or hold immovable properties under (a) or (b) or acquisition of the immovable properties as a result of a debt settlement under (c) shall be obtained written approval of the Insurance Commissioner. Such approval may be granted with any condition as the Insurance Commissioner may prescribe;

(11) give special benefits to the insured or beneficiaries under insurance policy in addition to those specified in the insurance policy;

(12) accept from the insured payment of premiums in the amount less than the amount payable;

(13) appoint or authorize persons other than non-life insurance agents, non-life insurance brokers or officers of the company who have duties concerning receipt of money as a receiver of payment of premiums;

(14) issue an insurance policies without signature of authorized directors to bind the company and not affixed with the company's seal as registered or without signature of the branch manager of the foreign non-life insurance company as shown in the license to engage in the non-life insurance business, as the case may be;

(15) falsely or exaggeratedly advertise the company or its non-life insurance business;

(16) appoint or assign persons other than non-life insurance agents of the company to induce or procure persons to enter into non-life insurance contracts with the company except for the act of a director, officer, or employee of the company on behalf of the company or;
(17) sell or give any immovable property or movable property with an aggregate value exceeding the amount prescribed by the Insurance Commissioner to any of its directors or buy assets from any of its directors except with consent of the Board of Directors and approval of the Insurance Commissioner.

Section 32 An order of disapproval of the Insurance Commissioner under Section 31 (2) may be appealed to the Minister within fifteen (15) days from the day when the notice becomes known. The decision of the Minister shall be final.

Section 33 The company shall dispose immovable properties devolving to the company under Section 31 (10) in the following conditions:-

(1) those acquired by the company for use as premises for the business of the company or for welfare of officers or employees of the company or for investment in the other business under Section 31 (10) (a) or (b) and not used for the aforesaid purposes, shall be disposed of within nine (9) years from the date of cessation of use;

(2) those acquired by the company as a result of a debt settlement or enforcement of mortgage under Section 31 (10) (c) shall be disposed of within nine (9) years from the date of acquisition except the approval of the Insurance Commissioner is obtained to acquire for use as premises for the business of the company under Section 31 (10) (a) or (b)

The Insurance Commissioner may permit to extend the period as prescribed under (1) and (2) but not exceeding three (3) years upon request of the company prior to the expiry of the said period by giving reasons. Such permission may be granted with any condition.

Section 34 No company shall appoint or allow any person with any of the following qualifications to be or to perform the duty of a director, a manager, an officer or a person having management authority or an adviser:-

(1) Being or having been a bankrupt;

(2) having been imprisoned by a final court judgement for an offence related to property committed with dishonest intent;
(3) having been a director, a manager, or an officer or a person having management authority of the company which had its non-life or life license withdrawn;

(4) being a director, a manager or a person having management authority of any other company licensed to engage in the non-life insurance business unless an exception in accordance with the rules and conditions prescribed by the Minister has been granted;

(5) being removed from a position of a director, a manager or a person having management authority of the Company under Section 53;

(6) being a government official in political service;

(7) being a government official having a duty of supervision unless in the case where the company is the government enterprises or appointment is made with the approval of the Minister for the purpose of assisting in the operation of the company or the person is the person appointed under Section 53.

Section 35  No company shall appoint or assign any person other than a director, an officer or employee to accept the non-life insurance, non-life insurance premiums and pay claims under the insurance policy wholly or partly except for reinsurance.

Section 36  No company shall delay payment of the claims to the insured under the insurance policy or return of premiums paid or return without sufficient reason or make payments or return with the bad faith.

Any act or performance of the company as deemed to contravene the provision of the first paragraph shall be in accordance with rules, procedures and period as prescribed by the Minister.

Section 37  Subject to the provisions of this Act, the insurance Commissioner shall have power to prescribe the following matter for the company to be complied with in the notifications.

(1) collection of premiums;

(2) appraisal value of assets and liabilities of the company;
(3) reinsurance;
(4) classification of categories of expenses;
(5) allocation of reserves against risks into categories;
(6) wage or commission rates for non-life insurance agents and brokers in accordance with the categories of non-life insurance;
(7) forms, dimensions, lettering, language, and text of power of attorney of the company including documents showing receipt of money by the company.

Section 38 A company shall open its office to the public for business on the date and at the times prescribed by the Insurance Commissioner. However, the company may open its office longer than those prescribed.

Section 39 For the purpose of supervision of fire insurance, when a company has concluded any contract of fire insurance, the company shall submit the particulars relating to the underwriting of the fire insurance under the forms as prescribed by the Insurance Commissioner to the competent officer within seven (7) days from the date of entering of the said fire insurance.

The provision of the first paragraph shall not be applied to reinsurance.

Section 40 Upon receipt of the report under section 39, the competent officer, in his discretion, may check the value of the insured property. For this purpose, the competent officer shall have the power to enter upon the premises where the property is located between the hours of sunrise and sunset, as may be found proper, and shall have the power to inspect and require the submission of any documents and other evidences for the purpose of ascertaining the true value of the property.

Insured and others concerned shall give reasonable facility to the competent officer to inspect under the first paragraph.

If failure to give facility by the insured or persons concerned under the second paragraph causes the inspection impossible, the competent officer shall report in writing to the Insurance Commissioner. In such case, in his discretion, the Insurance Commissioner
may give an order terminating such fire insurance contract. The order of the Insurance Commissioner shall specify the date of termination of the fire insurance contract which shall not less than three (3) days from the date of the order of the Insurance Commissioner and the Insurance Commissioner shall notify of such order to the company and insured immediately. When the Insurance Commissioner has ordered so, the fire insurance contract shall terminate on the date specified by the Insurance Commissioner.

In the case of a fire insurance contract terminated under the third paragraph, termination of the fire insurance contract, as far as the contractual relationship between the company and the insured is concerned, shall be deemed termination as a result of the notice of termination of the insured.

Section 41 In the case where it appears to the competent officer during the inspection under Section 39 that the insured property has a value less than the insured sum to an extent that the competent officer finds unreasonable, the competent officer shall report the result of such inspection to the Insurance Commissioner within seven (7) days from the date which the result of the inspection becomes known. In such a case, the Insurance Commissioner in his discretion, shall have the power to order in writing to the company and insured within fifteen (15) days from the date of receipt of the report of the competent officer, to reduce the insured sum by such sum as the Insurance Commissioner finds reasonable but not less than the value of the insured property as appeared in the report of the inspection of the competent officer.

Section 42 When the order of the Insurance Commissioner under Section 41 has been issued:

(1) within three (3) days from the date of notification of the order of the Insurance Commissioner the insured shall have the right to terminate the fire insurance contract. And after termination, the company shall return premiums to the insured in the average proportion to the period which insurance was obtained;

(2) if the insured fails to terminate the fire insurance contract under (1), the insured sum of such insurance shall be in accordance with the sum to which the insurance
Commissioner has ordered to reduce from the date of issuing of the Insurance Commissioner's order and the company shall fix premiums for the remaining term of the insurance on the basis of the reduced sum and shall return the excessive premium to the insured within fifteen (15) days from the date of issuing of the Insurance Commissioner's order.

**Section 43** In the case where a peril occurs to insured property and the responsible inquiry officer under the Criminal Procedure Code has reasonable cause to suspect that the peril was caused by an act in bad faith of the insured or beneficiary under the insurance policy, such inquiry officer shall notify the Insurance Commissioner of the reason for suspicion. In such a case, the Insurance Commissioner shall have the power to order the company to stop payment of compensation under the insurance policy in respect of the suspected case. When there is no longer reasonable cause for suspicion, the Insurance Commissioner shall withdraw the order and shall notify the company and insured or beneficiary under the insurance policy of the withdrawal.

In the case where the Insurance Commissioner issues an order to stop payment of claim under the first paragraph, the right to demand for payment of claim shall be deemed suspended from the date of issue of the order by the Insurance Commissioner until the date of its withdrawal.

**Section 44** A company shall keep registers and account books concerning its business in accordance with the forms and particulars as prescribed by the Insurance Commissioner.

Particulars of events concerning business which are required to be entered in the registers and account books of the company shall be so entered by the company not later than seven (7) days from the occurrence of the event.

**Section 45** The registers and account books under Section 44 shall be kept by the company at its office for not less than ten (10) years from the date of the last entry
In such book or from the date which the company releases from the liability under the last entry of liabilities, whichever period is longer.

Section 46 Person having an interest may inspect the registers under Section 44 only for the particular with which he is concerned or may request the company to provide a certified copy of the said particular provided that he shall pay for fee as prescribed by the Insurance Commissioner.

Section 47 A company shall submit to the Insurance Commissioner its annual report showing its financial conditions and business activities for the last calendar year in accordance with the forms and particulars as prescribed by the Insurance Commissioner within five (5) months from the last day of the calendar year.

For a company which is a branch office of the foreign non-life insurance company, it shall submit the annual report of its foreign non-life insurance company within five (5) months from the end of the accounting year of the foreign life insurance company.

The annual report under this Section shall be certified by auditors.

Section 48 In the case where it appears that the annual report submitted by a company under first paragraph of Section 47 is incorrect or incomplete, the Insurance Commissioner shall have the power to order the company to rectify or complete the report within the period as prescribed by the Insurance Commissioner.

In the case where the company fails to comply with an order under the first paragraph, the company shall be deemed not to submit the annual report under Section 47.

Section 49 The Insurance Commissioner shall have the power to order a company to submit the report or any documents periodically or from time to time in accordance with the forms and particulars as prescribed by the Insurance Commissioner. The Insurance
Commissioner may order the company to explain or clarify the contents of the said report or documents.

The company shall prepare completely and correctly the report or documents submitted or shown or explained under the first paragraph.

Section 50 A company shall publish a summary in the form as prescribed by the Insurance Commissioner showing its assets and liabilities as of the last day of the calendar year within fifteen (15) days from the date of submission of the annual report under Section 47 in at least one daily newspaper circulated where the head office of the company is located for at least three (3) days, and shall also post such notice in an open place at the head office and branch office of the company for at least one (1) month.

Section 51 The Insurance Commissioner and competent officer shall have the power to examine the business activities and financial condition of the company and for the purpose of examination, the Insurance Commissioner and competent officer shall have the power:-

(1) to enter into the office of the company during working hours to obtain information and in so doing they shall have the power to call for documents or other evidences from directors, managers, consultants, officers, or employees of the company and to question the said persons;

(2) to enter into the business place of the company or any premise where there is a suspect to keep account books, documents, seal, or any other documents concerning the company's business, properties or debts during the working hours or during sunrise and sunset to inspect or evaluate the property of the company;

(3) to order the company or persons concerned with the company's business to deliver documents or other evidences;

(4) to summon the person mentioned in (1) or (3) to give statements or to order the said person to submit statements of fact as required.

The person concerned shall provide convenience to the Insurance Commissioner and competent officer for their performance under the first paragraph.
Section 52 Where there is evidence appearing to the Insurance Commissioner that any company is in the condition or operates its business which shall cause damages to the insured or public, the Insurance Commissioner with the consent of the Minister shall have the power to order such company to improve its conditions or operations within the time specified by the Insurance Commissioner. In such a case, the Insurance Commissioner may order the company to increase or reduce its capital, or may order the company to temporarily discontinue its non-life insurance business.

In the case where any company fails to increase or reduce its capital within the period of time prescribed by the Insurance Commissioner under the first paragraph, the Insurance Commissioner’s order shall be deemed to be a resolution of the shareholders’ meeting from the end of the prescribed period.

Where there is an urgent need for a company to increase or reduce its capital in order to survive and carry on business, the Insurance Commissioner with the consent of the Minister may order the company to increase or reduce its capital immediately. Such an order is deemed to be a resolution of the shareholders’ meeting.

The provisions of Section 1220, Section 1224, Section 1225 and Section 1226 of the Civil and Commercial Code, and the second paragraph of Section 136, Section 139, and Section 141 of the Law on Limited Public Companies B.E. 2535 (1992) as the case may be shall not apply to the increase or reduction of capital under the first and second paragraph of this section.

Section 53 Where there is evidence appearing to the Insurance Commissioner that the condition or operation of any company is such that damage may be caused to the insured and the public, or where the directors, managers or persons responsible for the operation of any company fail to comply with the order of the Insurance Commissioner under Section 52, the Insurance Commissioner shall have the power to order such company to remove its directors, managers or persons responsible for its operation who having caused such condition or operation of the company.
If the Insurance Commissioner orders the removal of any person under the first paragraph, the company shall, with the Insurance Commissioner's consent, appoint other persons to replace the persons so removed within one (1) month from the date of removal.

Where a company fails to remove such persons under the first paragraph, or removes but fails to appoint other persons in their place under the second paragraph, the Insurance Commissioner, with the consent of the Minister, shall have the power to issue the order of removal of such persons or appoint any person or person (s) to replace the person so removed for a period not longer than three (3) years. The provision of Section 34 (4) shall not apply hereto.

The person so appointed shall be entitled to a remuneration to be paid from the assets of the company as prescribed by the Minister. During the period that the persons so appointed hold office, shareholders of the company shall not pass a resolution to revoke or change the order of the Insurance Commissioner.

The person removed by the order of the Insurance Commissioner shall no longer be involved in or manage, directly or indirectly, any affair of the company.

The order of removal or appointment issued by the Insurance Commissioner under this Section shall be deemed to be a resolution of the shareholders' meeting.

Section 54 In the case where a company has been order to discontinue the non-life insurance business temporarily under Section 52, no directors, officers and employees of such company shall order to pay a sum of the company or remove or dispose the property of the company except for the payment of salaries or wages to officers or employees of the company which may normally be paid to them. For other payments, they shall be as prescribed by the Insurance Commissioner.

The company which has been ordered by the Insurance Commissioner to discontinue the non-life insurance business temporarily under Section 52 must report in
writing to the Insurance Commissioner about the company’s creditors and debtors within the period prescribed by the Insurance Commissioner.

**Section 55** In performance of his duty, the Insurance Commissioner and competent officer shall produce their identification card in accordance with the forms as prescribed by the ministerial regulation upon requested by the person concerned.

**Section 56** Person having an interest may, upon submitting to the Insurance Commissioner an application in the form as prescribed by the Insurance Commissioner, inspect the register books and related documents kept by the Insurance Commissioner and may request copies with certifying by the Insurance Commissioner.

**Section 57** When any company wishes to discontinue its business, it shall so notify the Insurance Commissioner of its intention at least three (3) months prior to the discontinuation.

In the case where a company which is a branch office of the foreign non-life Insurance company discontinues its business, it shall go into liquidation to which the provisions of Sections 60, Section 61 and Section 62 shall apply mutatis mutandis.

**Section 58** Claims which an insured or beneficiary under the insurance policy or a person who has the right to claim under the insurance policy, if not claimed against the company until the lapse of the period of prescription shall be sent to the fund within one (1) month from the date of the end of prescription.

**Chapter III**

Revocation of Licenses to Engage in the Non-Life Insurance Business

**Section 59** The Minister shall have the power to revoke a license to engage in the non-life insurance business where there is evidence appearing to the Minister that a company:
(1) has liabilities in excess of its assets or has had such an unstable financial
conditions which may cause damage to the insured or public;

(2) violates the provisions of this Act or the ministerial regulations, conditions as
prescribed by the Minister or notifications issued or prescribed in accordance with this
Act or fails to comply with an order of the Minister, Insurance Commissioner or competent
officer given in accordance with this Act, provided that such violation or failure may cause
damage to the insured or public;

(3) stop engaging in the non-life insurance business without any reason;

(4) delays payment of the claim or delays return of premiums to be paid or
returned without any reason or pay or return in the bad faith;

(5) if continuing engaging in the non-life insurance business, may cause damages
to the insured or public

Section 60 Where a license to engage in the non-life insurance company of any
company has been revoked, such company shall be dissolved as from the date of
revocation of the license and shall be liquidated. For the liquidation, the Minister shall
appoint a liquidator therefor. The power and duty of the general meeting shall be the
power and duty of the Insurance Commissioner.

Section 61 For the purpose of liquidation, a company which is a branch office
of foreign non-life insurance company shall be a limited company and for such purpose,
the Insurance Commissioner and the Department of Insurance shall be the Partnership
and Company Registrar or Partnership and Company Registration Office under the Civil
and Commercial Code as the case may be and reports to be submitted to the general
meeting of shareholders shall be submitted to the Insurance Commissioner provided that
it shall not prejudice to any claim against the said foreign insurance company.

Section 62 A liquidator appointed by the Minister under Section 60 may receive
such remuneration as prescribed by the Minister and such remuneration shall be paid
from the assets of the company.
Chapter IV
Non-Life Insurance Agents and Brokers

Section 63 No person shall act as a non-life insurance agent or broker unless he receives a license from the Insurance Commissioner.

The application for license and license shall be in the forms as prescribed by the Insurance Commissioner.

A non-life insurance agent’s license shall indicate the company for which he is an agent to which the non-life insurance agent belongs.

Section 64 An applicant for a non-life insurance agent’s license shall have the following qualifications:

(1) being a sui juris;
(2) domiciled in Thailand;
(3) not be adjudged incompetent or quasi-incompetent;
(4) never have been sentenced to imprisonment upon final judgement for offences relating to property committed dishonestly unless the sentence has been completed at least five (5) years before the date of application;
(5) not be adjudged bankrupt;
(6) not be a non-life insurance broker;
(7) not have had a non-life insurance agent’s or broker’s license revoked within three (3) years prior to the date of application for a license.
(8) Study non-life insurance business from an Institute prescribed by the Insurance Commissioner or have passed an examination concerning life insurance knowledge in accordance with the subjects and procedures prescribed by the Insurance Commissioner in the notification.

Section 65 A person qualified under Section 64 who wishes to be a non-life insurance agent of any company shall file with the Insurance Commissioner an application for a license together with a letter from the company indicating its intention to have such person to be its non-life insurance agent.
When the Insurance Commissioner has considered an application under the first paragraph to his satisfaction, he shall issue a license to the said person to become a non-life insurance agent for the company which indicated its intention. When a license is issued, the company shall be notified.

A non-life insurance agent for one company may apply for a license to be a non-life insurance agent for another company. Such application shall be accompanied by a letter of consent from the company of which the applicant is already a non-life insurance agent together with a letter from the new company stating its intention. The letter shall also mention that the new company knows that an applicant has already been an agent of another company. After issuing a license, the Insurance Commissioner shall notify the companies concerned.

A letter of intention under the first paragraph and a letter of consent under the third paragraph shall be in the forms as prescribed by the Insurance Commissioner.

**Section 66** A non-life insurance agent may enter into a non-life insurance contract in the name of the company upon authorized in writing by the company to do so.

A non-life insurance agent, a non-life insurance broker, or the company's employees concerning acceptance of money, may accept premiums in the name of the company upon authorized in writing by the company to do so.

Powers of attorney of the company under the first paragraph and second paragraph shall be in the forms as prescribed by the Insurance Commissioner.

If powers of attorney of the company does not follow the form as prescribed by the Insurance Commissioner, the right of the third persons shall not be adversely affected because of the failure to follow the form prescribed.
Section 67 A natural person who applies for a non-life insurance broker shall not be non-life insurance agent or a director, an officer, or an employee of any company and the provisions of Section 64 (1), (2), (3), (4), (5), (7), and (8) shall apply mutatis mutandis.

A juristic person may apply for a non-life insurance broker if:

1. such juristic person has the head office in Thailand;
2. such business is in a scope of articles of association of a juristic person;
3. such juristic person has officers or employees licensed to be a non-life insurance broker under this Act to act for it;
4. such juristic person has never been revoked a non-life insurance license within three (3) years prior to the date of application.

Section 68 A natural person or juristic person who is qualified under Section 67 wishes to be a non-life insurance broker shall submit an application for a license to the Insurance Commissioner.

The issuance of a license to juristic person to be a non-life insurance broker shall be in accordance with the rules and conditions as prescribed by the Insurance Commissioner. The application for a license and license under this Section shall be in the forms as prescribed by the Insurance Commissioner.

Section 69 A non-life insurance broker shall have an office as indicated in an application for a license to be a non-life insurance broker. In case of a change of the office, a non-life insurance broker shall notify the Insurance Commissioner in writing of such change within five (5) days from the date of change.

Section 70 A non-life Insurance broker shall prepare the registers, account books, and documents concerning business of a non-life insurance broker in the form and particulars prescribed by the Insurance Commissioner.
Events which are required to record in the registers, account books, and documents under the first paragraph, a non-life insurance broker shall so record within seven (7) days from the occurrence of the event.

Section 71  A non-life insurance broker shall keep the registers, account books, and documents concerning business of a non-life insurance broker, including attachment thereof in the registers and account books at his office not less than five (5) years from the date of last record in the registers or account books.

Section 72  A license to be a non-life insurance agent or broker shall be valid for one (1) year from the issue date. If any licensee who wishes to renew the license shall apply for a renewal of the license to the Insurance Commissioner in the forms as prescribed by the Insurance Commissioner within two (2) months prior to the expiration of the license.

If a licensee under the first paragraph who continuously renews a license twice, and applies for renewal of a license again, a new license shall be valid for a period of five (5) years.

Section 73  Any non-life insurance broker who is appointed to be a director, manager, officer, or employee of any company, such non-life insurance broker's license shall be terminated.

Section 74  In the case where the company has already delivered an insurance policy to an insured or a beneficiary under the insurance policy, or has already passed an insurance policy through a non-life insurance broker for delivering it to an insured or a beneficiary under the insurance policy, it is presumed that such insured has already paid premiums to the company.

Section 75  For the purpose of inspection of performance of a non-life insurance broker, the Insurance Commissioner and a competent officer shall have the power to
order a non-life insurance broker to give a statement, or submit the registers, account
books, or any documents, or reports in the form and particulars as prescribed by the
Insurance Commissioner in order to inspect, or enter into such person’s office during sunrise
and sunset to perform such inspection. In this event, a non-life insurance broker shall
properly facilitate the Insurance Commissioner.

Section 76  The Insurance Commissioner shall have the power to revoke a non-
life insurance agent’s license or non-life insurance broker’s license, if it appears to the
Insurance Commissioner that such non-life insurance agent or broker:

(1) violates the provisions of this Act;
(2) lacks of qualifications under section 64 or Section 67 as the case may be;
(3) operate business which causes or may cause damages to an insured, a
beneficiary under an insurance policy or the public.

In ordering revocation of a license under the first paragraph, the Insurance
Commissioner shall notify a person whose license is revoked of that effect.

Section 77  A person whose license is revoked under Section 76 shall have the
right to appeal to the Minister within fifteen (15) days from the date which the order
becomes known. The Minister’s decision is final.

Section 78  No person shall induce, advise, or in any manner act so as to cause
any person to enter into a non-life insurance contract with a non-life insurer abroad, or
with any person except a person licensed to engage in the non-life insurance business
under this Act.

The provisions of the first paragraph shall not apply to inducement, advice, or
acts in any manner to cause any person licensed to engage in the non-life insurance
business under this Act to enter into a reinsurance contract with a non-life insurer abroad.
Chapter V
Fund for Development of the Non-Life Insurance Business

Section 79  A Fund shall be established to be called "Fund for Development of the Non-life Insurance Business", having the purposes of being in the development of the non-life insurance business for stability and security.

Section 80  Any company failing to send money to the Fund in accordance with the provision of Section 58 shall pay a surcharge at the rate of two (2) percent per month on the amount of the said money.

Section 81  The Fund shall consist of:-
1. Money received under Section 120;
2. Money received under Section 58;
3. Surcharge received under Section 80;
4. Money and asset given by people;
5. Interest of the Fund.

Section 82  Money and assets under Section 81 shall belong to the Department of Insurance, and shall not be required to send to the Treasury House as the income of the State.

Section 83  Withdrawal and payment of money, keeping of money and management of the Fund shall be as prescribed by the Minister with the approval of the Ministry of Finance in the notification.

Chapter VI
Penalty Provisions

Section 84  Any company which violates or fails to comply with the provisions of the fifth paragraph of Section 7, Section 8, Section 9, Section 10, Section 16, Section 20,
or fails to comply with the conditions prescribed by the Minister under the fourth paragraph of Section 6, the first paragraph of Section 7 or the conditions prescribed by the Insurance Commissioner under the second paragraph of Section 31 (10), or the second paragraph of Section 33 shall be liable to a fine from Baht 20,000 up to Baht 200,000, and to a further fine not exceeding Baht 10,000 per day for every consecutive day during which such violation continues.

Section 85 Any company which fails to inspect the register of shareholders, or inform its shareholders failing to comply with Section 11 shall be liable to a fine from Baht 10,000 up to Baht 50,000, to a further fine not exceeding Baht 5,000 per day for every consecutive day during which such violation continues.

Section 86 Whoever violates the provisions of Section 17, shall be liable to imprisonment for a term of two years to five years, or a fine from Baht 200,000 up to Baht 500,000, or both, and to a further fine not exceeding Baht 20,000 per day for every consecutive day during which such violation continues.

Section 87 Whoever violates the provisions of Section 18 shall be liable to a fine from Baht 20,000 up to 100,000, and a fine not exceeding Baht 5,000 for every consecutive day during which such violation continues.

Section 88 Any company which violates or fails to comply with the provisions under Section 23, Section 28, Section 31, Section 33, Section 34, Section 35, Section 36, Section 52, Section 53, the first paragraph of Section 54, or fails to place the reserve fund under Section 24, fails to comply with the provisions as prescribed by the Minister in the notification under Section 37, or fails to comply with the order of the Insurance Commissioner under Section 41 or Section 42, shall be liable to a fine not exceeding Baht 500,000, and to a further fine not exceeding Baht 20,000 per day for every consecutive day during which such violation continues.
Section 89  Any company violates the provisions of Section 25 shall be liable to a fine not exceeding Baht 50,000.

Section 90  Any company which issues policies or documents attaching or endorsements which violating Section 29, or specifies rates of premiums which violating Section 30, shall be liable to a fine not exceeding Baht 100,000.

Section 91  Any company which fails to comply with the provisions of Section 38 shall be liable to a fine not exceeding Baht 50,000.

Section 92  Any company which fails to comply with the provisions of Section 45 shall be liable to a fine not exceeding Baht 100,000.

Section 93  Any company which violates or fails to comply with the provisions of Section 39, Section 44, Section 47, Section 50, the second paragraph Section 54 or fails to comply with the Insurance Commissioner's order under Section 49, shall be liable for a fine not exceeding Baht 100,000, and a fine not exceeding Baht 5,000 per day during which such violation continues.

Section 94  Any company which fails to allow persons having an interest to Inspect register books or fails to provide a certified copy of such register as persons having an interest request under Section 46, shall be liable to a fine not exceeding Baht 5,000.

Section 95  Any company which wilfully gives a false statement, or conceal a fact to be informed while submission, or informed under Section 49, shall be liable to a fine from Baht 20,000 up to Baht 100,000.

Section 96  Whoever obstructs, fails to facilitate the Insurance Commissioner or a competent officer in the performance of his duty under Section 51, or violates the order of the Insurance Commissioner or of the competent officer under Section 51, shall be
liable to an imprisonment not exceeding one month, or a fine not exceeding Baht 10,000 or both.

Section 97 Whosever which violates the provision of the fifth paragraph of Section 53 shall be liable to an imprisonment not exceeding three years, or a fine not exceeding Baht 300,000, or both.

Section 98 Any company which fails to comply with the first paragraph of Section 57 shall be liable to a fine not exceeding Baht 100,000.

Section 99 Whosever which violates the provision of the first paragraph of Section 63 shall be liable to an imprisonment not exceeding six months, or a fine not exceeding Baht 50,000 or both.

Section 100 Any non-life insurance agent who enters into a non-life insurance contract without a written authorization of the company under the first paragraph of Section 66, or any non-life insurance agent, non-life insurance broker, or the company's employee who collects premiums without a written authorization of the company under the second paragraph of Section 66, shall be liable to an imprisonment not exceeding two years, or a fine not exceeding Baht 200,000, or both.

Section 101 Any non-life insurance broker who has no office as specified in an application for a non-life insurance broker, or as informed of change of the office to the Insurance Commissioner under Section 69, shall be liable to a fine from Baht 10,000 up to Baht 50,000.

Section 102 Any non-life insurance broker who moves an office without informing the Insurance Commissioner under Section 69 shall be liable to a fine not exceeding Baht 10,000.
Section 103  Any non-life insurance broker who fails to comply with the provisions in the first paragraph of Section 70, or not record in registers and account books under the second paragraph of Section 70, shall be liable to a fine not exceeding Baht 50,000, and to a further fine not exceeding Baht 2,000 per day for every consecutive day which such violation continues.

Section 104  Any non-life insurance broker who fails to comply with the provisions in Section 71 shall be liable to a fine not exceeding Baht 50,000.

Section 105  Any non-life insurance broker who fails to comply with the order of the Insurance Commissioner or of the competent officer under Section 75, shall be liable to an imprisonment not exceeding one month, or a fine not exceeding Baht 10,000 or both.

Section 106  Whoever violates or fails to facilitate the Insurance Commissioner or a competent officer in the performance of his duty under Section 75, shall be liable to an imprisonment not exceeding one month, or a fine not exceeding Baht 10,000, or both.

Section 107  Whoever violates the provisions in the first paragraph of Section 78 shall be liable to an imprisonment not exceeding six months, or a fine not exceeding Baht 50,000, or both.

Section 108  In case any company wilfully violates the provisions in Section 23, Section 28, Section 35, or wilfully gives a false statement, or conceal a fact to be informed, or informed under Section 49, or discontinue the non-life insurance business temporarily under the first paragraph of Section 52, any director or person responsible for the operation of the company, shall be liable to an imprisonment not exceeding one year, or a fine not exceeding Baht 100,000 or both, except that such director or person can prove that he does not take a part in the company's mistake.
Section 109  In case of any following offenses:

(1) In the operation of the company, any director or person responsible for the operation of the company commits an offence against the property under Chapter 1, Chapter 3, Chapter 4, Chapter 5, or Chapter 7 of Title 12 of the Criminal Code, or Section 40, Section 41, or Section 42 of the Penalty Act of the Registered Partnership. Limited Partnership, Limited Company, Association, and Foundation, B.E. 2499, or Section 215 or Section 216 of the Law on Limited Public Company B.E. 2535;

(2) In auditing the company's accounts, any auditor committed an offence under Section 269 of the Criminal Code, or Section 31 of the Penalty Act of Registered Partnership, Limited Partnership, Limited Company, Association, and Foundation B.E. 2499;

(3) Whoever causes another to commit the offence, or support another to commit the offence under (1) or (2).

The Department of Insurance shall be deemed as an injury under the Criminal Procedure Code.

For an offence under this section, when filing a criminal case to the court, the public prosecutor shall have the power to call for properties, or prices, or claim compensation for damages for an injury. In this event, the provisions of filing a civil case concerning criminal case under the Criminal Procedure Code shall apply mutatis mutandis.

Section 110  Where there is evidence that any person committed an offence under Section 109 and the Department of Insurance considers that damage to the public may be caused unless an immediate action is taken, the Department of Insurance shall have the power to order the seizure or attachment of properties of that person, or properties which may legally be deemed to be properties belonging to that person. The seizure or attachment may not be longer than six (6) months unless a case has been filed in Court, in which event the order of seizure or attachment shall continue to operate until the Court orders otherwise. Where circumstances render it impossible to file a case
in Court within six (6) months, the Court having territorial jurisdiction may extend the period of seizure or attachment as requested by the Department of Insurance.

The Department of Insurance shall have the power to appoint officials of the Department to seize or attach properties under the first paragraph.

The provisions of the Revenue Code shall apply to seizure or attachment of properties under the first paragraph mutatis mutandis.

In the case under the first paragraph, and where there is reasonable ground for suspecting that the said person is about to abscond from the Kingdom when requested by the Department of Insurance, the Criminal court shall have the power to restrain that person from leaving the Kingdom, or in case of emergency, when the Director General of the Department of Insurance or a person designated by the Director General of the Department of Insurance notify the Director General of the Police Department, the Director General of the Police Department shall have the power to restrain that person from leaving the Kingdom for a temporary period not more than fifteen days until the Criminal Court orders otherwise.

Whoever violates the order of the Criminal Court or Director General of the Police Department made under the provisions of the fourth paragraph shall be liable to imprisonment for a term not exceeding ten years and to a further fine not exceeding one million baht.

**Section 111** A committee appointed by the Minister shall have the power to settle out of court any offence under this Act except for the offence under Section 86 and Section 110.

The committee appointed by the Minister under the first paragraph shall consist of three members, one of whom shall be an investigating officer under the Criminal Procedure Code.
Where a case has been settled by such committee and the alleged offender has paid the fine as fixed within the period of time specified by the committee, such settlement of the case shall be regarded as final.

Transitional Provisions

Section 112 It shall be deemed that a company already had a license to engage in the non-life insurance business under the Insurance Against Loss Act B.E. 2510 is a company which has had a license to engage in the non-life insurance business under this Act, and that a branch office of the company already licensed under the said Act before or on the date when the Act comes into force is a branch office of the company licensed under this Act in accordance with the conditions as prescribed by the Minister in granting the license.

Section 113 Any company under Section 112 has already issued shares in contravention of Section 8 of this Act, such company shall rectify such contravention to comply with Section 8 of this Act within two years from the date of this Act coming into force.

Section 114 Any company under Section 112 of which the number of shareholders or directors of Thai nationality is less than the rate prescribed in Section 9 of this Act may remain to have shareholders or directors of Thai nationality at such rate.

Section 115 Any company under Section 112 has already had a branch office which is separate from the head office of the company and engages in any activity for the benefit of the company under Section 112 shall apply for permission to open a branch office correctly under this Act or discontinue such branch office. Provided that such actions shall be completed within one (1) year from the date of this Act coming into force and within such period the company under Section 112 shall not be deemed violating Section 16.
Section 116 The company under Section 112 shall correctly place the security deposit under Section 19 of this Act within one (1) year from the date of issue of the ministerial regulation in accordance with Section 19 of this Act coming into force.

Section 117 The company under Section 112 shall arrange for maintaining the capital fund under Section 27 of this Act correctly within three (3) years from the date of this Act coming into force.

Section 118 The provision of Section 33 of this Act shall not be applied to all immovable properties which the company under Section 112 has acquired or had before the Act comes into force and which shall be disposed under Section 33 of this Act within nine (9) years from the date of cessation of use or the date of acquisition of that immovable properties as the case may be unless that immovable property which the company under Section 112 has acquired or had before 14th April B.E. 2510 (1967).

Section 119 The provision of Section 34 of this Act shall not be applied to a person who legally is director, manager, officer, authorized person in the administration or advisor of the company under Section 112 before or on the date of this Act coming into force.

Section 120 Claims which an insured or beneficiary under the insurance policy or a person who has the right to claim under the insurance policy are barred by prescription and are in the possession of the company on the date of this Act coming into force shall be examined and sent by the company to the Fund within three (3) months from the date of this Act coming into force and the provision of Section 80 shall apply mutatis mutandis.

Section 121 Any company under Section 112 licensed to engage in the life insurance business under the Life Insurance Act before or on the date of this Act comes into force such company shall continue engaging in the life insurance business under the license in accordance with the following conditions:
(1) The security deposits placed by the company with the Insurance Commissioner and the capital fund maintained by the company under 19 and 27 of the Act as the case may be shall be the security deposit and capital fund separated from the security deposit and capital fund which the company under Section 112 shall place and maintain under the Life Insurance Act;

(2) the books of account of the life insurance business shall be separated from that of the non-life insurance business;

(3) in the case where the Minister orders to withdraw a company's license to engage in the non-life insurance business under Section 59 of this Act, such order shall be an order to withdraw a company's license to engage in the life insurance business under Section 112.

A company under the first paragraph shall establish a new company for obtaining a license to engage in the life insurance business under the law on Life Insurance by receiving transfer of assets, liabilities, responsibilities under the insurance policy including officers and employees of the life insurance business of the company under Section 112 to that new company within eight (8) years from the date when this Act comes into force. Failure to establish the new company for obtaining the said license within the time so specified or to comply with the provisions of this section, the license to engage in the life insurance business of the company under Section 112 shall be expired.

Section 122 In the case where there is a reason necessary, the Minister shall have the power to extend a period as prescribed in Section 113, Section 115, Section 116 and Section 117 of this Act upon the application of the company under Section 112 showing the necessary reason. However, the said period shall be extended for not exceeding two years from the expiry of the said period as prescribed under Section 113, Section 115, Section 116 and Section 117.

Section 123 A person has obtained a license to be non-life insurance agent or license to be a non-life insurance broker under the Insurance Against Loss Act B.E. 2510
shall be a person has obtained a license to be a non-life insurance agent or license to be a non-life insurance broker under this Act.

Section 124 A person licensed to be an agent and broker under the Insurance Against Loss Act B.E. 2510 simultaneously shall notify for termination of being a non-life insurance agent or broker to the Insurance Commissioner within two months from the date of this Act coming into force and any person fails to give a notice for termination of being a non-life insurance agent or broker after the expiry of the said period to the Insurance Commissioner the non-life insurance broker's license of the said person shall be deemed terminated from the expiry of the period for which the termination shall be notified.

Section 125 All ministerial regulations, notifications or conditions issued or prescribed in granting of permission, which are effective before or on the date of this Act coming into force shall continue being effective in so far as they are not in conflict with or inconsistent with the provisions of this Act and until there are ministerial regulations, notifications or conditions issued or prescribed under this Act coming into force.

Countersigned by
Prime Minister

(Government Gazette Vol. 109, Part 46, 10th April B.E. 2535)
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<tr>
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<th>Description</th>
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<tr>
<td>1</td>
<td>Application for a license to engage in the non-life insurance business</td>
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<td>2</td>
<td>License to engage in all categories of the non-life insurance business</td>
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<td>License to engage in some categories of the non-life insurance business</td>
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<td>4</td>
<td>License to open branch office of the company</td>
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<td>5</td>
<td>Permitting to relocate the head office or branch office</td>
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<td>6</td>
<td>Application fee for examination to receive license to engage as a non-life insurance agent or broker</td>
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<td>7</td>
<td>License to be a non-life insurance agent</td>
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<td>8</td>
<td>License of a juristic person to be a non-life insurance broker</td>
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<td>License of a natural person to be a non-life insurance broker</td>
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<td>Substitute of every type of license</td>
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<td>11</td>
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