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TRANSLATION
(For official purposes, only the Thai text will be relevant)
NON-LIFE INSURANCE ACT B.E. 2535 (1992)
BHUMIBOL ADUL YADEJ, REX.,
Given on the 4th day of April, B.E. 2535 (1992)
Being the 47th Year of the Present Reign
[Amended by NON-LIFE INSURANCE ACT (No.2) B.E. 2551 (2008)]

By Royal Command of His Most Excellent Majesty King Bhumibol Adulyadej, it is hereby proclaimed that:

It is deemed expedient to revise the Non-Life Insurance Act.

Therefore, it is 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 Royal Gazette.

Section 3 The Non-Life Insurance Act, B.E. 2510 (1967) shall be repealed.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 income.

“Company” means a public limited company which has been licensed to engage in the Non-Life Insurance Business under this Act, and shall include the branch office of a foreign Non-Life Insurance company which has been licensed to engage in the Non-Life Insurance business in the Kingdom under this Act.

“Head Office” includes a branch office of a 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.
(The definition of “Capital Funds” was repealed.)

“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 a commission, indicates the opportunity or arranges for a person to enter into a Non-Life Insurance contract with a Company.

“Commission” means the Insurance Commission.

“Fund” means the Non-Life Insurance Fund.

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

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1 Amended by the Non-Life Act (No.2), B.E. 2551
2 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551.
3 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551.
4 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551.
"Registrar" means the Secretary-General of the Insurance Commission, or his designated person.

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

Section 5 The Minister of Finance shall have the care and charge of the execution of this Act, and shall be empowered to appoint competent officials, issue Ministerial Regulations prescribing the fee rates, which shall not be in excess of the rates in the Schedule annexed hereto, and determine other activities for the execution of this Act, as well as to issue Notifications by virtue of the provisions of this Act.

The Ministerial Regulations and Notifications shall come into force upon their publication in the Royal Gazette.

Chapter I

Company

Section 6 The Non-Life Insurance Business may be undertaken only by a public limited company under the Law on Public Limited Companies, and with a license to engage in the Non-Life Insurance Business from the Minister, with the approval of the Cabinet.

An application for a license to engage in the Non-Life Insurance Business under the foregoing paragraph shall be lodged by the company promoters, with the Minister. When the Minister, with the approval of the Cabinet, grants approval to engage in the Non-Life Insurance Business, the company promoters shall incorporate a public limited company, and shall place a security deposit, according to section 19, and maintain a capital fund, according to section 27, within six (6) months of the date of incorporating the public limited company.

When the Minister finds that the applicants have fulfilled their obligations under the second paragraph, a license shall be issued to the public limited company incorporated by them.

If the public limited company is unable to place a security deposit or maintain a capital fund within the prescribed period, the approval to engage in the Non-Life Insurance Business shall be deemed to be nullified.

The application for, and the issuance of, a license shall be in accordance with the rules, procedures, and conditions prescribed in the Ministerial Regulations. The Minister may also prescribe various conditions in the license.

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, through the establishment of a branch office of the foreign Non-Life Insurance Company under the first paragraph, shall be in accordance with the rules and procedures prescribed in the Ministerial Regulations.

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3 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551.
4 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551.
7 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551.
A branch office of the foreign Non-Life Insurance company that has obtained a license to engage in the Non-Life Insurance Business shall maintain assets in Thailand, in accordance with amounts, types, rules, and conditions prescribed by the Commission in the notifications. The amount of the assets prescribed by the Commission shall not be less than the amount of the capital funds 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 a security deposit in accordance with Section 19 and has maintained assets in Thailand in accordance with the third paragraph.

A Company which is the branch office of a foreign Non-Life Insurance Company cannot open a branch office anywhere.

A branch office shall include an office that is separated from a Company's Head Office, no matter by what name it goes, and that receives its expenditures from the Company, either directly or indirectly. However, this does not include a location used as an information operating unit, a document-keeping place, or a training place, in relation to Company business, which has obtained the Registrar’s approval.

Section 8 The Company's ordinary shares and preference shares shall be in the form of a named certificate, and shall have a registered par value of not more than one hundred baht (Baht 100) per share.

The issuance of preference shares under the foregoing paragraph shall be in accordance with the Law on Public Limited Companies. The Registrar may prescribe the rules, procedures, and conditions for protecting the interests of the insured, provided that those rules, procedures, and conditions are not in conflict with the Law on Public Limited Companies.

Section 9 Not less than three-fourths (3/4) of the total directors of the Company must be Thai nationals and more than seventy-five percent (75%) of the total number of the voting shares that have been sold must be held, in aggregate, by persons stipulated under (1) and/or (2) below:

(1) Thai individuals, or non-registered ordinary partnerships, in which all partners are Thai nationals;

(2) Juristic persons registered in Thailand and possessing the following characteristics:

(a) having persons under (1) holding shares in excess of fifty percent (50%) of the total number of voting shares that have been sold, or

(b) having persons under (1), or the juristic persons under (2)(a), or the persons under (1) and the juristic persons under (2)(a), holding shares in excess of fifty percent (50%) of the total number of voting shares that have been sold.

If the Commission deems appropriate, it may permit persons of non-Thai nationality to hold shares in a proportion of up to forty-nine percent (49%) of the total number of voting shares that have been sold, and permit persons of non-Thai nationality to serve as directors, in an amount exceeding one-fourth (1/4), but less than one-half (1/2), of the total number of directors. In granting such permission, the rules regarding shareholding by the persons under the first paragraph shall apply, mutatis mutandis.

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4 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
5 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
In the event the Company's standing or operations are in a condition that might cause damage to the insured or the public, the Minister, upon the recommendation of the Commission, is empowered to grant a relaxation to permit the Company to have shareholders or directors otherwise than as stipulated under the second paragraph. When granting such relaxation, the Minister may also prescribe the rules, or time conditions for such.

Section 10 If any person has acquired the shares of any Company, and such acquisition causes the number of shares or shareholders to violate section 9 or to not be in compliance with section 11, such person may not hold 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 rights on said shares at a shareholders meeting.

Section 11 For the purpose of compliance under section 9 and section 10, the Company shall examine its registration of shareholders not less than three (3) months prior to each shareholders meeting and shall inform the Registrar of the particulars of the result of such examination, within the period of time prescribed by the Registrar. If 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 must take steps to rectify this within one (1) month from the date of receipt of notice.

Section 12 The provisions of section 8, section 9, section 10, and section 11 shall not apply to a Company that is a branch office of a foreign Non-Life Insurance Company, under section 7.

Section 13 A transfer or acceptance of transfer of business, either in whole or in part, or a Company amalgamation, may only be executed between companies.

If any Company wishes to transfer or accept the transfer of a business, either in whole or in part, or to enter into an amalgamation according to the foregoing paragraph, the boards of directors of such companies shall jointly prepare and submit an operating scheme to the Commission. When granting its consent, the Commission may also prescribe any condition deemed appropriate to protect the interests of the insured, or to ensure the stability of business operations.

Section 13/1 A transfer of business, either in whole or in part, may commence after the consent of the Commission is received, according to section 13, paragraph two. The assignment of claim in such business transfer shall not be subject to the requirement to give notice to a debtor, according to section 306 of the Civil and Commercial Code, provided that such assignment is without prejudice to the debtor's right to set up a defense under section 308, paragraph two, of the Civil and Commercial Code.

In the event the entire business of a Company is transferred, such a transfer shall be deemed valid when the transferor company and the transferee company have

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10 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
11 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
complied with the conditions prescribed by the Commission under section 13, paragraph two, and shall be considered the revocation of the license to engage in the Non-Life Insurance Business, issued to the transferor company.

Section 13/2 Amalgamation of companies shall be in accordance with the Law on Public Limited Companies.

An amalgamation of companies under the foregoing paragraph shall be valid when the amalgamating companies have complied with the conditions prescribed by the Commission under section 13, paragraph two. It shall be deemed that the surviving company has been granted approval to engage in the Non-Life Insurance Business according to section 6, paragraph one.

When the amalgamation is registered, a security deposit is placed according to section 19, and capital funds are maintained according to section 27, the Minister shall issue a license to the surviving company. Such issuance shall operate as a revocation of the license to engage in the Non-Life Insurance Business, issued to the predecessor company.

Section 13/3 In a transfer of all or any part of the business of one Company to another company, or an amalgamation of companies, if the assets to be transferred include any collateral other than the right of mortgage, right of pledge, or right arising from a suretyship, which must pass to the transferee company by virtue of section 305 of the Civil and Commercial Code, such other collateral shall pass to the transferee company or the surviving Company, as the case may be.

Section 14 Apart from the fees for a license to engage in the Non-Life Insurance Business, the Company must pay an annual fee for the operation of the Non-Life Insurance Business every year, except in the year its license is issued.

If any Company fails to pay its annual fee within three (3) months of the end of a calendar year, the Registrar shall issue an order to prohibit such Company from expanding its business, until the fee is fully and correctly paid and the order of prohibition by the Registrar is revoked.

For the purpose of this section, when determining whether an event is an expansion of business under the second paragraph, the provisions in section 27/6, paragraph two, and the penalty in the case of a violation of section 27/6, paragraph one, as provided for under section 89/1, shall apply, mutatis mutandis

Section 15 (Repealed)

Section 16 A Company under section 6 that opens a branch office, relocates its Head Office or branch office, or dissolves its branch office must obtain the permission of the Registrar, wherein the provisions in section 7, paragraph six, shall apply, mutatis mutandis.

12 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
13 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
14 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
15 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
16 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Applications for, and the granting of, permission shall be in accordance with the rules, produces, and conditions prescribed by the Commission.

Section 17 17 No person shall act as an insurer by entering into a Non-Life Insurance contract with any person, unless he/she has obtained a license to engage in the Non-Life Insurance Business.

No person shall use an insurance policy of a Company, to which he/she is not entitled, in accordance with 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 persons:
(1) a Company;
(2) an association, the majority of whose members are officers or employees of a Company;
(3) an association, the majority of whose members are Non-Life Insurance Agents or Brokers;
(4) an Employer's Association or Labour Union, the majority of whose members are officers or employees of a Company;
(5) A Non-Life Insurance Agent or Broker who makes use of the description in his business as an agent or broker, as the case may be;
(6) a non-life insurance education institute, or other institute relating to the Non-Life Insurance Business, that makes use of the description in its name; or
(7) a director, officer, employee, member, or a person having any status, position, or duty in a Company, association, labour union, institute of Non-life insurance education, or other institute relation to the Non-Life Insurance Business, under (1), (2), (3), (4) and (6) who use such description to show their status.

The use of a name, or an expression of a name, in the business of a Non-Life Insurance Agent or Non-life Insurance Broker under (5) shall be in accordance with the rules, procedures, and conditions prescribed by the Registrar.

Section 19 The Company shall place securities with the Registrar, as a security deposit, in the value prescribed by the Registrar in the Ministerial Regulations.

The category of insurance and the value of the securities placed with the Registrar under the first paragraph shall be in accordance with the Ministerial Regulations.

The securities of the Company, required to be placed with the Registrar, may be cash, Thai government bonds, or any other assets, as prescribed by the Minister in the notifications.

The Company may ask for permission to change the security deposit placed, subject to the provisions of the second and third paragraphs.

Section 20 If the value of the security deposit of any Company is lower than that prescribed in accordance with the Ministerial Regulations, issued under section

17 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
18 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
19, the Commission may order such Company to deposit an additional security, up to the amount prescribed, within two (2) months from the date of receipt of the order.

Section 21 If the value of the security deposit of any Company is increased to the extent that such value is greater than that prescribed in accordance with the Ministerial Regulations, issued under section 19, the Commission may order the release of the portion of the security deposit which is in excess of the amount prescribed, upon the request of the Company, provided it is able to prove the excessive value.

Section 22 If 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 a return of the portion of the property placed as the security deposit in excess of the amount prescribed for the undertaking of such remaining Non-Life Insurance Business, upon the Company showing evidence to the satisfaction of the Commission that the Company has discharged 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 for:
   (1) Unearned Premiums Reserve
   (2) Loss Reserve; and
   (3) Other Reserves, as prescribed by the Commission.
   The reserves under the foregoing paragraph may be cash, Thai government bonds, or other assets, in accordance with the rules, procedures, conditions, and proportion prescribed by the Commission.

Section 24 The Commission has power to order a Company to place a reserve under section 23(1) with the Registrar, in accordance with the type of insurance and rates, rules, and procedures prescribed in the notifications.

Section 25 If the security deposit placed with the Registrar by the Company under section 19 and the reserve placed with the Registrar under section 24 are assets of which transfer or acquisition are required to register with the official under the law or executed with the third party which involves in transfer or acquisition of the said asset, the Registrar shall notify the Competent Officer or the person concerned in writing and no official or the persons concerned shall transfer or dispose the said asset until the Registrar has notified at revocation or change in the said asset in writing.

Section 26 The security deposit under section 19 and the reserve under section 23, placed by Company at all time during the company operation with the Registrar under section 24, are not subject to execution.

In the event a Company dissolves, creditors having the right to receive payment of debts from insurance shall have preferential rights on the assets placed as a security deposit under section 19 and reserve under section 23(1), placed with the Registrar under section 24, and shall have the right to receive payment from said assets prior to any other creditors having other preferential rights.

19 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
In the event a Company goes bankrupt, creditors having the right to receive payment of debts from insurance shall have preferential rights on the assets placed as a security deposit under section 19 and reserve under section 23(1), placed with the Registrar under section 24, and shall have the same right to receive payment from said assets, as a secured creditor under the bankruptcy laws.

A creditor having the right to receive payment of debts from insurance shall have the right to receive payment 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 Registrar under section 24, like a holder of preferential rights, on account of tax under the Civil and Commercial Code.

Chapter I/20

Maintenance of Capital Funds and Liquid Assets

Section 27/21 The Commission shall be empowered to prescribe the types and categories of capital funds, including the rules, conditions, and procedures for the computation of a Company’s capital funds.

A Company must maintain capital funds at all times throughout the period of its operation of a Non-Life Insurance Business, in proportion with its assets, liabilities, obligations, or risks, at the rate prescribed by the Commission.

The Commission shall determine the maintenance rate of the capital funds rate, in accordance with each or all sizes or types of assets, liabilities, obligations, or risks.

In the event that a Company buys repurchases shares under the law on public limited companies, none of such shares shall be counted as part of the capital funds. Capital funds shall be deducted in accordance with the rules, procedures, and conditions prescribed by the Commission.

A Company is prohibited from using its capital funds to incur any obligation, subject to the rules, procedures, and conditions prescribed by the Commission.

Section 27/122 A Company shall maintain liquid assets, in proportion with its assets, liabilities, obligations, or capitals under section 23, at not less than the rate prescribed by the Commission.

The Commission, in determining the maintenance rate for liquid assets under the foregoing paragraph, may determine such maintenance rate for certain types or all types of liquid assets, or may determine the proportion of each type thereof at any rate.

If a liquid assets maintenance rate that the Commission has determined under this section increases, such increase shall be announced at least sixty (60) days prior to the effective date.

Section 27/223 Liquid assets include:
(1) cash or deposits at banks, in accordance with the rules, procedures, and conditions prescribed by the Commission;
(2) Thai government securities or Bank of Thailand’s securities;

20 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
21 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
22 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
23 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(3) debentures or bonds, for which the Ministry of Finance, the Bank of Thailand, or the Financial Institutions Development Fund has guaranteed their principal and interest; or
(4) other assets, in accordance with the rules, procedures, and conditions prescribed by the Commission.

The liquid assets under (2), (3), and (4) above shall be negotiable and free from any obligation.

Section 27/324 A Company shall manage its assets, liabilities, obligations, and reserves under section 23 to be consistent with the period of receipt of insurance premiums, receipt of payments from the insured or the public, or the period of borrowing, in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 27/425 A Company shall allocate its assets for liabilities and obligations under insurance contracts, in accordance with the types, categories, and ratios prescribed by the Commission.

A Company shall deposit reserves under section 23, except for the portion placed with the Registrar under section 24 and assets under the foregoing paragraph, with financial institutions, or manage them in accordance with the rules, procedures, and conditions prescribed by the Commission.

A Company is not permitted to use the assets under paragraph two to incur obligations, subject to the rules, procedures, and conditions prescribed by the Commission.

Section 27/526 A Company shall have a capital funds maintenance report prepared and presented to the Registrar every month, in accordance with the rules, procedures, and conditions prescribed by the Registrar.

In the event the capital funds of any Company are reduced to less than the capital funds level required to be maintained under section 27, paragraph two, the Company shall propose a scheme to revive the condition of its capital funds, within thirty (30) days of the receipt of notice by the Registrar, or the detection of such condition by the auditor of the Company.

The scheme under paragraph one shall consist of at least the following particulars:
(1) steps to increase capital funds to reach a sufficient amount;
(2) the capital fund level anticipated to be maintained in each quarter, throughout the period of the scheme;
(3) the description of the business to be carried out; and
(4) the period of the scheme shall not exceed one (1) year.

The Registrar shall review the scheme and give notice of his consideration to the Company within thirty (30) days of the receipt of the scheme. The Registrar may also prescribe conditions or time conditions in his consent.

In the event that the Registrar rejects the scheme, or a Company disagrees with the conditions or time conditions determined by the Registrar, the Company shall have the right to appeal to the Commission within thirty (30) days of the receipt of

24 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
25 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
26 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
notice. The Commission shall completely review the appeal within sixty (60) days of receipt of the appeal.

The decision of the Commission is final.

Section 27/6\textsuperscript{27} While executing the approved scheme under section 27/5, a Company may carry out its normal business, but may not expand its business, until the Company is able to maintain capital funds in accordance with section 27 paragraph two.

To expand a business under the foregoing paragraph means:

(1) to accept new insurance, or to expand the insured amount of existing insurance policies;

(2) to increase risks of investments in other businesses of the Company;

(3) to incur additional obligations, except as required by the existing obligations;

(4) to enter into a contract to appoint an additional Non-Life Insurance Agent or Broker; or

(5) to receive a transfer of business from another Company.

The Registrar shall determine and announce those cases which represent an increase of risk under (2) or those cases which represent the incurrence of additional obligations under (3).

Section 27/7\textsuperscript{28} The Registrar shall consider carrying out the acts stated in section 52 if any of the following events occurs:

(1) a Company fails to propose a scheme under section 27/5 to the Registrar, within the specified time;

(2) a Company fails to carry out activities under the scheme, or carries out activities not in accordance with the approved scheme under section 27/5, in accordance with the conditions or time conditions prescribed by the Registrar; or

(3) a scheme proposed under section 27/5 is rejected and the Company fails to appeal such rejection within the specified time, or the Commission makes a decision to dismiss such appeal.

Chapter II
Supervision of Companies

Section 28 Apart from non-life insurance, a Company may invest in only business as prescribed by the Commission in the notifications. The Commission may prescribe conditions for said business, to be conducted by the Company.

Section 29 Insurance policies, including related documents and endorsements, shall be in the forms and with the wording approved by the Registrar.

The Registrar may order, in his discretion or upon application by a Company, to change, amend, add, or repeal the forms and wording, partially or wholly, which is already approved by the Registrar under the first paragraph.

In the event a Company issues an insurance policy which differs in form or wording from that approved by the Registrar under the first or second paragraph, the insured or beneficiary under the insurance policy shall have the option of holding the

\textsuperscript{27} Amended by the Non-Life Insurance Act (No. 2), B.E. 2551

\textsuperscript{28} Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Company liable for payment in the form and text as issued by the Company or as approved by the Registrar. Whether or not the insured or beneficiary under the insurance policy exercises said right, the Company shall not be released from liability as stated in this Act.

In the event a Company issues an insurance policy, the form or text of which was not approved by the Registrar 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. Whether or not the insured or beneficiary exercises said right, the Company shall not be released from liability as stated in this Act.

Section 30 The premium rates prescribed by the Company shall be approved by the Registrar.

The Registrar may, in his discretion or upon application by a Company, order such rates as approved by the Registrar changed, provided that any change in the rate shall not affect insurance policies for which premium rates have already been approved by the Registrar.

Section 30/1 29 The text of or pictures in an advertisement or prospectus shall be deemed an integral part of the insurance policy. If any content or picture contains a meaning in conflict with the insurance policy, it shall be interpreted in a way that is favorable to the insured or the beneficiary of the insurance policy, as the case may be. A Non-Life Insurance Agent is not allowed to use any content or picture of an advertisement or prospectus that has not been approved by the Company to solicit a person to enter into a Non-Life Insurance contract.

Section 31 No Company shall:
(1) engage in the life insurance business;
(2) underwrite risks exceeding the following amounts, except by written permission of the Registrar:
   (a) underwriting of fire insurance of a single or several risks combined, for the same insured peril, within an area prescribed by the Registrar, for an insured sum exceeding ten percent (10%) of the capital funds;
   (b) underwriting of Non-Life Insurance on a vehicle for land, water, air, and persons or property being in said vehicle, and liability insurance for the same insured peril, for an insured sum exceeding ten percent (10%) of the capital funds, for each vehicle; or
   (c) underwriting of other insurance, other than (a) or (b), for any of a single insured sum exceeding ten percent (10%) of the capital funds.

In the case of reinsurance for risks under (a), (b), or (c) which becomes effective at the same time as the insurance of such risks, the insured sum of the reinsurance shall not be calculated to include the sums prescribed under (a), (b), or (c);
(3) reduce its capital without written permission of the Registrar, with the consent of the Commission;
(4) deposit money elsewhere than in banks, finance companies, or finance and securities companies;

29 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(5) keep cash anywhere except at the office of the Company;
(6) pay any money or property to a director, manager, advisor, officer, or employee of the Company as commission or remuneration 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 commission which may normally be paid to them;
(8) advance money or property to any person as commission or remuneration for work to be done for the Company;
(9) pay commission 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 property, except:
   (a) those for use as premises for the business of the Company, or for the 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 Commission under section 28; or
   (c) those acquired by the Company as a result of a debt settlement or enforcement of mortgage.

The purchase or possession of immovable property under (a) or (b) or the acquisition of immovable property as a result of a debt settlement under (c) requires the written approval of the Registrar. Such approval may be granted with any condition as the Registrar may prescribe;
(11) give special benefits to insureds or beneficiaries under an insurance policy, in addition to those specified in the insurance policy;
(12) accept from the insured a payment of premiums in an 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 premium payments;
(14) issue an insurance policy without the signature of an authorized director(s) to bind the Company and without the Company seal, as registered, affixed, or without the signature of the branch manager of a foreign life insurance company, as shown in the license to engage in the Non-Life Insurance Business, and without the seal affixed (if any), as the case may be;
(15) advertise the Company or its Non-Life Insurance Business in a false or exaggerated manner;
(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 acts of directors, officers, or employees of the Company, for and 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 Registrar, to any of its directors, or purchase assets from any of its directors, including a person related to any of its directors, as announced by the Commission, except with the consent of the board of directors of the Company and the approval of the Registrar.

30 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 32 An order of disapproval of the Registrar under section 31(2) may be appealed to the Commission within fifteen (15) days from the day the notice becomes known. The decision of the Commission is final.

Section 33 The Company shall dispose of immovable property, vested in the Company under section 31(10), in the following events:

(1) those maintained by the Company for use as the premises for the business of the Company, or for the welfare of officers or employees of the Company, or for investment in other businesses under sections 31(10)(a) or (b), but not used, shall be disposed of within five (5) years from the cessation of use;

(2) those acquired by the Company as a result of a debt settlement or foreclosure under section 31(10)(c) shall be disposed of within five (5) years from the acquisition, unless the approval of the Registrar is obtained to maintain them for an activity under section 31(10)(a) or (b).

The Registrar may extend the period under (1) and (2) above, in accordance with the period prescribed by the Commission. The Registrar may also prescribe the conditions for the extension of such period.

Section 34 A director, manager, or person authorized to act on behalf of a Company, or a consultant to a Company, shall hold a bachelor’s degree or higher qualification, or shall have work experience in relation to an insurance business, and shall not have any of the following qualifications:

(1) is, or has been, declared bankrupt;

(2) has been imprisoned by a final court judgment, for an offense relating to property;

(3) has been a director, a manager, or a person authorized to act on behalf of a Company, at the time such Company had its life or non-life insurance license withdrawn, except the person whom the Registrar, with the approval of the Commission, appointed to hold such office at such time;

(4) is a director, a manager, or a person authorized to act on behalf of another Company, licensed to engage in the Non-Life Insurance Business, unless an exception in accordance with the rules and conditions prescribed by the Commission has been granted;

(5) is removed from the position of director, manager, or person authorized to act on behalf of a Company, under section 53;

(6) is a political official or a person holding a political office;

(7) is a government official or an officer of the Office of the Insurance Commission, having a responsibility to supervise a Company, unless the Company is a public enterprise or the appointment is made with the approval of the Commission, for the purpose of assisting in the operations of the Company, or the person is appointed under section 53; or

(8) has a bad record or carries out any activity showing a lack of responsibility or due care that a person of such profession is supposed to have in his manner and conduct.

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31 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
32 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 35 Subject to section 66, no Company shall appoint or assign any person to accept Non-Life Insurance contracts, using an insurance policy of the Company.

No Company shall appoint or assign any person to compensate claims under an insurance policy, wholly or partly, except for reinsurance, unless permission is granted by the Registrar.

Section 35/1 For the purpose of protecting the insured, an adjuster shall inspect and adjust losses of any type, as well as determine the extent of the insured sum, in accordance with the rules, regulations, and conditions prescribed by the Commission.

Section 35/2 An adjuster shall be licensed by the Registrar and enrolled by the Office of Insurance Commission.

Applications for and the granting of licenses, as well as enrollments, shall be in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 35/3 An applicant for a license as an adjuster must satisfactorily pass a course organized by the Commission or an institute accredited by the Commission and shall not have any of the following qualifications:

1. be a person who is non compos mentis or mentally incapacitated;
2. have been imprisoned by a final court judgment for an offense relating to property or an offense under section 90/1 or section 90/2, unless he was released at least five (5) years prior to the application date;
3. be an employee or staff member of, or consultant to, the Company;
4. have a license that is currently suspended; or
5. have had his license revoked within five (5) years prior to the date of application.

Section 35/4 An adjuster license shall be valid for two (2) years, from the date of issuance. A licensee wishing to renew his license must file an application for renewal two (2) months prior to the expiration of the license. The applicant shall obtain a certificate from the Commission, evidencing that he has passed additional training organized by the Commission or by an institute accredited by the Commission.

Applications for and the granting of licenses shall be in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 35/5 In an event of loss occurs of the type and to the extent of the insured sum prescribed by the Commission under section 35/1, the parties to the insurance policy shall appoint an adjuster enrolled with the Commission to inspect and adjust the loss to be recovered by the Company.

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35 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
34 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
33 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
36 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
37 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
38 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
An adjuster, when inspecting and adjusting the loss, shall prepare one copy of a report or relevant documents, under the forms and particulars prescribed by the Registrar, for submission to each party to the insurance policy.

Section 35/6 An adjuster must comply with the professional ethics proclaimed by the Commission in the Royal Gazette.

Section 35/7 The Registrar may suspend the use of an adjuster’s license when it appears to the Registrar that the adjuster has violated or fails to comply with the notifications of the Registrar or the Commission, under section 35/5 or section 35/6.

The Registrar may suspend a license under the foregoing paragraph as it deems fit, but for not more than one (1) year per event of suspension.

Section 35/8 The Registrar shall have the power to revoke an adjuster’s license when it appears to the Registrar that the adjuster:
(1) lacks the qualifications or possesses prohibited characteristics under section 35/3; or
(2) has had his license suspended and repeats any of the actions under section 35/7.

Section 35/9 A licensee whose license is suspended or revoked under section 35/7 or section 35/8 shall have the right to appeal to the Commission within thirty (30) days of receipt of the order to such effect. The Commission shall completely review an appeal within sixty (60) days of receipt thereof.

The decision of the Commission shall be conclusive.

Section 36 No Company shall delay, without sufficient reason, payment of any sum or a return of premiums paid to an insured or a beneficiary under an insurance policy, or make a payment or return in bad faith.

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

Section 36/1 If any grievance relating to insurance, payment of claims, monetary compensation, or other benefits under an insurance policy is made, the Registrar may have such grievance reviewed and arrange for settlement.

Section 37 Subject to the provisions of this Act, the Commission shall have the power to prescribe rules, procedures, and conditions for the Company to observe, in regard to the following:
(1) collection of premiums;
(2) appraisal of the value of assets and liabilities of the Company;

Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(3) reinsurance;
(4) classification of categories of expenses;
(5) allocation of reserves for each type of risk;
(6) methods for issuing insurance policies and offering them for sale;
(7) rates of wages or commission for Non-Life Insurance Agents or Broker, for each type of insurance;
(8) forms, size, lettering, language, and texts of documents, showing receipts of money by the Company;
(9) types and maximum rates of insurance expenses;
(10) receipts of money, payments, audits and internal controls;
(11) compensation under Non-Life Insurance contracts; and
(12) minimum standards for the Company's risk management system.

Section 38 Companies shall open their offices for public business on the dates and at the times prescribed by the Registrar. However, a Company may keep its office open for longer than 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 taking of the fire insurance, under the forms prescribed by the Registrar, to the Competent Officer within seven (7) days from the date of entering into said fire insurance contract.

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

Section 40 Upon receipt of the report under section 39, the Competent Officer, at 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 evidence, for the purpose of ascertaining the true value of the property.

Insureds and other concerned persons shall give reasonable cooperation to the Competent Officer for inspections under the first paragraph.

If failure to give cooperation by the insured or concerned persons under the second paragraph causes the inspection to be impossible, the Competent Officer shall report such, in writing, to the Registrar. In such case, at his discretion, the Registrar may give an order terminating such fire insurance contract. The order of the Registrar shall specify the date of termination of the fire insurance contract, which shall not be less than three (3) days from the date of the order of the Registrar, and the Registrar has so ordered, the fire insurance contract shall terminate, on the date specified by the Registrar.

If a fire insurance contract is terminated under the third paragraph, as far as the contractual relationship between the Company and the insured is concerned, such termination shall be deemed the result of a notice of termination from 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 results of such inspection to the Registrar within seven (7) days from the date on which the results of the inspection become known. In such a case, the Registrar, at his discretion, shall have the power to order the Company and
insured, in writing, 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 Registrar finds reasonable, but not less than the value of the insured property, as appears in the Competent Officer's inspection report.

Section 42 When the order of the Registrar under section 41 has been issued:
(1) within three (3) days from the date of the order of the Registrar, the insured shall have the right to terminate the fire insurance contract. After termination, the Company shall return premiums to the insured, in proportion to the period during which insurance was in place and
(2) if the insured does not terminate the fire insurance contract under (1), the sum of such insurance shall be in accordance with amount to which the Registrar ordered such insured sum reduced effective on the date of the issuance of such order. The Company shall fix premiums for the remaining term of the insurance based on the reduced sum and shall return any excessive premiums to the insured within fifteen (15) days of the date of the Registrar's order.

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

If the Registrar issues an order to stop the payment of a claim under the first paragraph, the right to demand the payment of claim shall be deemed suspended from the date of the issuance of the order by the Registrar, until the date of its withdrawal.

Section 44 Companies shall keep registers and account books concerning their business, in accordance with the forms and particulars prescribed by the Registrar.

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 Companies shall keep its registers, books and accounts, under section 44, at its office for at least five (5) years from the date of the last entry recorded in the same, or from the date on which the Company is released from liability under the last record for which it is liable, whichever date comes later.

Section 46 An interested person may inspect the registers under section 44, only in regard to particulars with which he is concerned or may request that the Company provide a certified copy of said particulars, provided that he pays the fee prescribed by the Registrar.

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42 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 47 Companies shall prepare and submit to the Commission the following financial statements and reports on operating results:
(1) audited quarterly financial statements;
(2) audited financial statements for the last calendar year, with opinions as expressed by the auditor; and
(3) annual reports, showing the operating performance of the Company.

The preparation and submission of the financial statements and reports under the foregoing paragraph shall be in accordance with the rules, procedures, conditions, and periods prescribed by the Commission. The auditor shall be a certified auditor under the law on accounting professions.

A Company which is a branch office of a foreign non-life insurance company shall fulfill the obligations stated in paragraphs one and two, and shall submit an annual report of the foreign non-life insurance company of which it is a branch within five (5) months from the end of the accounting year of the foreign non-life insurance company.

Section 48 If it appears that an annual report submitted by a Company under first paragraph of section 47 is incorrect or incomplete, the Registrar shall have the power to order the Company to rectify or complete the report, within the period prescribed by the Registrar.

If the Company fails to comply as ordered in the first paragraph, the Company shall be deemed to have not submitted an annual report under section 47.

Section 49 The Commission shall have the power to order a Company to submit any documents or reports on the operation of its Non-Life Insurance Business. The Commission may also order the Company to explain or clarify the contents of said reports or documents.

Section 50 Companies shall publish their balance sheets and statements of income, in the form prescribed by the commission, within fifteen (15) days from date of submission of the financial statements under section 47(2), in at least one mass-circulation daily newspaper, for no less than three (3) days. Each Company shall also post such notice in a conspicuous place at the Head Office and branch office of the Company, for at least one (1) month.

Section 50/1 For the purpose of giving public access to information regarding the financial standing and operating results of a Company, the Registrar shall have the power to order the Company to divulge such information, in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 50/2 Companies shall submit to the Commission annual reports of the calculation of liabilities under insurance policies, certified by an actuary, under the forms, rules, procedures, and conditions, and period prescribed by the Commission.

\[46\] Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\[47\] Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\[48\] Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\[49\] Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\[50\] Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 51 The Registrar 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 Registrar 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 evidence from directors, managers, consultants, officers, or employees of the Company and to question said persons;

(2) to enter into the business place of the Company or any premises where it is suspected that account books, documents, seals, or any other documents concerning the Company’s business, property, or debts are kept, during working hours or between 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 evidence; and

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

The persons concerned shall provide convenience to the Registrar and Competent Officer in their performance under the first paragraph.

Section 52 Where any event under section 27/7 occurs, or where evidence suggests to the Registrar that a Company is in a condition, or operates its business in such a way as may cause damage to the insured or the public, the Registrar, with the consent of the Commission, shall have the power to order the Company to improve its condition or operations, within the time specified by the Registrar. In such case, the Registrar may order the Company to increase or reduce its capital, in accordance with section 27, paragraph two. The Registrar may also order that the Company temporarily discontinue accepting insurance.

If any Company fails to increase or reduce its capital within the period of time prescribed by the Registrar under the foregoing paragraph, the Registrar’s order shall be deemed to be a resolution of the Company’s shareholders meeting, as of the expiry of the prescribed period.

Where there is an urgent need for a Company to increase or reduce its capital in order to support its condition and carry on its business, the Registrar, with the consent of the Commission, may order the Company to immediately increase or reduce its capital. Such an order is deemed to be a resolution of the shareholders meeting.

The provisions of section 136, paragraph two (2), section 139, and section 141 of the Public Limited Companies Act B.E. 2535 (1992) shall not apply to an increase or reduction of capital under paragraphs two and three herein.

Section 53 Where there is evidence appearing to the Registrar 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 Registrar under section 52, the Registrar shall have the power to order such Company to remove its directors, managers, or persons responsible for its operation, who have caused such conditions or operation of the Company.

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11 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
If the Registrar orders the removal of any person under the first paragraph, the Company shall, with the Registrar’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 so removes but fails to appoint other persons in their place under the second paragraph, the Registrar, with the approval of the Minister, shall have the power to issue an order of removal for such persons or to appoint any 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 remuneration, to be paid from the assets of the Company, as prescribed by the Minister. During the period that the person so appointed holds office, the shareholders of the Company shall not pass a resolution to revoke or change the order of the Registrar.

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

The person removed by the order of the Registrar shall no longer be involved in or manage, directly or indirectly, any affairs of the Company.

The order of removal or appointment issued by the Registrar under this section shall be deemed to be a resolution of the shareholders meeting.

Section 54 In the event a Company has been order to discontinue the Non-Life Insurance Business temporarily under section 52, no directors, officers, or employees of such Company shall order the payment of any sums by the Company, or the removal or disposal of any property of the Company, except for the payment of normal salaries or wages to officers or employees of the Company. Any other payments made shall be as prescribed by the Registrar.

A Company which has been ordered by the Registrar to discontinue the Non-Life Insurance Business temporarily under section 52 must report, in writing, to the Registrar regarding the Company’s creditors and debtors, within the period prescribed by the Registrar.

Section 55 In the performance of their duty under this Act, the Registrar and the Competent Officer shall produce their identification cards, in accordance with the forms prescribed by Ministerial Regulations, upon request by the person concerned.

Section 56 Any interested persons may, upon submitting to the Registrar an application in the form prescribed, inspect the register book and related documents kept by the Registrar and request copies certified or uncertified by the Registrar.

Section 57 Any Company wishing to discontinue its Non-Life Insurance Business must file an application with the Commission for permission to do so.

To protect the interests of insureds, beneficiaries, or interested persons, the Commission shall have the power to determine at least the following rules, procedures, conditions, and periods, to be fulfilled by the Company before permission for business discontinuation is granted:

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12 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(1) method for managing or transferring the obligations under insurance policies that remain binding;

(2) method for notifying insureds, beneficiaries, and interested persons to exercise their rights under law;

(3) transfer or request for receipt of the reserve under section 23(1), placed by the Company with the Registrar under section 24;

(4) management of the portion of assets and liabilities in connection with the Non-Life Insurance Business and the business permitted to be carried out under section 28;

(5) period for execution of the transactions under (1)(2)(3), and (4).

If the Commission permits the Company to discontinue its Non-Life Insurance Business and the Company intends to dissolve, the dissolution shall take effect as from the receipt of permission for discontinuation. The Company shall then proceed to go into liquidation. If a Company does not intend to dissolve, the Company shall have its Memorandum of Association amended, changing its name and objectives, so that they will not be related to the Non-Life Insurance Business.

Liquidation and amendments to the Memorandum of Association shall be carried out in accordance with the law on public limited companies.

If a Company that is a branch office of a foreign non-life company discontinues its business, such Company shall go into liquidation, wherein the provisions of sections 60, 61, and 62 shall apply, mutatis mutandis.

Section 57/1<sup>3</sup> A Company obtaining permission to discontinue its Non-Life Insurance Business shall surrender its Non-Life Insurance Business license to the Registrar, together with an application for the refund of the security deposit placed by the Copy under section 19, subject to section 26, paragraphs two and three.

Section 58 Any proceeds to which an insured or beneficiary is due under an insurance policy, if unclaimed against the Company until the lapse of the period of prescription, shall be sent to the Fund by the Company within one (1) month from the end of such period 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 that suggests to the Minister that a Company:

(1) has liabilities in excess of its assets or has such an unstable financial condition that damage may be caused to insureds or the 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, Registrar, or Competent Officer, given in accordance with this Act, provided that such violation or failure may cause damage to insureds or the public;

(3) has ceased engaging in the Non-Life Insurance Business, for no reason;

<sup>3</sup> Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(4) has delayed payment for the claim or delayed a return of premiums to be paid or returned, without any reason, or paid a claim or returned a premium in bad faith;

(5) if continuing to engage in the Non-Life Insurance Business, may cause damage to insureds or the public.

Section 60 Where a Company's license to engage in the Non-Life Insurance Business has been revoked, such Company shall be dissolved, as from the date of revocation of the license, and shall be liquidated. The Minister shall appoint a liquidator thereof. The power and duty of the general meeting shall be the power and duty of the Registrar.

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

Section 62 A liquidator, appointed by the Minister under section 60, may receive 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 obtains a license from the Registrar.

The application for a license shall be in the form prescribed by the Registrar.

A Non-Life Insurance Agent's license must indicate the Company for which the Non-Life Insurance Agent works.

Section 64 An applicant for a Non-Life Insurance Agent's license shall have the following qualifications:

(1) be sui juris;
(2) be domiciled in Thailand;
(3) not be adjudged incompetent or quasi incompetent;
(4) never have been sentenced to imprisonment upon final judgment, for dishonest offenses relating to property, unless the sentence was completed at least five (5) years prior to the date of application;
(5) not be bankrupt;
(6) not be a Non-Life Insurance Broker;

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* Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
** Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(7) not have had a Non-Life Insurance Agent’s or Broker’s license revoked within the five (5) years prior to the date of application for a license;

(8) have studied the Non-Life Insurance Business at an institute prescribed by the Registrar, or have passed an examination concerning non-life insurance knowledge, in accordance with the subjects and procedures prescribed by the Registrar in the notification.

Section 65\(^{57}\) A person qualified under section 64, who wishes to be a Non-Life Insurance Agent of any Company, shall file an application with the Registrar for a license, together with a letter from the Company, expressing its intention to have such person as its Non-Life Insurance Agent, as well as certificate confirming that such person has satisfactorily passes training organized by the Commission, or training under a program and procedures prescribed by the Commission.

Applications for and the issuance of licenses shall be in accordance with the rules, procedures, and conditions prescribed by the Commission.

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 for 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 the applicant is an Agent for another Company. After issuing the license, the Commissioner shall notify the companies concerned.

The letter of intention under the first paragraph and the letter of consent under the third paragraph shall be in the forms prescribed by the Registrar.

Section 65/1\(^{58}\) A Company shall be jointly liable with its Non-Life Insurance Agent for damages the Agent causes when acting as a Non-Life Insurance Agent for the Company.

Section 65/2\(^{59}\) When performing the duties of or acting as a Non-Life Insurance Agent, a Non-Life Insurance Agent must not give any false information or conceal any fact which ought to be clarified. A Non-Life Insurance Agent must comply with the rules, procedures, and conditions prescribed by the Commission.

A Non-Life Insurance Agent’s failure to comply with the foregoing paragraph shall not impair the rights of insureds, beneficiaries, or related persons.

Section 66\(^{60}\) A Non-Life Insurance Agent shall be entitled to receive an insurance premium on behalf of the Company.

A Non-Life Insurance Agent may enter into a Non-Life Insurance contract, in the name of the Company, upon being authorized in writing by the Company to do so.

A Non-Life Insurance Broker or an employee of the Company charged with the duty of receiving payment may receive insurance premiums on behalf of the Company upon being authorized in writing by the Company to do so.

\(^{56}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\(^{57}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\(^{58}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\(^{59}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\(^{60}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
The written authorization of the Company under paragraphs two and three above shall be in the form prescribed by the Registrar.

No right of an insured, a beneficiary, or a related person shall be impaired if the Powers of Attorney of the Company are not in the form prescribed by the Registrar.

Section 66/1 A Non-Life Insurance Agent must produce his license each time he solicits a person to enter into a Non-Life Insurance contract, or when he receives insurance premiums on behalf of the Company.

A Non-Life Insurance Agent must issue a document evidencing the Company’s receipt of payment, upon the receipt of premiums on behalf of the Company.

Section 66/2 A Non-Life Insurance Broker or an employee of the Company must produce the Company’s written authorization upon each receipt of premiums on behalf of the company.

A Non-Life Insurance Broker or an employee of the Company must issue a document evidencing the Company’s receipt of payment upon each receipt of premiums on behalf of the Company.

The provisions of the foregoing shall not apply to an employee of the Company charged with duty of receiving premiums at the office of the Company.

Section 67 A natural person who applies for a Non-Life Insurance Broker’s license cannot be a Non-Life Insurance Agent or a director, a manager, officer, or employee of any Company.

A juristic person may apply for a Non-Life Insurance Broker’s license if:

(1) such juristic person has its Head Office in Thailand;

(2) such business is within the scope of business of such juristic person;

(3) such juristic person has officers or employees licensed to be Non-Life Insurance Brokers under this Act to act on its behalf; and

(4) such juristic person has never had a Non-Life Insurance Broker’s license revoked, within the five (5) years prior to the date of application.

Section 68 A natural person or juristic person who is qualified under section 67 and wishes to be a Non-Life Insurance Broker shall submit an application for a license to the Registrar.

The issuance of a Non-Life Insurance Broker’s license to a juristic person shall be in accordance with the rules and conditions prescribed by the Registrar.

The application for license and the license under this section shall be in the forms prescribed by the Registrar.

Section 69 A Non-Life Insurance Broker shall have an office as indicated on the application for a license to be a Non-Life Insurance Broker. If such office is relocated the Non-Life Insurance Broker shall notify the Registrar in writing of such change within five (5) days from the date of change.

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61 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
62 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
63 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 70 A Non-Life Insurance Broker shall prepare the registers, account books, and documents concerning the business of a Non-Life Insurance Broker, in the form and particulars prescribed by the Registrar.

A Non-Life Insurance Broker shall record the events which are required to be recorded in the registers, account books, and documents under the first paragraph, 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 attachments thereto, at his office for of not less than five (5) years from the date the last record was entered in the registers or account books.

Section 72 Non-Life Insurance Agent or Broker licenses will be valid for one (1) year from the date of issuance. Any licensee wishing to renew a license must file an application for renewal to the Registrar no later than two (2) months prior to the expiration of the license. The applicant must obtain a certificate from the Commission, evidencing that he has passed additional training held by the Commission or a program and procedures prescribed by the Commission.

If a licensee under the foregoing paragraph has renewed his license two consecutive times and applies for a third renewal, the newly issued license shall be valid for a period of five (5) years.

Applications for and the issue of licenses shall be in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 73 Upon any Non-Life Insurance Broker being appointed as a director, manager, officer, or employee of any Company, such Non-Life Insurance Broker’s license shall be terminated.

Section 74 [It is presumed that if a Company delivers an insurance policy to an insured, or to the beneficiary under such policy, or has given an insurance policy to a Non-Life Insurance Broker for delivery to the insured or beneficiary, the premiums for such policy have been paid by the insured.]

Section 75 For the purpose of inspecting the performance of a Non-Life Insurance Broker, the Registrar and the Competent Officer shall have the power to order a Non-Life Insurance Broker to give statements, or submit registers, account books, or any documents, or reports in the form and particulars prescribed by the Registrar, for inspection, or to enter into such person’s office between sunrise and sunset to perform such inspection. In this event, a Non-Life Insurance Broker shall cooperate with the Registrar.

Section 76 The Registrar shall have the power to revoke a Non-Life Insurance Agent license or Non-Life Insurance Broker license, if it appears to the Registrar that such Agent or Broker:
(1) has committed an act that violates the provisions of this Act;
(2) has violated or failed to comply with the rules, procedures, and conditions prescribed by the Registrar or the Commission;

64 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
65 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(3) lacks the qualifications under section 64 or section 67, as the case may be; or

(4) operates a business which causes, or may cause, damage to insureds, beneficiaries, or the public.

Upon the revocation of a license under the first paragraph, the Registrar shall notify the person whose license is revoked, to 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 on which the order became 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 a Non-Life Insurance Broker who is licensed by the Registrar, who induces, advises, 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 IV/F

Actuaries

Section 78/1⁶⁶ A report on the calculation of insurance policy liabilities of the Company must be certified by an actuary.

Section 78/2⁶⁷ An actuary must obtain a license from the Registrar.

Applications and the issuance of licenses shall be in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 78/3⁶⁸ A person applying to be an actuary shall have the following qualifications:

(1) have graduated in actuarial sciences from an educational institute certified by the Civil Service Commission, in a programs or courses prescribed in the notification of the Registrar, and have conducted actuarial or statistical work in relation to insurance, as prescribed by the Registrar, for no less than five (5) years; or

(2) be a fellow of the Actuary Association, as prescribed by the Registrar.

The notification of the Registrar under paragraph one shall be proclaimed in the Royal Gazette.

Section 78/4⁶⁹ An applicant shall not meet any of the following disqualifications:

⁶⁶ Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
⁶⁷ Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
⁶⁸ Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
⁶⁹ Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
⁷⁰ Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(1) was convicted to imprisonment by a final court judgment for an offense relating to property, or an offense under section 108/1 or section 108/2, unless was released no less than five (5) years prior to the date of application;
(2) be a person who is non compos mentis or mentally incapacitated, incompetent, or quasi-incompetent;
(3) be bankrupt;
(4) had his license suspended; or
(5) had his license revoked within the five (5) years prior to the date of application.

Section 78/5 An actuary license shall be valid for two (2) years from the date of issuance.

A licensee shall submit an application for renewal no later than two (2) months prior to the date of expiration. Once the applicant has filed an application, it shall be deemed that the applicant is a licensee, until the receipt of a rejection order. Applications for the renewal and the granting of renewed licenses shall be in accordance with the rules, procedures, and conditions prescribed by the Commission.

Section 78/6 An actuary shall prepare a report or paper, in relation to the calculation of insurance policy liabilities, or other mathematical analysis, in accordance with the form and particulars prescribed by the Registrar. The Registrar may request an explanation or clarification of the content of such report or document.

Section 78/7 An actuary shall comply with the code of professional ethics, as prescribed by the Commission in the Royal Gazette.

Section 78/8 The Registrar shall have the power to suspend an actuary license if it appears to the Registrar that the actuary:
(1) fails to comply with sections 78/6 or 78/7; or
(2) certifies a report on the calculation of insurance policy liabilities without due care.

The period of suspension under the foregoing paragraph shall be as the Registrar deems appropriate, but not more than one (1) year for each suspension.

Section 78/9 The Registrar shall have the power to revoke an actuary license if it appears to the Registrar that the actuary:
(1) lacks the qualifications under section 78/3 or possesses disqualifications under section 78/4; or
(2) is an actuary whose license was suspended and has repeated any of the actions under section 78/8.

Section 78/10 An actuary whose license is suspended or revoked under section 78/8 or section 78/9 shall have the right to appeal to the Commission within

71 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
72 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
73 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
74 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
75 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
76 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
thirty (30) days from receipt of the order to such effect. The Commission shall decide on the appeal within sixty (60) days from the receipt of the appeal.

Decisions of the Commission are final.

Chapter V

Non-Life Insurance Funds

Section 79 A Fund to be known as the “Non-Life Insurance Fund” shall be established as a juristic person, with the purpose of protecting creditors who are entitled to the receipt of repayment of debts arising from the taking of insurance, in the event that a Company becomes bankrupt or has its Non-Life Insurance Business license revoked, and for the development of the Non-Life Insurance Business to ensure its stability and security.

The Fund shall not be a government organization or state enterprise under the law on budgetary procedures.

Section 80 The Fund shall consist of:

1. money and assets transferred from the Fund for the Development of the Non-Life Insurance Business of the Office of the Insurance Commission;
2. money received under section 58;
3. money received under section 80/3;
4. surcharges received under section 80/4;
5. fines under section 111, less rewards and relevant expenses;
6. money or other assets given by other persons;
7. interest or income derived from money or assets of the Fund; and
8. government subsidies.

Section 80/1 The Fund shall have the power to carry out any activities within the scope of its purposes under section 79. This shall include the power to:

1. own, have possession rights, and hold any proprietary rights;
2. create rights or conduct any juristic act in the Kingdom and elsewhere;
3. lend money to a Company for its operations under the purpose of the Fund;
4. invest to gain interest from the assets of the Fund; and
5. do other acts or things in connection with, or in relation to, arrangements to effect the purposes of the Fund.

Section 80/2 The Fund’s money shall be expended for the following activities:

1. the provision of assistance to creditors who are entitled to receive repayment of debts incurred in taking insurance, in the event that a Company becomes bankrupt or has its Non-Life Insurance Business license revoked;
2. the development of the Non-Life Insurance Business to ensure its stability and security, provided that the sum shall not exceed the amount received under section 80(1) and (2); and
3. managing the Fund, and paying expenses in relation to or in connection with Fund management, provided that this shall not exceed the rate determined by the Fund Management Committee.

Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 80/3 A Company shall make contributions to the Fund at the rate prescribed by the Commission, with the consent from the Minister. The rate shall not exceed 0.5% of the insurance premiums received by the Company during the six (6) months prior to making of contributions to the Fund.

The rules, procedures, conditions, and periods for making contributions to the Fund shall be as prescribed by the Commission.

If the Fund has sufficient money and assets to operate in accordance with its purpose, the Commission, with the consent from the Minister, may announce a reduction of rates, or discontinuation of contributions to the Fund.

Section 80/4 A Company failing to make full and correct contributions to the Fund under section 58 or section 80/3 shall pay a surcharge, at the rate of 1.5% per month of such outstanding contribution. Fractions of a month is counted as one month.

If the Registrar finds that the Company fails to make contribution to the Fund, as set out in section 58 or section 80/3, due to an event of force majeure and the Company has made such contribution within seven (7) days from the due date, the surcharge under the foregoing paragraph shall be reduced to 1.0%.

Throughout the period that the Company fails to make contributions to the Fund, or fails to pay the surcharge under paragraph one, the Registrar shall order the Company not to expand its business, until the contributions and surcharge are fully paid and the order prohibiting business expansion is lifted.

For the purpose of this section, when determining whether an event is an expansion of business under the third paragraph, the provisions in section 27/6, paragraph two, and the penalty in the case of a violation of section 27/6, paragraph one, as provided for under section 89/1, shall apply, mutatis mutandis.

Section 80/5 If a Company is bankrupt or has its license revoked, and the amount received under Section 26 is insufficient, such creditors entitled to receive repayment of debts incurred in taking insurance shall have the right to receive repayment from the Fund.

The sum that each creditor will receive from the Fund, when combined with the repayment under section 26, shall not exceed the amount claimed against the insurance. If the amount claimed against all insurance contracts is more than one million baht, the creditor is entitled to receive repayment of only one million baht.

The rules, procedures, and conditions for payment, as well as the claimed amount incurred with regard to taking insurance under the second paragraph, shall be as prescribed by the Commission.

Section 80/6 In the interest of fairness, the Commission, with the consent from the Minister, may determine that the amount to be paid to the creditor who is entitled to the repayment be greater than the amount set out in section 80/5, paragraph two, for all or certain types of Non-Life Insurance contracts.

Section 80/7 The Fund shall succeed the right of a creditor who is entitled to receive the repayment of a debt incurred with respect to taking insurance, to the equivalent amount that the Fund has paid to such creditor. The Fund shall be entitled to receive repayment against such sum from an official receiver or liquidator, as the case may be, with a preferential right over all ordinary creditors of the Company.
Section 81 A committee known as the “Fund Management Committee” shall be established. The Fund Management Committee shall consist of the Permanent Secretary of the Ministry of Finance as chairman, the Secretary General of the Office of Insurance Commission as deputy chairman, a representative of the Bank of Thailand, two representatives of the Non-Life Insurance Association, and up to four qualified persons, appointed by the Minister, as members.

The Fund Manager shall be the secretary of the Fund Management Committee.

Section 81/1 The term of qualified members appointed by the Minister shall be three (3) years. In the event that a qualified member appointed by the Minister retires from position before the expiration of his term, or in the event the Minister appoints a new qualified member while the term of the existing member has not yet expired, the new member shall retain the position only for the remaining term of that person’s predecessor and other existing members.

Upon the expiration of the term set out in the first paragraph, if no appointment is made, a member who retires due to the end of term shall retain the position until a new member is appointed.

A retired member shall be eligible for re-election, but cannot retain the position longer than two consecutive terms.

Section 81/2 Apart from retirement due to the end of a term under section 81/1, a qualified member appointed by the Minister shall be removed from his office upon:

(1) death;
(2) resignation;
(3) bankruptcy;
(4) removal by the Minister due to remissness, misconduct, or lack of ability;
(5) incompetence or quasi-incompetence;
(6) imprisonment by final judgment; or
(7) becoming a political official or holding a political position.

Section 81/3 The Fund Management Committee shall have the power and duty to determine the following:

(1) policies, rules, regulations, and notifications, in relation to the management of the Fund;
(2) regulations regarding receipts, payments, and maintaining and seeking interest for the Fund;
(3) regulations concerning applications for, and granting approval of, paying debts to creditors who are entitled to repayment of debts incurred in taking insurance;
(4) rates and regulations pertaining to the use of the money of the Fund in developing the Non-Life Insurance Business, for its stability and security;
(5) rules, procedures, and conditions for lending money to a Company under section 80/1(3);
(6) rates of expenses for managing the Fund under section 80/2(3);
(7) regulations concerning operation performed by the Fund Manager; and
(8) other necessary or relevant acts for achieving the purposes of the Fund.

Determinations under (2), (3), (4), (5), and (6) shall be subject to the consent from the Commission.
For the performance of its duties under the first paragraph, the Fund Management Committee may ask the Registrar, the Company, or any person to submit documents or evidence for consideration.

Section 81/4 A quorum for a meeting of the Fund Management Committee shall consist of no less than one-half of all its members.

If the chairman is not present at the meeting, or is unable to perform his duty, the deputy chairman shall serve as chairman of the meeting. If the chairman or the deputy chairman are not present, or are unable to perform their duties, the members present shall elect among themselves a new chairman of the meeting.

Resolutions of the meeting shall require a simple majority of votes. Each member shall be entitled to one (1) vote. In the event of an equality of votes, the chairman of the meeting shall be entitled to a casting vote.

Section 81/5 To perform its duties under this Act, the Fund Management Committee shall have the power to appoint a sub-committee to review or carry out any task as designated by the Fund Management Committee.

The provisions of section 81/4 shall be applied, mutatis mutandis, to a meeting of the subcommittee.

Section 81/6 The chairman, members of the Fund Management Committee, and members of the sub-committee shall be entitled to an allowance for meeting attendance and other benefits, as determined by the Minister.

Section 82 The Fund Management Committee shall appoint a Fund Manager.

The Fund Manager's term, removal, probationary conditions, and conditions for performing duties in the capacity of manager shall be in accordance with an engagement contract determined by the Fund Management Committee. The engagement term shall not exceed four (4) years. Upon the expiration of the engagement contract, the Fund Management Committee may renew the contract, provided that the Fund Manager cannot retain his position for more than two consecutive terms.

The chairman shall be authorized to enter into a contract to engage a Manager, on behalf of the Fund.

The Fund Manager shall receive wages, remuneration, and other monies, as determined by the Fund Management Committee.

Section 82/1 A person appointed as a Fund Manager shall be:
(1) a Thai national;
(2) not more than 65 years of age; and
(3) able to work full-time for the Fund.

Section 82/2 Other than the qualifications under section 82/1, the person appointed as the Fund Manager shall not have the following qualifications:
(1) was convicted to imprisonment by a final court judgment for an offense relating to property;
(2) be or have been declared bankrupt;
(3) be an official, officer, or employee of any ministry, bureau, department, local
administration, or state enterprise under the law on budgetary procedures, or other governmental agencies;
(4) be a political official, or hold a political office;
(5) hold any other position in a juristic person, carrying out a business that competes with the Fund;
(6) have direct or indirect interest in the contracts entered into with the Fund, or in the activities carried out for the Fund, except for a person appointed by the Fund Management Committee to be a director of a company of which shares are held by the Fund.

Section 82/3 With the exception of retirement due to the expiration of the engagement contract, the Fund Manager shall be removed from his position upon:
(1) death;
(2) resignation;
(3) lack of qualifications or possession of disqualification under section 82/1 or section 82/2; or
(4) a resolution of the Fund Management Committee to terminate the engagement.

Section 82/4 The Fund Manager shall represent the Fund when dealing with third persons for the activities of the Fund. The Fund Manager may assign or delegate any person to perform his duties, in accordance with the regulations prescribed by the Fund Management Committee.

Any juristic acts or things carried out by the Fund Manager which violate the provisions of the foregoing paragraph shall not bind the Fund, unless the Fund Management Committee has ratified such acts or things.

Section 83 The Fund shall put-in-place and maintain its accounting system in accordance with internationally accepted accounting standards. In-house audits shall be conducted on a regular basis. Books and accounts shall keep particulars of:
(1) sums received and expended; and
(2) assets and liabilities showing actual and reasonable financial standing, together with content showing information of the relevant particular.

Section 83/1 The Office of the Auditor-General, or an auditor approved by the Office of the Auditor-General, shall be the auditor of the Fund.

Section 83/2 An auditor’s report shall be presented to the Fund Management Committee within one hundred twenty (120) days from the end of each accounting year. A copy of the auditor’s report shall also be submitted to the Commission and the Minister.

Chapter VI
Penalty Provisions

Section 84 Any Company that violates or fails to comply with section 7 paragraph five, section 8, section 9, section 10, section 16, section 20, or fails to comply with the conditions prescribed by the Minister under section 6 paragraph four,
of section 7 paragraph one, or the conditions prescribed by the Registrar under section 31(10) paragraph two, section 33 paragraph two, 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 that fails to inspect the register of shareholders, or fails to inform its shareholders which constitutes a failure to comply with Section 11 shall be liable to a fine from Baht 10,000 up to Baht 50,000, and 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 (2) years to five (5) 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\(^{78}\) Whoever violates section 18 paragraph one, shall be liable to a fine from Baht 20,000 up to Baht 100,000, and to a further fine not exceeding Baht 5,000 per day, for every consecutive day during which such violation continues. A Non-Life Insurance Agent or Non-Life Insurance Broker who uses a name or the expression of a name of a business, in violation of the rules, procedures, and conditions prescribed by the Registrar under section 18 paragraph two, shall be liable to imprisonment for a term not exceeding one (1) year, or a fine of up to Baht 100,000, or both.

Section 88\(^{79}\) A Company that violates or fails to comply with section 23, section 28, section 31, section 33, section 34, section 35, section 36, section 52, section 53, and section 55 paragraph one or fails to place reserves under section 24 or fails to comply with the provisions prescribed by the Commission under section 37 or fails to comply with an order of the Registrar under section 41 or section 43 shall be liable to a fine of up to Baht 500,000, and a daily fine of up to Baht 20,000, for every consecutive day during which such violation continues.

Section 89 Whoever violates section 25 shall be liable to a fine not exceeding Baht 50,000.

Section 89/1\(^{80}\) Any Company that violates section 27 paragraph five, section 27/1 paragraph one, section 27/3, section 27/4, or section 27/6 paragraph one, shall be liable to a fine of up to Baht 500,000.

Section 90\(^{81}\) Any Company that issues an insurance policy, relevant documents, or annexes thereto, in violation of section 29, or determines premium rates in violation of section 30, shall be liable to a fine of up to Baht 300,000.

Section 90/1\(^{82}\) Whoever violates the provisions of section 35/2 shall be liable to

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\(^{78}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551

\(^{79}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551

\(^{80}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551

\(^{81}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551

\(^{82}\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
imprisonment for a term not exceeding three (3) years or a fine of up to Baht 300,000, or both.

Section 90/2 Any adjuster who makes a false report of inspection and/or assessment shall be liable to imprisonment for a term not exceeding two (2) years, or a fine of up to Baht 200,000, or both. Section 109 paragraphs two and three shall apply, mutatis mutandis.

Section 91 Any Company that fails to comply with section 38 shall be liable to a fine up to Baht 50,000.

Section 92 Any Company which fails to comply with of section 45 shall be liable to a fine up to Baht 100,000.

Section 93 Any Company that violates or fails to comply with section 27/5 paragraph one, section 39, section 44, section 47, section 50, section 50/2, or section 54 paragraph two or fails to comply with an order of the Commission under section 49, or an order of the Registrar under section 50/1, shall be liable to a fine of up to Baht 100,000, and a daily fine of up to Baht 5,000, for every consecutive day during which such violation continues.

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

Section 95 Any Company which willfully gives a false statement, or conceal a fact which must be notified while submitting particulars, or which must be notified under section 49, shall be liable to a fine from Baht 20,000 up to Baht 100,000.

Section 96 Whoever obstructs or fails to cooperate with the Registrar or the Competent Officer in the performance of his duties under section 51, or violates the Registrar’s order or the Competent Officer’s order under section 51, shall be liable to imprisonment for a term not exceeding one (1) month, or a fine not exceeding Baht 10,000, or both.

Section 97 Whoever violates section 53 paragraph five shall be liable to imprisonment for a term not exceeding three (3) years, or a fine not exceeding Baht 300,000, or both.

Section 98 A Company violating section 57, paragraph one, shall be liable to a fine of up to Baht 500,000.

Section 99 Whoever violates section 63 paragraph one shall be liable to imprisonment for a term not exceeding six (6) months, or a fine not exceeding Baht 50,000, or both.

82 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
83 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
84 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
85 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 100\textsuperscript{86} Any Non-Life Insurance Agent who enters into a Non-Life Insurance contract without the written authorization of the Company under section 66 paragraph two, or any Non-Life Insurance Broker or Company employee who collects premiums without the written authorization of the Company under section 66 paragraph three, shall be liable to imprisonment for a term not exceeding two (2) years, or a fine of up to Baht 200,000, or both.

Section 100/1\textsuperscript{87} Any Non-Life Insurance Agent who violates or fails to comply with section 30/1 paragraph two, or section 66/1, shall be liable to a fine of up to Baht 30,000.

If any act under paragraph one causes damage to the Company or the insured, such Agent shall be liable to imprisonment for a term not exceeding three (3) months, or a fine of up to Baht 30,000, or both.

Section 100/2\textsuperscript{88} Any Non-Life Insurance Broker or the Company employee who fails to comply with section 66/2 shall be liable to a fine of up to Baht 30,000.

If any act under paragraph one causes damage to the Company or the insured, such Broker or employee shall be liable to imprisonment for a term not exceeding three (3) months, or a fine of up to Baht 30,000, or both.

Section 101 Any Non-Life Insurance Broker who does not have an office, as specified in the Non-Life Insurance Broker license application, or as informed of change of the office to the Registrar, 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 his office without informing the Registrar 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 section 70 paragraph one, or does not record events in his register and account books, under section 70 paragraph two, 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 such violation continues.

Section 104 Any Non-Life Insurance Broker who fails to comply with section 71 shall be liable to a fine up to Baht 50,000.

Section 105 Any Non-Life Insurance Broker who fails to comply with the order of the Registrar or of the Competent Officer under section 75 shall be liable to imprisonment for a term not exceeding one (1) month, or a fine not exceeding Baht 10,000, or both.

Section 106 Whoever obstructs or fails to cooperate with the Registrar or a Competent Officer in the performance of his duty under section 75 shall be liable to

\textsuperscript{86} Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\textsuperscript{87} Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
\textsuperscript{88} Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
imprisonment for a term not exceeding one (1) month, or a fine not exceeding Baht 10,000, or both.

Section 107 Whoever violates section 78 paragraph one shall be liable to imprisonment not exceeding six (6) months, or a fine not exceeding Baht 50,000, or both.

Section 108 If any Company wilfully violates section 23, section 28, section 35, or section 57 paragraph one, or wilfully gives a false statement, or conceals any facts to be informed, clarified or explained under section 49, or does not temporarily cease to accept Non-Life Insurance under section 52 paragraph one, the director or person responsible for the operation of the Company shall be liable to imprisonment for a term up to one (1) year, or a fine up to Baht 100,000, or both, unless such director or person can prove that he was not involved in the Company’s wrongdoing.

Section 108/1 Whoever violates section 78/2 shall be liable to imprisonment for a term not exceeding three (3) years, or a fine up to Baht 300,000, or both.

Section 108/2 Any actuary who makes a false statement certifying a report on the calculation insurance policies liabilities, or a false report, or furnishes false relevant documents in connection therewith, shall be liable to imprisonment for a term not exceeding two (2) years, or a fine up to Baht 200,000, or both. Section 109 paragraphs two and three, shall apply, mutatis mutandis.

Section 109 In the event of any following offenses:
(1) in the operation of the Company, any director or person responsible for such operation commits an offence against 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 Act on the Penalty of Registered Partnerships, Limited Partnerships, Limited Companies, Associations, and Foundations, B.E. 2499, or section 215 or section 216 of the Public Company Limited Act, B.E. 2535;
(2) in auditing the Company’s accounts, any auditor commits an offense under section 269 of the Criminal Code, or section 31 of the Act on the Penalty of Registered Partnerships, Limited Partnerships, Limited Companies, Associations, and Foundations, B.E. 2499; or
(3) whoever causes another to commit an offense, or support another to commit an offense under (1) or (2),

The Office of Insurance Commission shall be deemed the damaged party under the Criminal Procedure Code.

For an offense under this section, when public prosecutor filing a criminal case with the court, the public prosecutor shall have the power to call for property, or costs, or claim compensation for damages in lieu of the damaged party. In this event, the provisions of filing a civil case which related to criminal case under the Criminal Procedure Code shall apply, mutatis mutandis.

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50 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
51 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 110 Where there is evidence that any person committed an offense under section 109, and the Office of Insurance Commission considers that damage to the public may be caused unless immediate action is taken, the Office of Insurance Commission shall have the power to order the seizure or attachment of the property of that person, or property which may legally be deemed to be property belonging to that person. The seizure or attachment may not be for longer than six (6) months, unless a case for the continuing of the seizure or attachment order has been filed in Court and the court has not ordered 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 Office of Insurance Commission.

The Office of Insurance Commission shall have the power to appoint officials of the Office of Insurance Commission to seize or attach property under the first paragraph.

The provisions of the Revenue Code shall apply to seizures or attachments of property under the first paragraph, mutatis mutandis.

In cases under the first paragraph, where there is reasonable grounds for suspecting that said person is about to abscond from the Kingdom, and when requested by the Office of Insurance Commission, the Criminal court shall have the power to restrain that person from leaving the Kingdom, or in case of emergency, when the Secretary General of the Office of Insurance Commission or a person designated by the Secretary General of the Office of Insurance Commission notifies 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 of 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 paragraph four, shall be liable to imprisonment for a term not exceeding ten (10) years and to a further fine not exceeding Baht 1,000,000.

Section 111 The Fine Consideration Committee appointed by the Minister shall have the power to settle out of court any offence under this Act, except for offences under section 86 and section 110.

The Fine Consideration 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.

Section 111/F\(^2\) Any offence under this Act which is subject to only a fine shall be barred by prescriptions, if no lawsuit regarding such offence is brought before a Court, or no settlement is made under section 111 within five (5) years from the date of the offence.

\(^2\) Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
Section 111/293 If any Company, Non-Life Insurance Agent, Non-Life Insurance Broker, adjuster, or actuary violates or fails to comply with the provisions of this Act, or the Ministerial Regulations or Notifications enacted under this Act, the Office of Insurance Commission shall have the power to announce or publish such violation or non-compliance, the details thereof, as well as the names of the involved parties, in accordance with the rules and procedures prescribed by the Commission.

Transitional Provisions under the Non-Life Insurance Act No. 2, B.E. 2551

Section 56 All Companies obtaining Non-Life Insurance licenses under the Non-Life Insurance Act B.E. 2535 (1992) shall be deemed a licensee under the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act. A branch of a Company obtaining a Non-Life Insurance business license before or on the date this Act comes into force, shall be deemed to be the branch of the licensee under the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, under the conditions prescribed by the Minister for approval.

If a licensee under the first paragraph is a limited company, such company shall be changed to a public limited company within five (5) years as from the date this Act comes into force. If the change is not effected within the specified time, the Company may continue its ordinary business, but cannot expand its business until the transformation to a public limited company is completed. The transformation shall be completed within three (3) years. If the transformation is not completed within the specified time, the Non-Life Insurance business license of the Company shall expire and it shall be deemed that the Company has had its Non-Life Insurance business license revoked.

The transformation to a public limited company under the second paragraph shall be in accordance with the Law governing Public Limited Companies.

For the purpose of this Act, in the determination of an event that is an expansion of business under the second paragraph, the provisions of section 27/6, paragraph two, and the penalty in the event of a violation of section 27/6 paragraph one, as provided for under section 89/1 of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, shall apply mutatis mutandis.

Section 57 Within five (5) years from the date this Act comes into force, a Company under section 56, paragraph one, of this Act shall change the proportion of its shareholders or directors to be in accordance with section 9 of the Non-Life Insurance Act B.E. 2535 (1992), as amended by this Act. If such change is not effected within the specified time, the Company may continue its activities, but may not open new branches.

Section 58 During transition from a limited company to a public limited company under section 56 of this Act:

(1) the provisions of section 13, section 13/1, and section 13/3 of the Non-Life Insurance Act B.E. 2535 (1992), as amended by this Act, shall apply, mutatis mutandis, to a transfer of any or all businesses between a limited company and a limited company, or a limited company and a public limited company, licensed to operate a Non-Life Insurance Business;

93 Amended by the Non-Life Insurance Act (No. 2), B.E. 2551
(2) the amalgamation of limited companies shall be in accordance with the Civil and Commercial Code; provided that the new company shall be registered as a public limited company under the Law on Public Limited Companies. Section 13/2 paragraphs two and three, of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, shall apply, mutatis mutandis;

(3) the amalgamation of a limited company and a public limited company shall be in accordance with the Law on the Public Limited Companies. Section 13/2 paragraphs two and three of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, shall apply, mutatis mutandis;

(4) Section 1220, section 1224, section 1225, or section 1226 of the Civil and Commercial Code shall not apply to a capital increase or reduction of a limited company under section 52 paragraphs two and three of the Non-Life Insurance Act B.E. 2535; and

(5) the liquidation of, or amendment to the Memorandum of Association of, a limited company licensed to operate a Non-Life Insurance Business, that wishes to cease it's business under section 57 of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, shall be in accordance with the Civil and Commercial Code.

Section 59 If the Commission has yet to issue a Notification concerning capital funds, under section 27 of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, or the Commission issues a Notification which is yet to take effect, a Company shall maintain the capital funds required by section 27 of the Non-Life Insurance Act B.E. 2535 (1992).

Notification under the first paragraph shall be issued within three (3) years from the date this Act comes into force.

Section 60 All immovable property vested in a Company under section 31(10) of the Non-Life Insurance Act B.E. 2535 (1992) before the date this Act comes into force shall be disposed of in accordance with section 33 of the Non-Life Insurance Act B.E. 2535 (1992).

Section 61 A Company under section 56 paragraph one of this Act shall manage that a director, manager, person authorized to act on its behalf, or a consultant to the Company, to possess the qualifications, and possess none of the prohibited characteristics as stated in section 34 of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, within two (2) years from the date this Act comes into force.

Section 62 Where no Notification regarding the rules, regulations, and conditions for the application of a license, or for the renewal of a license under section 65 or section 72 of the Non-Life Insurance Act B.E. 2535 (1992) amended by this Act, is not issued; or such Notification is issued, but is yet to take effect, the approval shall be considered in accordance with section 65 or section 72 of the Non-Life Insurance Act B.E. 2535 (1992), as the case may be.

Section 63 A person who has the duty to inspect and adjust loss on the date this Act comes into force, having the qualifications and without any of the prohibited characteristics under section 35/3, shall file an application with the Registrar for an adjuster's license under this Act within three (3) years from the date this Act comes into force. Once an application is submitted, the applicant shall continue to perform his duty until the receipt of the Registrar's rejection order (if any).
Section 64 Whoever is charged with the duty of certifying reports on the calculation of liabilities under insurance policies of the Company, on the date this Act comes into force, may continue performing their duties for another eight (8) years.

Section 65 The Office of Insurance Commission shall transfer the money, property, and liabilities of the Fund for the Development of the Non-Life Insurance Business, existing on the date of the publication of this Act in the Royal Gazette, to the Non-Life Insurance Fund.

Section 66 The rates of fees stated in the Schedule attached to the Non-Life Insurance Act B.E. 2535 (1992) shall be repealed and replaced by the Schedule attached hereto.

Section 67 All Ministerial Regulations, Notifications, conditions, or orders issued under the Non-Life Insurance Act B.E. 2535 (1992), applicable on the date this Act comes into force, to the extent they are not in conflict or inconsistent with this Act, shall continue to apply until the Ministerial Regulations, Notifications, conditions, or orders under this Act comes into force. Any Ministerial Regulations, Notifications, conditions, or orders under the first paragraph shall be issued within two (2) years from the date this Act comes into force.

Section 68 The Minister of Finance shall have the care and charge of the execution of this Act.

Countersigned by the Prime Minister
(Royal Gazette Vol. 109, Part 46, 10 April B.E. 2535)
(Royal Gazette Vol. 125, Part 27 Gor, 5 February B.E. 2551)

Transitional Provisions under the Non-Life Insurance Act B.E. 2535

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

Section 113 Any company under Section 112 that has already issued shares in contravention of section 8 of this Act shall rectify such contravention to comply with section 8 of this Act, within two (2) years from the date of this Act coming into force.

Section 114 Any company under section 112 whose Thai-nationality shareholders or directors are in a number less than the rate prescribed in section 9 of this Act may continue to have shareholders or directors of Thai nationality in such number.

Section 115 Any company under section 112 already has 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 under this Act or discontinue such branch office. Provided that such actions are 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 to have violated section 16.

Section 116 The company under section 112 shall place a correct security deposit under section 19 of this Act within one (1) year from the date the Ministerial Regulations issued in accordance with section 19 of this Act comes into force.

Section 117 The company under section 112 shall arrange for maintaining capital funds in accordance with section 27 of this Act, within three (3) years from the date this Act comes into force.

Section 118 The provision of section 33 of this Act shall not be applied to all immovable property which the company under section 112 acquired or had before the Act comes into force, which must be disposed of 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 property, as the case may be, unless the company under section 112 acquired or had that immovable property before 14 April 2510 (1967).

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

Section 120 Claims which an insured or beneficiary, under an insurance policy, or a person who has the right to claim under the insurance policy are entitled to receive, that are barred by prescription and 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 this Act comes into force, shall continue engaging in the life insurance business under its license, in accordance with the following conditions:

(1) the security deposit placed by the company with the Registrar and the capital funds maintained by the Company under sections 19 and 27 of this Act, as the case may be, shall also be a security deposit and capital funds separated from the security deposit and capital funds that 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) if the Minister orders the withdrawal of 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 the company's license to engage in the life insurance business under section 112.

A company under the first paragraph shall establish a new company to obtain a license to engage in the life insurance business, under the law on Life Insurance, and shall transfer the assets, liabilities, and responsibilities under insurance policies,
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 a new company to obtain said license within the time so specified, or failure to comply with the provisions of this section, shall cause the license of the company under section 112, to engage in the life insurance business, to expire.

Section 122 If there is a necessary reason, 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, said extended period shall not exceed two (2) years from the expiration of the period prescribed under section 113, section 115, section 116 and section 117.

Section 123 A person who has obtained a license to be Non-Life Insurance Agent or a Non-Life Insurance Broker under the Non-Life Insurance Act B.E. 2510 shall be a person who has obtained a license to be a Non-Life Insurance Agent or a Non-Life Insurance Broker under this Act 33.

Section 124 A person licensed to be an Non-Life Insurance Agent and a Non-Life Insurance Broker under the Non-Life Insurance Act B.E. 2510 simultaneously shall notify the Registrar of his intention to terminate being a Non-Life Insurance Agent or Broker within two (2) months from the date of this Act coming into force. Any person who fails to give a notice for termination of being a Non-Life Insurance Agent or Broker after the expiry of said period to the Registrar, the Non-Life Insurance Broker’s license of said person shall be deemed terminated from the expiry of the period during which the termination should have been notified.

Section 125 All Ministerial Regulations, notifications, or conditions issued or prescribed in the 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.

Schedule of Fees

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
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<tbody>
<tr>
<td>(1) Application for Non-Life Insurance Business license</td>
<td>200,000 Baht</td>
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<tr>
<td>(2) Non-Life Insurance Business license – all types of losses</td>
<td>2,000,000 Baht</td>
</tr>
<tr>
<td>(3) Non-Life Insurance Business license – amalgamation</td>
<td>100,000 Baht</td>
</tr>
<tr>
<td>(4) Non-Life Insurance Business license – certain types</td>
<td>1,600,000 Baht</td>
</tr>
<tr>
<td>(5) License to open a branch of the Company</td>
<td>80,000 Baht</td>
</tr>
<tr>
<td>(6) Permission to relocate the Head Office or branch office</td>
<td>20,000 Baht</td>
</tr>
<tr>
<td>(7) Application fee for examination to receive a Non-Life Insurance Agent license or a Non-Life Insurance Broker license</td>
<td>400Baht</td>
</tr>
<tr>
<td>(8) Non-Life Insurance Agent license</td>
<td>800Baht</td>
</tr>
<tr>
<td>(9) License of a corporate Non-Life Insurance Broker</td>
<td>40,000Baht</td>
</tr>
<tr>
<td>(10) License of an individual Non-Life Insurance Broker</td>
<td>800Baht</td>
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</tbody>
</table>

*Amended by the Non-Life Insurance Act (No. 2), B.E. 2551*
(11) Application for adjuster license 500 Baht
(12) Application for actuary license 500 Baht
(13) Adjuster license 20,000 Baht
(14) Actuary license 20,000 Baht
(15) Replacements for every type of license 400 Baht
(16) Annual fee for the undertaking of a Non-Life Insurance Business – all types of loss 200,000 Baht
(17) Annual fee for the undertaking of a Non-Life Insurance Business – certain types of loss 160,000 Baht
(18) Renewal of a Non-Life Insurance Agent license (for one year) 400 Baht
(19) Renewal of a Non-Life Insurance Agent license (for five years) 2,000 Baht
(20) Renewal of a license of a corporate Non-Life Insurance Broker (for one year) 12,000 Baht
(21) Renewal of a license of a corporate Non-Life Insurance Broker (for five years) 60,000 Baht
(22) Renewal of a license of an individual Non-Life Insurance Broker (for one year) 400 Baht
(23) Renewal of a license of an individual Non-Life Insurance Broker (for five years) 2,000 Baht
(24) Renewal of an adjuster license 12,000 Baht
(25) Renewal of actuary license 12,000 Baht
(26) Examination of documents (for each examination) 100 Baht
(27) Extraction or certification of a copy of a document (per page) 10 Baht
(28) Application for approval of the form and contents of an insurance policy, relevant documents, or annexes (per form) 4,000 Baht
(29) Application for approval of premium rates (per form) 4,000 Baht
Notification of Ministry of Finance
Subject: Appointment of Competent officials under the Non-Life Insurance Act
B.E.2535

According to the provision of the Insurance Commission Act, B.E.2550, that the Minister of Finance shall be in charge of the enforcement of the Non-Life Insurance Act, B.E.2535, and holds authority in appointment of competent officials to act in lieu of the Minister of Commerce, and that related persons' position holding that has been changed, which have impact on the Notifications of Ministry of Commerce which had appointed competent officials, in order to allow the Non-Life Insurance Act, B.E.2535, to be continuously executed, by the virtue of Section 5 of the Non-Life Insurance Act, B.E. 2535, and Section 3 (1) of the Insurance Commission Act, B.E.2550, the Minister of Commerce hereby appoints competent officials of the Office of Insurance Commission who hold the following positions to serve as competent officials under the Non-Life Insurance, Act B.E.2535,

(1) Deputy Secretary General
(2) Assistant Secretary General
(3) Senior Department Director, Senior Office Director
(4) Special Expert, Department Director, Office Director
(5) Expert, Senior Division Director
(6) Senior Specialist, Team Director, Division Director
(7) Specialist Officer, Team Leader
(8) Specialist Staff, Senior Officer
(9) Senior Operation Staff, Officer

This Notification shall come into force on and from 1st November B.E.2550

Notified on the 14th December B.E.2550
(Signed) Chalongphop Sussangkarn
(Mr. Chalongphop Sussangkarn)
Minister of Finance,
Ministry of Finance Notification
Subject: Appoint the Settle Offence Commission
According to the Non-Life Insurance Act B.E. 2535

As the Insurance Commission Act B.E. 2550 provides that Minister of Finance, instead of Minister of Commerce, shall have the care and be in charge of the execution of the Non-Life Insurance Act B.E. 2535 and have the authority to appoint the Settle Offence Commission combining with the fact that the committee has been changed, which has an effect upon the Ministry of Commerce Notification on appointing the Settle Offence Commission. For the continuing performance under the Non-Life Insurance Act B.E. 2535, by virtue of section 5 and section 111 of the Non-Life Insurance Act, B.E. 2535 and section 3 (1) of the Insurance Commission Act B.E. 2550, the Minister of Finance appoints the following people to be the Settle Offence Commission under the Non-Life Insurance Act B.E. 2535.

1. The Permanent Secretary of Ministry of Finance or his designated person.
2. The Secretary General of the Office of Insurance Commission or his designated person.
3. The Commander of Central Investigation Police or his designated person.

This Notification shall come into force upon their publication in the Royal Gazette.

Notified on the 14 December, B.E. 2550

(signed by)
(Mr. Chalongphob Suasagkarn)
Minister of Finance
Rules of the Non-Life Insurance Fund
On the Receipt, Payment, and Keeping of the Capital
B.E. 2552

In accordance to section 81/3 (2) (6) of the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance Act (Volume 2) B.E. 2551, the Management Board of the Fund with the consent of the Insurance Commission, declares the rules as follow:

Clause 1 These rules shall be called “Rules of the Non-Life Insurance Fund on the Receipt, Payment, and Keeping of the Capital B.E. 2552”.

Clause 2 This rule shall be enforced from now onward.

Clause 3 In this rule

“Company” means a Non-Life Insurance Company in accordance with the Non-Life Insurance Law.

“Fund” means the Non-Life Insurance Fund.

“Management Board” means the Management Board of the Non-Life Insurance Fund.

“Financial Officer” means an operator or an officer whose job concerns financial matters.

“Evidence of Payment” means evidence, which shows the payment to the creditor or the receiver of the obligation.

“Duplicate Payment Voucher” means evidence of payment in the form of receipt, evidence from the bank showing payment to the creditor, or evidence on depositing of the saving account.

“Receipt” means the evidence showing receive of the money that the Fund issued to the payer and characterized in the form specified in accordance with the standards.

Clause 4 The Chairman of the Management Board shall act in accordance with this rule.

Chapter 1
General Content

Clause 5 The objective this Fund is to protect the creditor whose rights are
incurred from the insurance liabilities, in the event of company bankruptcy or revocation of the Non-Life Insurance Business License and for the development of the Non-Life Insurance Business to become solvent and stable.

Clause 6 The Fund comprises of capitals and assets in accordance with section 80 of the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance Act (Volume 2) B.E. 2551 as follow:

(1) Capitals and assets transferred from the Non-Life Insurance Business Development Fund of the Office of Insurance Commission.

(2) Capitals in accordance with section 58.

(3) Capitals in accordance with section 80/3.

(4) Additional capitals in accordance with section 80/4.

(5) Fees according to section 111 after deducting rewards and operating expenses.

(6) Capitals or other assets received from others.

(7) Interest or income from the capitals or assets of the Fund.

(8) Supporting capital from the government.

Chapter 2
The Receipt of the Capital

Clause 7 Accepting capitals to the Fund may be done by any means as follow:

(1) In the form of cash, cheque, or draft.

(2) By other means in accordance with the forms and means specified by the Management Board.

Clause 8 All cheques must be characterized and conditioned as follow:

(1) Payable to the Fund and not to be transferred by endorsement.

(2) Have all particulars in accordance with section 988 of the Civil and Commercial Code. In addition, the Fund cannot accept a predated cheque.

(3) Be an individual or a juristic person’s cheque, who is directly obliged to the payment to the Fund.

(4) Be a cheque collectible in local banks where the Fund is located.

(5) Be a crossed cheque and strikethrough the word “holder”.
Clause 9 The receipt of the capitals or assets in 6 (2) (3) (4) (5) (6) and (7) must be issued a receipt, except in cases where the receipt may not be issued, the evidence of receipt of payment may be issued instead. The form of the receipt shall be in accordance with the specification of the Management Board and comprised of at least 1 copy to be printed a book number and a receipt number orderly in every book. The receipt shall also be registered.

In the event that a receipt is issued by computer, a receipt number must also be issued.

Clause 10 In the event that the receipt cannot yet be printed by the computer system, each receipt book shall only be used for the receipt of each fiscal year. In the new fiscal year, the new receipt book shall be used and the old book shall be stamped repealed or hole punched so as not to be reused.

Clause 11 The receipt cannot be scratched, crossed, deleted, corrected, added, the amount of the money or the payer. If any receipt's transaction is mistyped, it shall be crossed and clearly rewritten, then the receiver shall sign on the receipt for those crossed, or the whole receipt shall be cancelled and a new one shall be issued.
The cancelled receipt shall be attached to the copy of the new receipt.

Chapter 3
The Payment

Clause 12 The payment from the Fund can be done in the following cases:

(1) To assist the creditor who is entitled to receive debt payment occurring from insurance, in the event of company bankruptcy or revocation of the Non-Life Insurance License.

(2) To be used as expenses in developing the Non-Life Insurance Business’s solvency and efficiency, within the budget provided according to 6 (1) and (2).

(3) To be used as expenses for managing the Fund and other expenses involving or relating to the arrangement of the Fund according to the rate rules or any means specified by the Management Board.

(4) To be used as payment for meeting wages and other interest to the Chairman, Directors, and Sub-Committee members of the Management Board in accordance with the rate as specified by the Minister.

The expenses in 12 (3) may be paid not exceeding the budget approved by the Management Board.

The Fund shall prepare estimation for the annual income – expenses of the Fund to be proposed to the Management Board by October of every year for the approval of the next budget year.

Clause 13 The payment shall have an evidence for payment for the sake of the examination process.
Clause 14 The payment to every receiver must be recorded in cash account or saving account depending on the date of the payment.

Clause 15 No officer can call on a Duplicate Payment Voucher or ask the receiver to sign on the evidence of payment without making any payment to the receiver.

Chapter 4
The Approval of the Payment

Clause 16 The authority to approve of the payment is granted to the persons as follow:

16.1 The Management Board of the Fund or the persons delegated by the Management Board for payment in accordance with 12 (1) and (2).

16.2 The Manager of the Fund for the payment in 12 (3) and (4).

Clause 17 The approval of the payment in accordance to 12 grants the authorized person to approve the payment and sign on in the evidence or the Duplicate Payment Voucher or evidence of debt reimbursement, or sign on the evidence of payment or the Duplicate Payment Voucher.

Chapter 5
Keeping of the Capital

Clause 18 The capitals that the Fund receives shall be deposited in the Fund’s account within the receiving date or at least the next working day.

Clause 19 For the benefit of the Fund management, the Fund shall open an account with the bank, which is a state enterprise or a commercial bank in accordance with rules and means specified by the Management Board.

Clause 20 The Fund shall hold cash for the advancement within the budget as specified by the Management Board.

Chapter 6
Payment Order

Clause 21 The payment of this rule shall be paid in cash or cheque or through bank transfer.

Clause 22 For the payment by cheque, the cheque shall be made payable to the entitled receiver and canceling the word “holder”.
Clause 23 The payment order of the capitals in the Fund can be made with the signatures of at least two authorized persons.

Chapter 7
Accounting and Auditing

Clause 24 The Fund's accounting system shall be conducted by the generally accepted accounting principle, having a regular internal audit and an accounting book for

(1) Receiving and making payments.
(2) Assets and liabilities showing the actual financial status along with a description on the background of those transactions.

Clause 25 Closing an account is to be done once a fiscal year and the preparation of the financial statement of the Fund along with details to be submitted to the Office of the Auditor-General or the external auditor who is approved by the Office of the Auditor-General must be implemented within 60 days from the end of the accounting year.

Clause 27 When the office of the Auditor-General or external auditor who is approved by the Office of the Auditor-General gives his approval, the Office of the Auditor-General or that external auditor must prepare the auditing report to be submitted to the Management Board within 120 days from the end of accounting year and submit a copy of that report to the Insurance Commission and the Minister of Finance.

Clause 28 The Fund shall prepare a monthly statement to be submitted to the Management Board within 30 days from the end of the quarter. The Fund shall orderly keep evidence used in the accounting process for the convenience of auditing and keeping it for a period not less than 5 years.

Clause 29 The Fund shall have an internal audit and shall report the auditing results to the Management Board at least once a year.

Clause 30 Implementations other than those specified in this rule shall be proposed to the Management Board for approval, on a case by case basis.

As of 23 March B.E. 2552

(Mr. Suparat Kawatkul)
Permanent Secretary
Chairman of the Management Board
Notification of Insurance Commission

Subject: Designation of Amount, Types, Procedures, and Conditions on Asset Maintenance in Thailand of the Branch Office of the Foreign Non-Life Insurance Company B.E. 2551

By virtue of the provision of Section 7 third paragraph of the Non-life Insurance Act, B.E. 2535, combined with Section 3 (1) of the Insurance Commission Act, B.E. 2550, the Insurance Commission hereby notifies as follows:

Clause 1: This Notification is called “Notification of Insurance Commission Subject: Designation of Amount, Types, Procedures, and Conditions on Asset Maintenance in Thailand of the Branch Office of the Foreign Non-Life Insurance Company B.E.2551”

Clause 2: This Notification shall come into force now and onwards.

Clause 3: In this Notification, “Bank” means a Public Limited Company granted a license to engage in commercial bank business and shall include a bank which was established by the specific law, a commercial bank which is a subsidiary company of a foreign commercial bank, and a branch of foreign commercial bank granted a license to engage in commercial bank business.

“Financial Company” means a financial company granted a license to engage in financial business.

Clause 4: Assets maintained in Thailand shall not be less than the amount of the required capital fund under Section 27 of the Non-life Insurance Act, B.E. 2535, amended by the Non-life Insurance Act, B.E.2551.

Clause 5: Assets maintained in Thailand under Clause 4 shall be in types, procedures and conditions as follows:

1. Cash placed with the Registrar,
2. Treasury bond of the Ministry of Finance,
3. Thai Government bond or Bank of Thailand Bond,
4. Cash deposit in fixed deposit account with bank or cash deposit with financial company,
5. Bill of exchange or promissory note with bank or financial company as issuer or payer,
6. Ministry of Finance guaranteed bond or debenture of organization or state enterprise
7. Immovable property for the place to operate the business or for welfare of officer or employee of the company which its value is not more than forty percents of assets maintained in Thailand.
Clause 6: Assets that the company must maintain in Thailand under Clause 5 shall be free of obligation.

Notified on the 20th August B.E. 2551
(Signed) Supanit Kawatkul
(Mr. Supanit Kawatkul)
Permanent Secretary for Finance,
Chairman of Insurance Commission

Note: The reason of this notification is that the Insurance Commission Act, B.E. 2550, provides that the Insurance Commission shall hold authority, in lieu of Minister of Commerce, in designating amount, types, procedures, and conditions on asset maintenance in Thailand of the branch office of the foreign non-life insurance company.
The Notification of the Insurance Commission
Subject “Rules, Procedures and Levy Rate Related to Non - Life Insurance Company and Life Insurance Company to be contributed to The Office of Insurance Commission”

According to section 12(4) and section 43 of Insurance Commission Act B.E. 2550 with Insurance Commission after the consent of the Financial Minister declares the following:

Clause 1 In this notification

“Committee” means committee of insurance commission

“Office” means Office of Insurance Commission

“Non-Life Insurance Company” means a company which has obtained a license to engage in the non-life insurance business under non-life insurance act

“Life Insurance Company” means a company which has obtained a license to engage in the life insurance business under life insurance act

“Direct -Premium Insurance” means the premium of non-life insurance company or life insurance company received from insured. If as non-life insurance company or life insurance company run only reinsurance business, premium that means premium from reinsurance assumed deduct by retrocession premium in local under reinsurance contract and local insurance market agreement.

Clause 2 Non-life Insurance company and life insurance company deliver levy to The Office of Insurance Commission within 30 days, from the end of each quarters, for operation expense of committee and Office.

Clause 3 Calculating levy which are the non-life insurance company and life insurance company must be deliver to the office calculated from direct-premium which occur in the period even it is an uncollected premium.

Clause 4 Levy

4.1 For non-life insurance company levy shall be calculated from direct insurance premium, detail as follow.

(1) Direct Insurance Premium, for the first thousand million baht, non-life insurance shall deliver levy rate 0.3 percentage.

(2) Direct Insurance Premium, over than thousand million baht but lower than five thousand million baht, non-life insurance shall deliver levy rate 0.25 percentage.

(3) Direct Insurance Premium, over than five thousand million baht, non-life insurance shall deliver levy rate 0.2 percentage.
4.2 For Life Insurance Company levy shall be calculated from direct insurance premium, detail as follow:

(1) Insurance policy, except in (2), life insurance company shall deliver levy rate 0.3 percentage of the first year direct premium, 0.15 percentage of premium insurance for the renewal.

In case of single premium policy, life insurance company shall deliver levy rate 0.15 percentage that premium.

(2) Unit-Link policy, life insurance company shall deliver levy rate 0.1 percentage of direct premium for the first year and next year.

In case of single premium unit-link policy, life insurance company shall deliver levy rate 0.1 percentage that premium.

Clause 5 Non-life insurance and Life insurance company shall deliver levy by, detail as follow:

(1) Cash cheque or draft

(2) Account transfer

Clause 6 In case of deliver levy by cheque or draft, non-life insurance and Life Insurance Company shall order payment to “The levy of OIC” and cheque or draft is not predated.

Clause 7 In case of non-life insurance and life insurance company deliver levy to the office over than amount specified, the company can ask for the permission to use the levy for the next payment.

Clause 8 To make contribution of the levy, for the request to bring the excess levy for the next 3 months. The company shall submit the request form as specified by the office.

Clause 9 This notification is to be enforced for calculating of the levy since the period of January B.E.2551 to March B.E.2551.

As of 22 January B.E. 2551

(Mr. Suparut Kawatkul)
Permanent Secretary for Finance
Chairman of the Insurance Commission
Insurance Commission Notification

Subject: Allocation of assets for liabilities and obligations under insurance contracts and the deposition of assets with financial institution B.E. 2551

By virtue of section 27/4 paragraph one, two, three and section 23 of the Non-Life Insurance Act B.E. 2535 amended by the Non-Life Insurance Act (No.2) B.E. 2551 combine with the resolution of the 9/2551 Insurance Commission meeting on 24 September B.E. 2551, Insurance Commission has notified the followings:

Clause 1. This Notification shall be called "Insurance Commission Notification Subject: Allocation of assets for debts and liabilities under insurance contracts and the deposition of assets with financial institution B.E. 2551".

Clause 2. This Notification shall come to force from 1 January B.E. 2552.

Clause 3. In this Notification:

"Company" means Non-Life Insurance Company under the law on Non-Life Insurance

"Registrar" means Registrar under the law on Non-Life Insurance

"Financial Institution" means

(1) Bank under the law on Financial Institution business

(2) Security company under the law on Securities and Exchange

(3) Life Insurance company under the law on Life Insurance

(4) Financial Institution established by specific law

(5) The Thailand Securities Depository Co., Ltd.

Financial Institutions under (1) (2) (3) and (4) must be approved to be private fund assets depository under the rules conditions and procedures prescribed by Securities and Exchange Commission.

"Share" includes a share warrant or a warrant of the gain from Thailand’s quoted securities (NVDR) or a warrant of the gain from ordinary shares (DR) under the law on Securities and Exchange or other securities as prescribed by the Registrar.

"Corporate Debenture" includes a convertible debenture or a debenture warrant or a warrant of the gain from debentures under the law on Securities and Exchange;

"Unit Trust" means a unit trust or a unit trust warrant in accordance with the law on securities and stock exchange

"Bill" means a promissory note or a bill of exchange

"Saving lottery" means

"Reserves" means reserves under the law on Non-Life Insurance

"Liabilities and obligations" means outstanding claim, outstanding liabilities and obligations under insurance contract which are not included in the reserves.

"Backup assets" means investment assets, under the law on Non-Life insurance including cash, current deposit, investment income receivables and receivables from sale of securities which are allocated for liabilities and obligations under insurance contracts. This shall include the portion of assets that are placed with the Registrar under the law on Non-Life Insurance.
“Investment income receivables” means undue interest of bonds, corporate debentures, bill, cash deposit and stock and unit trust dividend receivables aging not more than 45 days from payment declaration date.

“receivables from sale of securities” means income receivables from the selling of securities aging not more than 5 date from sell date.

Clause 4. Company must allocate backup assets at the amount not less than the sum of reserves, liabilities and obligations altogether and must maintain that amount of asset all the time until the next date of allocation of backup assets is due.

Backup assets in the first paragraph must not be subject to any obligations except the followings:

4.1 Open position of derivatives approved by the Registrar
4.2 Securities borrowing and lending
4.3 Securities repurchase transaction

Backup assets under 4.2 and 4.3 are those booked as Company’s assets according to accounting standards only.

The valuation of Backup assets under the first paragraph must be in accordance with the rules of assets and liabilities valuation under the law on Non-Life Insurance and the amount used must be the amount standing at the last working day of each month.

The Company must present name, types and amount of Backup assets in the monthly report on Company’s financial status and operations submitted to the Registrar.

Clause 5. Company must deposit the following types of Backup asset with Financial Institution.

5.1 Book bank, bank deposit slip or bank certificate of deposit
5.2 The Royal Thai Government bond, Bank of Thailand bond or treasury bill
5.3 Bonds or debentures of an organization or state enterprise
5.4 Certificate of deposit of a finance company
5.5 Bill
5.6 Shares, debentures of a limited company or unit-trust
5.7 Saving lottery
5.8 Backup assets approved to invest outside the Royal Kingdom of Thailand under the law on Life Insurance
5.9 Others Backup assets as prescribed by Insurance Commission

Backup assets under the first paragraph shall not include the portion placed with the Registrar under the law on Non-Life Insurance, cash and bank cash saving deposit or current deposit used for Company liquidation. The amount of cash and cash deposit altogether shall not exceed 5 percent of the amount of Company’s Backup assets.

The deposit of Backup assets with Financial Institutions abroad must be approved to operate as depository under the law of the foreign country where the company invests or under the law of the financial institution agent’s country.

Clause 6. In the contract hiring Financial Institution as a depository of the Backup assets under clause 5, the company must affirm that the Backup assets, apart from those subject to obligations under Clause 4 paragraph two, are free from
obligations and must allow only the Financial Institutions to do any action according to Company’s order to create, modify, transfer, preserve or extinguish rights in relation to those Backup assets. The Company must inform the Financial Institution of any action concerning Backup assets which is done by the Company itself or any other person that are not the hired financial institutions.

The contract of hiring Financial Institution must specify that the Financial Institution must act and omit to act the followings:

6.1 The Financial Institution must provide a report regarding the status of the deposited Backup assets on the last working day of each month. The valuation of those assets must be according to the rules regarding the valuation of liabilities and assets under the law on Life Insurance or face value or market value of each asset, as accepted by the Registrar. The report must be submitted to the Registrar within 5 working days from the last working day of each month and must have the followings details:

6.1.1 Name, types, amount of assets deposited and withdrawn.
6.1.2 Account balance on the last working day of each month.
6.1.3 Obligations of the assets (if any)

6.2 The Financial Institution must answer all the Registrar’s enquiries in relation to the report under 6.1 and agree to allow the Registrar to examine Company’s asset deposited with the Financial Institution account.

6.3 The Financial Institution must keep the information and documents concerning the deposit of asset not less than 2 years from the date the information or the documents have been made. They must be ready for the Registrar to examine or to be sent to the Registrar, if requested in writing.

6.4 The Financial Institution can not appoint any person acting as depository of the Backup assets except Backup assets under 5.8 or the deposit of securities with the Thailand Securities Depository Co., Ltd.

Clause 7. Backup Assets apart from those specified in Clause 5, Company may keep them or deposit them with Financial Institutions. If the Company keeps them, they must follow rules and procedures as followings:

7.1 Company must have at least the following operation system ready to keep Backup assets;

7.1.1 Personnel must be ready to be responsible for the task of keeping Backup assets. Those personnel must have knowledge, be competent and have suitable experience for the characteristic of the tasks they are responsible for.

7.1.2. Must have a system to separate Backup assets from other Company’s assets and a keeping and maintenance system including internal control system to protect the misuse of Backup assets.

7.1.3 Must have a protection system to protect Backup assets, information and related documents from damages and also a system to control the paying and receiving of Backup assets.

7.1.4 Must have a system to examine and to count Backup assets.

7.1.5 Must have a system to manage asset account to illustrate particulars and amount of assets and to book receiving or payment particulars concerning Backup assets in the monthly report on the Company’s financial status and operation that must be submitted to the Registrar. The Account must contain at least the followings;

1) Name, types, sum and the withdrawal.
2) Balance of assets on the last working day of each month.

7.1.6 Must have a system to look after and follow any benefits arising from Backup assets kept by the Company.

7.1.7 Must have other systems illustrating the readiness to keep Backup assets as prescribed by the Registrar.

7.2 Company must report the Registrar in writing of the operation system and details thereof under 7.1 within 30 days from the date this Notification comes into force. In the case where there is a change to operation system which might affect the keeping of Backup assets of the Company, the Company must report the change to the Registrar. If the Registrar did not order otherwise with 15 days, the Company may change the operation system. In the case of emergency, Company can proceed the change in advance prior to the result of the consideration. In this case, if the Registrar finds that it deems proper to correct the system, the Registrar shall inform the Company within 15 days from the date informed by the Company.

Clause 8. The portion of Backup assets that the Company allocated according to Notification of Ministry of Commerce subject: the allocation of unearned premiums reserves and claim reserves of Non-life Insurance Company, notified on 30 September, B.E. 2548 must be subject to the following conditions regarding the portion and the period to allocate Backup assets.

- From 1 January B.E. 2552, Company must allocate Backup assets not less than 80 percent of the amount of Backup assets that must be allocated under clause 4.
- From 1 January B.E. 2553 onwards, Company must allocate backup assets not less than 90 percent of the amount of Backup assets that must be allocated under clause 4.
- From 1 January B.E. 2554 onwards, Company must allocate backup assets not less than 100 percent of the amount of Backup assets that must be allocated under clause 4.

Clause 9. The deposit of Backup assets with Financial Institution under clause 5 must commence on 1 April B.E. 2552 onwards.

Clause 10. For the allocation of Backup assets of Road Accident Victim Protection Company Co., Ltd., levy receivables and debtors of advanced claim payment under the law on the Protection of Motor Vehicle Accident Victims shall taken into account.

Notify on 9 December B.E. 2551

signed by

(Mr. Suparat Kwatkul)
Permanent Secretary of Ministry of Finance
Chairman of Insurance Commission

Note: The reason of issuing this Notification is because the allocation of assets for liabilities and obligations under insurance contract and the keeping of those assets must be in accordance with the rules, procedures and conditions prescribed by the
Insurance Commission; to prevent insurance company from facing solvency problems and to have the Company allocated of assets for liabilities and obligations.
Notification of Insurance Commission

Subject: Rules, Procedures and Conditions on Application for Permission to Open a Branch or to Relocate the Head Office or a Branch Office or to Dissolve a Branch of Non-life Insurance Companies B.E.2551

By virtue of the provision of Section 17 second paragraph of the Non-life Insurance Act, B.E. 2535, amended by the Non-life Insurance Act (No.2), B.E. 2551, the Insurance Commission hereby notifies as follows.

Clause 1: This Notification is called “Notification of Insurance Commission Subject: Rules, Procedures and Conditions on Application for Permission to Open a Branch or to Relocate the Head Office or a Branch Office or to Dissolve a Branch of Non-life Insurance Companies B.E.2551”

Clause 2: This Notification shall come into force now and onwards.

Clause 3: A non-life insurance company may apply for permission to open three types of branches as follows.

1. Branch
2. Sub-branch
3. Specific branch for providing claim service

Chapter 1
Opening a Branch, a Sub-branch, and a Specific Branch for Providing Claim Service
Part 1
Permission and License Issuance

Clause 4: In applying for permission to open a branch, such branch must have at least the following authorities and functions:

1. Receiving insurance premium payment;
2. Approving and making claim payment;
3. Insuring compulsory motor insurance under the Motor Vehicle Victim Protection Act, B.E. 2535

The provision under (3) shall not be applicable if the company, who intends to file permission to open a branch, does not hold a license to engage in motor insurance business.

Clause 5: In applying for permission to open a sub-branch, such sub-branch must have at least the following authorities and functions:

1. Approving and making claim payment;
2. Insuring compulsory motor insurance under the Motor Vehicle Victim Act, B.E. 2535
Clause 6: In applying for permission to open a specific branch for providing claim service, such branch must have specific authorities in making claim payment, receiving accident report, inspect accident, and prepare accident inspection report to present to the head office, or branch, or sub-branch, as the case may be.

Clause 7: A company who intends to apply for permission to open a branch shall file its application to the Registrar in forms as attached to this Notification.

When the Registrar has considered the application under first paragraph, the Registrar shall notify the result to the company in writing.

Clause 8: A company shall proceed to establish a branch or a sub-branch within one year following the date of being notified by the Registrar under Clause 7 second paragraph.

Once the company has completely established a branch or a sub-branch, the company shall submit its application for a license to the Registrar within the period as specified in first paragraph. The company shall identify the name of persons with authority to manage the branch or the sub-branch and the company's staffs with authority to inspect accident, explain, discuss or make settlement related to claims. In case of applying for a license to open a branch, the company shall specify accounting staffs. If the company does not file the application for a license to open a branch within such period, it shall be deemed that the granted permission to open a branch or sub-branch under clause 7 second paragraph shall be cancelled.

When the Registrar have received the application from the company under second paragraph, if there is no obstacle, the Registrar shall issue a license and the company shall pay license fee to open a branch at the fee rate as prescribed in the Ministry Regulation.

The application for a license and the license shall be in forms as prescribed by the Registrar.

Clause 9: A company who intends to apply for a license to open a specific branch for providing claim service shall file an application for license to open a branch, in forms as prescribed by the Registrar, to the Registrar. The company shall specify the name of persons with authority to manage the branch or the sub-branch and the company's staffs with authority to inspect accident, explain, discuss or make settlement related to claims.

The Registrar shall consider the application under first paragraph and notify, in writing, the result to the company. In case that the Registrar deems it appropriate to grant permission, the Registrar shall issue a license to the company and notify, in writing, such permission, and the company shall pay fee for the license to open a branch at the fee rate as prescribed in the Ministry Regulation.

Clause 10: The person to be appointed as a staff or a person with an authority to manage a branch, a sub-branch, or a specific branch for providing claim service, shall not be a person with disqualifications under Section 34 of the Non-life Insurance Act, B.E. 2535, amended by the Non-life Insurance Act (No.2), B.E.2551, or shall not be a non-life insurance broker or a person whose license for being a non-life insurance agent or license for being a non-life insurance broker has been revoked, except that the period stipulated in Section 64 (7) of the Non-life Insurance Act, B.E. 2535, amended by the Non-life Insurance Act (No.2), B.E.2551, has passed.
Clause 11: A branch office, a sub-branch office, and a specific branch office for providing claim service must have its own office space.

Clause 12: In case that the company’s name has been changed in the license to engage in non-life insurance business or the branch license has been damaged or lost, the company shall file an application for reissued license in forms as prescribed by the registrar and shall pay fee for reissued license at the fee rate as prescribed in the Ministry Regulation.

Part 2

Procedures

Clause 13: A company shall establish, in writing, rules in relation to the branch, sub-branch, or specific branch for providing claim service, and shall notify the Registrar, in writing, within thirty days following the date of the rule issuance.

Such rules must be in accordance with rules, procedures, and conditions as prescribed by the Registrar.

Clause 14: The permitted branch shall be opened within two months, or more if permitted by the Registrar, following the date of receipt of the license.

Clause 15: There shall be a name board at the front of the office which can be clearly seen and such a name board shall contain the company’s name followed by “Branch. . . . . . .” or “Sub-branch. . . . . . .” or “Specific branch for providing claim service . . . . . .”, as the case may be.

Clause 16: The branch license, organization chart, name list of staffs or persons with authority in managing the branch, sub-branch, or specific branch for providing claim service, as the case may be, shall be clearly shown and placed where easily seen in the branch office.

Clause 17: A company shall assign its staffs to proceed inspection of operation and asset, and the branch’s internal control for at least once a year, in exception with the first calendar year in which the branch, sub-branch, or specific branch for providing claim service commences the opening. Such staffs shall prepare inspection report and submit to the head office within sixty days following the date that the inspection has been finished.
Part 3
Preparation of Registration Books
and Accounting Books related to the Business

Clause 18: A branch, sub-branch, or specific branch for providing claim service shall prepare registration books related to the business of the branch, sub-branch, or specific branch for providing claim service, as the case may be, in accordance with the prescription in the Notification of Insurance Commission, Subject: Forms and Particulars of Registration Books related to Business of Non-life Insurance Company which issued under Section 44 of the Non-life Insurance Act, B.E. 2535, combined with Section 3 (1) of the Insurance Commission Act, B.E. 2550.

Clause 19: The preparation of accounting books related to business of the branch shall be in accordance with the law on accounting and, in the case of public limited company, the accounting books shall be prepared in accordance with the law on public limited company and the branch shall prepare monthly trial balance of the branch and submit it to the head office within the date of twentieth of the next month.

Clause 20: A sub-branch and specific branch for providing claim service shall prepare accounting books related to business of the sub-branch or specific branch for providing claim service, as the case may be, by recording income – expense transaction in book of original entry.

In case that the sub-branch has the similar authority as the authority and function of a branch as prescribed in Clause 4, such sub-branch shall, in addition, prepare accounting books related to business of the branch under Clause 19.

Chapter 2
Relocation of Head Office or Branch Office, Sub-branch Office, or Specific branch office for providing claim service

Clause 21: The company shall file an application for the head or branch office or sub-branch office or specific branch office for providing claim service relocation permission, in accordance with forms as prescribed by the Registrar, to the Registrar in advance, in at least thirty days prior to the date of relocation and shall pay fee for permission to relocate the head office or a branch at the fee rate as prescribed in the Ministry Regulation.

Clause 22: When the Registrar has reviewed the application under Clause 21, the Registrar shall notify the permission to the company in writing and the company shall proceed as follows.

(1) Upon the relocation of the head office, when the company has received the written notification of permission from the Registrar under first paragraph, the company shall announce the relocation of its office in at least two of country-wide Thai daily newspapers for at least three consecutive days, and specify also the new location and date of the relocation in the announcement. When the company has completed the
relocation process, it shall submit the newspapers publishing the announcement to the Registrar prior to the relocation date.

(2) Upon the relocation of a branch office, sub-branch, specific branch for providing claim service, the company shall post an announcement of the branch office relocation in clearly shown and easily seen place in the office of the old branch office for not less than thirty days prior to the relocation date.

Chapter 3
Transformation of a Sub-branch to become a Branch or Transformation of a Specific Branch for Providing Claim Service to become a Sub-branch or a Branch

Clause 23: In case that a sub-branch or specific branch for providing claim service extends its authorities and functions and changes the authorities from being a sub-branch to be a branch, or from being a specific branch for providing claim service to be a sub-branch or branch, the company shall proceed as follows.

(1) file an application for permission to the Registrar in accordance with the form as prescribed by the Registrar;

(2) return the license of the sub-branch or specific branch for providing claim service, as the case may be.

When the Registrar has reviewed the application for changes and deems it compliant to conditions as specified in Clause 4 or Clause 5, as the case may be, the Registrar shall issue a license for sub-branch or branch, as the case may be.

Clause 24: Changes of branch under this chapter shall not cause any fee.

Chapter 4
Revocation of a Branch License and Dissolving of a Branch, Sub-branch, or Specific Branch for Providing Claim Service

Clause 25: When there is evidence appeared to the Registrar that any branch office, or sub-branch office, or specific branch for providing claim service office of a company operates the business in such a way that may cause damage to the insured or cannot comply to this Notification upon the acceptance of the license or opening of such branch office or sub-branch office, or specific branch for providing claim service, the Registrar shall has authority to order the company to take corrective actions or to take actions or not to take actions in order to impose the company to comply with this Notification, or may revoke the branch license as well as may prescribe any condition on the revocation.

Clause 26: In case that a company intends to dissolve a branch, sub-branch, or specific branch for providing claim service, the company shall file an application for dissolving branch, sub-branch, or specific branch for providing claim service in accordance with forms as prescribed by the Registrar and shall specify business transferring and which branches that such responsibility belongs to, and must return the license of the dissolving branch, sub-branch, or specific branch for providing claim
service to the Registrar in advance, in not less than thirty days prior to the date of branch dissolving.

Clause 27: When the Registrar has reviewed the application under Clause 26, the Registrar shall inform the result to the company in writing and the company shall post an announcement of the dissolving of branch, sub-branch, or specific branch for providing claim service, in the clearly shown and easily seen place in the office of the old branch office for not less than thirty days prior to the dissolving date.

Chapter 5
Transitional Provisions

Clause 28: All branches, sub-branches, or specific branches for providing claim service of the company, which obtained the permission prior to the date that this Notification comes into force, shall be deemed as the branches, sub-branches, or specific branches for providing claim service of the company which obtain the permission under this Notification.

Clause 29: Any application for permission that has been filed to the Registrar prior to the date that this Notification comes into force shall be deemed as an application for permission filed under this Notification.

Notified on the 3rd July B.E.2551
(Signed) Sathit Limpongpan
(Mr. Sathit Limpongpan)
Deputy Permanent Secretary for Finance,
Chairman of Insurance Commission

Note: The reason of this notification is that Non-life Insurance Act, B.E. 2535, amended by Non-life Insurance Act (No.2), B.E. 2551, provides that the Insurance Commission, in lieu of the Minister of Commerce, shall designate rules, procedures, and conditions for applying for permission to open a branch or to relocate the head or a branch Office or to dissolve a Branch of a Non-life Insurance Company.
The Notification of the Insurance Commission
Subject “Securities of the Non-Life Insurance Business to be placed with the Registrar as a security deposit B.E. 2552”

According to section 19, paragraph 3, of the Non-Life Insurance Act B.E. 2535 and section 3 (1) of the Insurance Commission Act B.E. 2550 with the 2/2552 resolution of the Insurance Commission’s Meeting, which took place on 26 February B.E. 2552, the Insurance Commission hereby declares the following:

Clause 1 This notification shall be called the “Notification of the Insurance Commission, subject “Securities of the Non-Life Insurance Business to be placed with the Registrar as a security deposit B.E. 2552”.

Clause 2 The cancellation of the notification of the Ministry of Commerce, subject “Securities of the Non-Life Insurance Business to be placed with the Registrar as a security deposit, dated 5 July B.E. 2538”.

Clause 3 This notification is to be enforced from now onward.

Clause 4 Other company’s securities to be placed with the Registrar apart from cash, Thai Government bond are as follow:

4.1 The Bank of Thailand’s bond.

4.2 Certificate of Deposit, Depository Receipt, or Passbook for Fixed Deposit that has a deposit period of more than one year, issued by the domestic bank to the company for evidence of company’s deposit.

4.3 Treasury Note of the Ministry of Finance

4.4 Bond of the state organization or state enterprise.

4.5 Bill of Exchange or Promissory Note that has the maturity of more than one year, in which the state organization or state enterprise, domestic bank are the payer or issuer.

As of 18 May B.E. 2552

(Mr. Suparut Kawatkul)
Permanent Secretary
Chairman of the Insurance Commission

Note: The reason for the issuance of this notification is due to the Insurance Commission Act B.E. 2550, which states that Insurance Commission shall prescribe the securities of the Non-Life Insurance Business to be placed with the Registrar as a security deposit and because the Industrial Finance Corporation of Thailand has
merged with TMB Bank Public Company Limited, the corporate bond and the bill of exchange that the Industrial Finance Corporation of Thailand has issued could no longer be used as securities that the company shall place with the Registrar, thus requiring the issuance of this notification.
Notification of Insurance Commission
Subject: Rules and Conditions for Exception to a Person who Being or Performing the Duty of Director, Manager or Person Having Management Authority of Non-life Insurance Company to Become a Director, a Manager or a Person Having Management Authority of Another Non-life Insurance Company B.E.2551

By virtue of the provision of Section 34 (4) of the Non-life Insurance Act, B.E. 2535, amended by the Non-life Insurance Act (No.2), B.E. 2551, the Insurance Commission hereby notifies as follows:

Clause 1: This Notification is called “Notification of Insurance Commission Subject: Rules and Conditions for Exception to a Person who Being or Performing the Duty of Director, Manager or Person Having Management Authority of Non-life Insurance Company to Become a Director, a Manager or a Person Having Management Authority of Another Non-life Insurance Company B.E.2551”

Clause 2: This Notification shall come into force now and onwards.

Clause 3: A person who being or performing the duty of director, manager or person having management authority of non-life insurance company shall be allowed to serve as a director, a manager or a person having management authority of other non-life insurance company under the following rules and conditions:

3.1 Such another non-life insurance company shall be:
   3.1.1 the company granted a license to operate in reinsurance only; or
   3.1.2 Road Accident Victims Protection Company, Limited; or
   3.1.3 the company that obtain approval or consent from the Commission to merge or is taken over or takes over including purchase of shares of another non-life insurance company for merger, or takes over with the company.

3.2 The company that such person being or performing the duty of director, manager or person having management authority of the company shall give permission or consent to such person to become or performing the duty of director, manager or person having management authority of the such another non-life insurance company.

Notified on the 20th August B.E. 2551
(Signed) Suparut Kawatkul
(Mr. Suparut Kawatkul)
Permanent Secretary for Finance, Chairman of Insurance Commission
Note: The reason of this notification is that the Non-life Insurance Act, B.E.2535, amended by the Non-life Insurance Act (No.2), B.E.2551, provides that the Insurance Commission shall hold authority, in lieu of Minister of Commerce, in designating rules and conditions for exception to a person who being or performing the duty of director, manager or person having management authority of non-life insurance company to become a director, a manager or a person having management authority of another non-life insurance company.
Insurance Commission Notification

Subject: Rules, methods and conditions of collecting premium for motor insurance B.E. 2551

By virtue of section 37 (1) of the Non-Life Insurance Act B.E. 2535 as amended by Non-Life Insurance Act (No. 2) B.E. 2551 combine with the resolution of the 12/2551 Insurance Commission meeting on 19 May B.E. 2551, Insurance Commission notifies the followings

Clause 1 This Notification shall be called “Insurance Commission Notification subject: Rules, methods and conditions of collecting premium for motor insurance B.E. 2551”

Clause 2 This Notification shall come into force from 1 January B.E. 2552 onwards.

Clause 3 In this Notification

“Registrar” means the Secretary-General of the Insurance Commission, or his designated Person.

“Company” means Company that has been licensed to engage in the life insurance business under the law on Life Insurance, and shall include the branch office of a foreign life insurance company under the law on Life Insurance.

“Life Insurance Broker” means a person who, expecting commission, indicates the opportunity or arranges for a person to enter into a life insurance contract with a Company.

“Life Insurance Agent” means a person who is appointed by a Company to solicit people to enter into a life insurance contract with the Company.

“Motor Insurance” means Motor Insurance under motor insurance policy, motor insurance policy plus motor vehicle accident victims protection policy and motor vehicle accident victims protection policy.

Clause 4 The collecting of premium for motor insurance of the Company shall be in accordance with rules, methods and conditions specified in this Notification. The collecting of premium for other types of insurance shall be subject to the Registrar Notification on Premium Collection issued under the law on Non-Life Insurance.

Clause 5 Company must make a premium collection guidelines in writing containing at least the following particulars;

5.1 Premium collection policy
5.2 Company policy and methods of risk management for situations where company may not be able to collect premiums.
5.3 Channels in receiving premium
5.4 Methods in informing the insured to pay premium.
5.5 The appointment of Non-Life Insurance Agent; the giving of Company’s power of attorney in writing to Company’s employees or Non-Life Insurance Broker to collect premium on behalf of the Company.
5.6 Guarantee required from Non-Life Insurance Agent or those having Company's power of attorney in writing to collect premium on behalf of the Company.

5.7 Receiving and delivering methods of documents or financial documents between Company and related parties via various channels.

5.8 Methods in controlling Non-Life Insurance Agents or those having Company's power of attorney in writing to collect premium on behalf of the company to deliver or issue a document evidencing the Company's receipt of payment to the insured.

Company must report the Company guidelines to the Registrar within 1 April B.E. 2552 and within 10 days from the date where there has been any change.

The guidelines must not be inconsistent with this Notification

Clause 6 The collecting of premiums on behalf of the insured can be done via;

(1) Non-Life Insurance Agent
(2) Non-Life Insurance Broker being authorized by the Company's power of attorney.
(3) Company employees authorized by the Company's power of attorney.

In the case where the insured pays premiums to Company employee or Non-Life Insurance Broker, who is not authorized by the Company’s power of attorney, or to any other persons, whose action the Company accepts by delivering insurance policy or other documents indicating the Company’s acceptance to insure, the Company shall be deemed receive of insurance premium.

In any event, paragraph two does not make the wrongdoer not guilty under the law.

Clause 7 Company must give document representing the Company’s receive of payment to the insured each time when the premiums are received.

In the case where the premiums are received by those people authorized by the Company to receive money on behalf of the company under clause 6, Company must manage those people to give document representing the Company’s receive of payment to the insured each time when they receive the premiums.

Clause 8 Company shall receive premium paid by bill when such bill is payable on demand or at sight, and the company shall collect the premium from such bill within 3 days from the receiving date of such bill.

Clause 9 When Company or those authorized persons under clause 6. receive premiums from the insured, it shall be deemed that the contract comes into force.

In any event, Company must collect and receive premiums from the insured in full every time before the insurance contract comes into effect or before the coverage under insurance contract commences.

Clause 10 In the case where the insured is a juristic person, the premium can be paid within 15 days from the date insurance contract comes into effect or before the coverage commences.
Clause 11 Company must manage those authorized persons under clause 6. to deliver premiums received during 15 day period to the Company within the next 15 day period from the last date of the former 15 day period. Company may specify the 15 day period for each authorized person to start from any day.

The delivery of premium under paragraph one must be cash or bill as prescribed under clause 8.

Clause 12 Company must prepare registration book controlling the collecting of premiums for the Registrar or competent officer to inspect. The registration book must contain at least the following details:

12.1 Name list of each authorized persons under clause 6 and the premium delivery period of those authorized persons.
12.2 Insurance policy number issued by the Company representing the existing of insurance.
12.3 Outstanding premiums of insured who is juristic person and of those authorized persons under clause 6.
12.4 Age of debt of outstanding premiums

Clause 13 In the case that of those authorized persons under clause 6. fail to deliver premiums to the Company within the period prescribed under this Notification, the insurance contract shall continue but the Company must terminate or restrain the appointment, assignment or authorization to such person or such juristic person until that person or juristic person deliver the outstanding premium to the Company in full. If Company continues to allow those authorized persons to persuade, indicate the opportunity, solicit or receive premiums on behalf of the Company, the Company will be deemed to operate business which causes, or may cause damage to insureds, or the public.

Notified on 9 December B.E. 2551

Signed by
(Mr. Suparat Kawatkul)
Permanent Secretary for Finance
Chairman of Insurance Commission

Note: The reason of issuing this Notification is to ensure that the collecting of premiums is consistent with cash before cover principle and control the delivery of premiums collected by Non-life Insurance Agent and authorized persons to the Company.
Insurance Commission Notification
Subject: Rules on methods for issuing and offering of insurance policy for sale and the performing of duty of Non-life insurance agent and Non-life insurance broker and bank B.E. 2551

By virtue of section 37 (6) and section 65/2 of the Non-Life Insurance Act B.E. 2535 amended by the Non-Life Insurance Act (No.2) B.E. 2551 combine with the resolution of the 2/2552 Insurance Commission meeting on 26 February B.E. 2552, Insurance Commission has notified the followings:

Clause 1. This Notification shall be called "Insurance Commission Notification Subject: Rules on methods for issuing and offering for sale of an insurance policy and the performing of duty of Non-life insurance agent and Non-life insurance broker and bank B.E. 2551"

Clause 2. This Notification shall come to force from 1 January B.E. 2552 onwards

Chapter 1
General remarks

Clause 3. In this Notification
"Office" means Office of Insurance Commission
"Registrar" means the Secretary-General of the Insurance Commission, or his designated person.
"Company" means Non-Life Insurance Company under the law on Non-Life Insurance

"Non-Life Insurance Agent" means Non-Life Insurance Agent under the law on Non-Life Insurance
"Non-Life Insurance Broker" means Non-Life Insurance Broker under the law on Non-Life Insurance
"Bank" means Bank obtaining Non-Life Insurance broker license under the law on Non-Life Insurance

"The Prospect" means a person who is persuaded or directed by Non-Life insurance Agent or Broker to enter into a Non-Life Insurance contract.

"Offering of Insurance policy for sale" in case of Company means inviting the prospect to enter into insurance contract; in case of Non-Life Insurance Agent means persuading the prospect to enter into insurance contract with a Company; in case of Non-Life Insurance Broker and bank means indicating the prospect of the opportunity to enter into insurance contract with a Company or arranges the prospect to enter into insurance contract with a Company.

Clause 4. In issuing and offering for sale of an insurance policy, the Company shall abide by this Notification.

Clause 5. The performance of duty of Non-Life Insurance Agent and Non-Life Insurance Broker must be in accordance with the rules, procedures and conditions prescribing the act and omission to act of Non-Life Insurance Agent and Non-Life Insurance Broker under the management of the Company under this Notification.
Clause 6. Non-Life Insurance Agent or Non-Life Insurance Broker who violates this Notification may cause the Registrar to revoke the license of Non-Life Insurance Agent or Non-Life Insurance Broker, as the case may be, under section 76 of the Non-Life Insurance Act B.E. 2535 amended by the Non-Life Insurance Act (No.2) B.E. 2551

Chapter 2
The issuing of Insurance policy

Clause 7. When a Company agrees to insure, the company must deliver the policy containing the correct contents to the insured. Company must attach documents summarizing the coverage, exceptions under the policy to that policy.

In the case of group insurance, the Company must deliver the policy and documents under the first paragraph to the insured or policyholder. The Company must issue to the each covered person or insured members a certificate of insurance together with documents summarizing the conditions, coverage and exceptions under the policy.

Chapter 3
The offering of insurance policy for sale

Clause 8. The Company shall manage the Non-Life Insurance Agent, Non-Life Insurance Broker and Bank to offer insurance policy for sale in accordance with this Notification

Clause 9. The Company can offer insurance policy for sale by;

9.1 Offering insurance policy for sale via Non-Life Insurance Agent or Non-Life Insurance Broker
9.2 Offering insurance policy for sale via telephone (Tele marketing)
9.3 Offering insurance policy for sale direct mail
9.4 Offering insurance policy for sale via bank (Bancassurance)
9.5 Offering insurance policy via other methods apart from 9.1, 9.2, 9.3 and 9.4

Part 1
Rules used for the offering of insurance policy for sale via Non-Life Insurance Agent, Non-Life Insurance Broker, telephone, direct mail, Bank or other methods

Clause 10. The offering of insurance policy for sale under 9.1, 9.2, 9.3, 9.4 and 9.5, Company must manage Non-Life Insurance Agent, Non-Life Insurance Broker or bank, to act or omit to act according to part 2, part 3, part 4 and part 5, as the case may be, and also to act or omit to act the followings:

10.1 Not persuade insured to cancel other insurance policies in order to purchase new insurance policy.
10.2 Not misrepresent or conceal facts which should be disclosed with the hope to get an insurance contract therefrom.
10.3 Not giving advice which may create misunderstanding or omit to disclose material facts which might create misunderstanding.
Part 2

The offering of insurance policy for sale via Non-Life Insurance Agent or Non-Life Insurance broker

Clause 11. The offering of insurance policy for sale via Non-Life Insurance Agent or Non-Life Insurance broker, the Company must manage Non-Life Insurance Agent or Non-Life Insurance Broker to act or omit to act the followings in relation to the offering of insurance policy for sale:

11.1 Inform his name, surname, the company to which he belongs (if any) and present Non-Life Insurance Agent license or Non-Life Insurance Broker license.

11.2 Inform the objective of contact to the prospect. The objective must be for offering insurance policy for sale only.

11.3 If the prospect clearly declares his intention of not wanting to purchase, the selling must cease immediately no matter when the declaration of intention occurs.

11.4 When the permission to offering insurance policy for sale is granted by the prospect, Non-Life Insurance Agent or Non-Life Insurance Broker must give explanation concerning the offered insurance policy by using sale supporting documents approved by the Company.

11.5 Suggest the prospect to enter into insurance contract which is suitable for his risk and ability to pay premium (Suitability Requirement)

11.6 When Non-Life Insurance Agent, Non-Life Insurance Broker receives insurance premiums, he must issue a Company’s document evidencing the Company’s receipt of payment and submit completed sale supporting documents to the prospect.

Apart from abiding by the first paragraph, Non-Life Insurance Broker must present the authorization by the Company’s power of attorney to received premium on Company’s behalf.

11.7 Non-Life Insurance Agent or Non-Life Insurance Broker must deliver premiums received from the prospects to the Company within the period prescribed in the notification on the collecting of premiums.

Clause 12. Sale supporting documents must be approved by the Company and contain the following particulars:

12.1 Company’s name and address
12.2 Insured’s name and surname
12.3 Non-Life Insurance Agent’s or Non-Life Insurance Broker’s name and surname and signature space.
12.4 Date and time of offering insurance policy for sale
12.5 Summary of general conditions and benefits under insurance policy including exceptions and rights under insurance policy
12.6 Amount of premium under insurance policy, insurance period and premium payment period.
12.7 A warning that the insured should study, read and understand sale supporting documents.
Part 3

The offering of insurance policy for sale via telephone
(Telemarketing)

Clause 13. Company offering insurance policy for sale via telephone must be subject to the following conditions;

13.1 Policy must be approved from the Registrar to be sold via telephone. The policy must contain conditions on right to terminate insurance policy within 30 days or more except motor vehicle accident victims protection policy, motor insurance policy, motor insurance policy combining motor vehicle accident victims protection policy and economy residential fire insurance policy.

13.2 The person offering insurance policy for sale via telephone must be Non-Life Insurance Agent, Non-Life Insurance Broker permitted by the Company.

For this purpose, Company must inform the name of Non-Life Insurance Agent, Non-Life Insurance Broker within 7 days from the date being permitted by the Company.

13.3 The offering for sale must be done between 8.30 - 19.00 hours the must informed except there has been a prior appointment to offering insurance for sale with the consent of the prospect.

13.4 Company must not offer sale to any prospect who has denied the offer for sale or those who the Office of Insurance Commission informs the Company as those who do not want any contact unless a period of six months has lapsed from the date of denial or the date the Company received the name list from the office, as the case may be.

For this purpose, Company must manage Non-Life Insurance Agent, Non-Life insurance Broker to report the Company immediately of names, date and time when sale denial was held and the Company must make an account of those details to be merged with name list received from the OIC.

Clause 14. In relation to the methods of offering insurance policy via telephone, the Company must manage Non-Life Insurance Agent or Non-Life Insurance Broker to act or omit to act the followings;

14.1 When calling the prospect, Non-Life Insurance Agent, Non-Life Insurance Broker must inform his name, surname, license number and the company offering this sale and must immediately inform that this in a offering of insurance policy for sale.

14.2 If the prospect does not want to insure or to be contacted, Non-Life Insurance Agent and Non-Life Insurance Broker must stop the conversation immediately. If the prospect wants to know the source of his details, Non-Life Insurance Agent or Non-Life Insurance Broker must inform the prospect of the source before finishing the conversation.

14.3 When being permitted from the prospect to offer insurance for sale, Non-Life Insurance Agent, Non-Life Insurance Broker must ask for permission to record the conversation. If being allowed, another confirmation of the prospect must be received. The record must continue throughout the conversation and must be kept as evidence for same period as the contract and at least not less than one year after the contract has come to an end.

14.4 In offering insurance for sale, Non-Life Insurance Agent or Non-Life Insurance Broker must advise the prospect at least the followings;

14.4.1 Company's name and phone number
14.4.2 Conclusion of policy benefits and exclusions of coverage.

14.4.3 Amount of premium that must be paid by the insured, insurance period, premium payment period.

14.4.4 Premium payment methods and the commencement date as specified by the prospect. If not specified, the coverage shall commence immediately.

14.4.5 Inform the prospect of the right to terminate the contract (free look period) and that this right must be used within 30 days or more from the date the insured receive the policy from the Company depending on the insurance policy form offered by the prospect and that the prospect will receive the entire sum of premium.

14.4.6 When there is an acceptance to insure, name, surname and identification number of that person must be recorded.

14.5 When the prospect accepts to insure, Non-Life Insurance Agent, Non-Life Insurance Agent must inform the Company at the first opportunity the delivery can be done but not longer than the next working day.

14.6 Non-Life Insurance Agent, Non-Life Insurance Broker must inform the prospect of the period the prospect will receive the policy from the Company or any contact from the Company about the policy.

14.7 Within 7 days from the date the Company deliver the insurance policy to the insured, the Company must make a Confirmation call to the prospect. When receiving permission to start conversation, permission to record the conversation must be received. The record must be done from the beginning to the end of conversation and the Company must record that conversation for the same period as the contract and at least not less than one year after the contract has come to an end.

The conversation must contain the following details;

14.7.1 Name and Surname of the person who makes the contact
14.7.2 Enquiries whether the prospect has received the insurance policy.

14.7.3 Asking the prospect whether he has any queries regarding insurance terms and conditions, coverage or exclusions. The queries must be answered completely.

14.7.4 If the prospect does not have any queries, a confirmation of the prospect to enter into insurance contract must be received. The Company must inform the prospect of the prospect’s right to terminate the contract (free look period) within 30 days or more from the date the prospect receives the policy from the Company or depending on the types of Insurance offered for sale.

If the insured wants to terminate the insurance, Company must return the full amount of premium

The returning of premium must be done within 30 days from the date the Company is informed about the termination.
Part 4

The Offering of insurance policy for sale via direct mail

Clause 15. Only Company can offer insurance policy for sale via this method.

Clause 16. Sale supporting documents sent to the receiver must contain at least the followings;

16.1 Company’s name and address
16.2 Summary of general conditions and benefits under insurance policy, exceptions and rights under policy conditions.
16.3 Amount of premium that must be paid by the insured, insurance period and premium payment period.
16.4 Methods of premium payment and coverage commencement date
16.5 Period of time to issue insurance policy or insurance certificate, as the case may be.

Part 5

The offering of insurance policy for sale via Bank (Bancassurance)

Clause 17. In offering insurance policy for sale via Bank, Company must manage Bank to act or omit to act the followings;

17.1 The offering person must only be Bank’s employee having Non-Life Insurance Broker license.
17.2 The offering person must inform his name, surname and Non-Life Insurance Broker license.
17.3 The offering person must illustrate explicitly that the offering is an offering of insurance policy for sale.
17.4 The entering into insurance contract of Bank’s customers must be voluntary not compulsory and should not be related to loan negotiation or other bank’s transaction.
17.5 Bank must act or omit to act like Life Insurance Broker as mentioned in Chapter 3 Part 2

Part 6

The offering of insurance policy for sale via other methods according to 9.5

Clause 18. The offering of insurance policy for sale via methods other than 9.1, 9.2, 9.3 and 9.4 which is a general offering and in order for the prospect to contact the Company by himself, must be the offering of standard life insurance policy only and can be done merely by Non-Life Insurance Agent or Non-Life Insurance Broker, Part 2 shall be applied, mutatis mutandis.

Notified on 18 May, B.E. 2551

(Mr. Suparat Kawatkul)
Permanent Secretary of Ministry of Finance
President of Insurance Commission
Note: The reason of issuing Notification prescribing rules, methods in offering of insurance policy for sale and the performance of Life Insurance Agent is to protect people who use insurance services.
Notification of Insurance Commission
Subject: Rate of Remuneration or Commission for
Non-life Insurance Agent and Non-life Insurance Broker B.E. 2551

By virtue of the provision of Section 37(7) of the Non-life Insurance Act, B.E. 2535 amended by
the Non-Life Insurance Act (No.2), B.E 2551, Insurance Commission notifies as follows:

Clause 1. This Notification shall be called “Notification of Insurance Commission
subject: Rate of Remuneration or Commission for Non-life Insurance Agent and Non-life Insurance Broker
B.E. 2551”

Clause 2. This Notification shall come into force from now onwards.

Clause 3. The Notification of Insurance Commissioner, Subject: Rate of Remuneration or
Commission for Non-life Insurance Agent or Non-life Insurance Broker dated 22 January, B.E. 2544 shall
be repealed.

Clause 4. The rate of remuneration or commission payable to a non-life insurance agent or a non-
life insurance broker performing as a non-life insurance agent or a non-life insurance broker shall not
exceed the rate as prescribed as follows:
(1) Fire insurance shall not exceed percentage of the premium amount according to the
insurance period as follows:
One year to three years insurance period not exceed twenty three percent
Four years to nine years insurance period not exceed twenty percent
Ten years to fourteen years insurance period not exceed seventeen percent
Fifteen years to nineteen years insurance period not exceed fifteen percent
Twenty years to twenty-five year insurance period not exceed thirteen percent
Twenty-six years to thirty years insurance period not exceed twelve percent

(2) Marine insurance and carriage insurance shall not exceed thirteen percent of the
premium.

(3) Voluntary motor insurance shall not exceed eighteen percent of the premium.

(4) Motor insurance under the law on Protection for Motor Vehicle Accident Victims
shall not exceed twelve percent of the premium.

(5) Other insurance except (1) (2) (3) (4) shall not exceed eighteen percent of the
premium.

(6) Rate of remuneration or commission under (1) (2) (3) (4) (5) shall not include
remuneration or commission for reinsurance

Notified on the 25 September, B.E. 2551

Signed by
(Mr. Suparut Kawatkul)
Permanent Secretary for Finance
Chairman of the Insurance Commission

Note: Reasons of issuing this Notification; the Non-Life Insurance Act B.E. 2535 amended by the Non-Life
Insurance Act (No. 2) B.E. 2551 provides that Insurance Commission must prescribe the rate of
remuneration for Non-life Insurance Agent and Non-life Insurance Broker instead of the Registrar.
Notification of Insurance Commission

Subject: Rules, Procedures and Conditions for Prescribing the Minimum Requirement of Risk Management for Non-Life Insurance Companies B.E.2551

By the virtue of the provision of Section 37 (12) of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2) B.E.2551, combined with the resolution of the 11th 2551 Insurance Commission meeting on 28th October, B.E.2551, the Insurance Commission hereby notifies as follows:

Clause 1: This Notification is called “Notification of Insurance Commission, Subject: Rules, Procedures and Conditions for Prescribing the Minimum Requirement of Risk Management for Non-Life Insurance Companies B.E.2551”

Clause 2: This Notification shall come into force on and from 1st January B.E.2552

Clause 3: In this Notification,
“Company” means a company that has been licensed to engage in the Non-Life Insurance Business under Non-Life Insurance law, and shall include a branch office of a foreign Non-life insurance company, which has been licensed to engage in the Non-Life Insurance Business in the Kingdom.
“Risk Management” means an integrated process of planning, managing and controlling core activities of the Company with the purpose to minimize impacts of variable factors by taking into account the characteristics, size, and complexity of the company and achievement of the Company’s objectives or goals.
“The Company’s Management” means:

In the case that a company has been licensed to engage in the Non-Life Insurance Business under Non-Life Insurance law, “The Company’s Management” means board of director except the content under clause 11 which means board of director or executives.

In the case that a company is a branch office of a foreign Non-life insurance company, “The Company’s Management” means executives or managements who own authority or have a role in determining the company’s policies.

“Risk Management Framework” means policies, scopes, structures, and processes of Risk Management.
“Risk Appetite” means a level of risk that the Company can accept in order to achieve its objectives.

Clause 4: Minimum Requirement of Risk Management for the Company shall follow rules, procedures, and conditions which are prescribed in the Notification.

Clause 5: The Company shall prepare a Risk Management policy that identifies sources of risks, types of risks, and Risk Appetite. It shall specify a process of risk assessment and prioritization, and risk monitoring and controlling for each risk type. The Company shall communicate such policy to all departments for them to strictly comply with. The Company may specify its Risk Appetite in qualitative and/or quantitative fashion.

In exception to Risk Management policy under first paragraph, the Company shall prepare summary of its 3-year business expansion plan, business growth, and a plan to support such business expansion.
The Risk Management policy under first paragraph and the summary of 3-year business expansion plan under second paragraph must be approved by the Company's Management.

Clause 6: The Company shall specify scope of Risk Management in accordance with the Risk Management policy and shall identify main content of the Risk Management which must envelop the core activities which are as following:

6.1 Product design and development
6.2 Insurance Pricing
6.3 Underwriting
6.4 Claim management
6.5 Reinsurance
6.6 Investment in other businesses

Clause 7: The Company shall establish a Risk Management structure in accordance with the Company’s policies, objectives, and environment. The Company’s Management shall approve the Risk Management structure and review the Risk Management report every year.

Clause 8: The Company shall set up a process of Risk Management as follows.

8.1 The Company shall identify risks and sources of risks that have financial and non-financial impact to the Company. The Company shall review the risks periodically and the review shall be taken for at least once a year or every time there is significant change in risk factors. The review, at minimum, shall include the following types of risk:

(1) Strategic Risk means risk that arises from inappropriate policies, inappropriate strategic plans, inappropriate operation plans, and inappropriate execution, or execution which is inconsistent to internal factors and external environment.

(2) Insurance Risk means risk that arises from volatility of frequency, severity, and timing of loss occurrence that deviates from assumptions used in insurance pricing, reserving, and underwriting.

(3) Liquidity Risk means risk that arises from the Company's inability to pay its liability and obligation due.

(4) Operational Risk means risk that arises from failure, inadequacy, or impropriety of personnel, operation process in the internal system, or external factors.

(5) Market Risk means risk that arises from changes in market prices of investment asset, interest rate, foreign exchange rate, equity instrument, and commodity.

(6) Credit Risk means risk that arises from failure of another party to perform according to the terms of agreement, and the probability that the counter party’s credit risk will be downgraded.

8.2 The Company shall state a methodology for risk assessment and risk prioritization
8.3 The Company shall respond to risk in accordance with the policies.

8.4 The Company shall control risks, monitor and review its Risk Management performance and reporting system with regard to risk factors and status by each type of risks. Such control, monitoring and review shall be taken by considering the overall risk profile.

Clause 9: The Company shall submit the Risk Management policy, summary of 3-year plan, as provided under clause 5, to the Office of insurance Commission every year. The submission shall be made within three months following the end of the last calendar year and one month from the date that the Company’s Management approved the revision of the Risk Management policy or summary of 3-year plan if such revision is significant.

Clause 10: The Company shall report the Risk Management results to the Company’s Management at least once a year and shall, at all time, be prepared for the Office of Insurance to run the examination.

Clause 11: The Company’s Management shall determine the Risk Management framework and ensure that such framework is brought into actions.

Notified on the 30th December B.E.2551
(Signed) Suparat Kawatkul
(Mr. Suparat Kawatkul)
Permanent Secretary for Finance,
Chairman of Insurance Commission

Note: The purpose of this notification is to prescribe the minimum requirement of Risk Management for insurance companies which ensures the effectiveness and efficiency of enterprise risk management of the insurance companies and ensures the insurance companies’ appropriate resource allocation and ability to completely conform to their obligation. This will create credibility of insurance companies and Thai insurance industry as a whole.
The Notification of the Insurance Commission

Subject “The Forms Related to The Fire Insurer B.E.2551”

According to section 39 paragraph 1 of the Non-Life Insurance Act B.E. 2535 and section 3 (1) of Insurance Commission Act B.E. 2550 with the resolution from the 2th Insurance Commission’s Meeting on 19 February B.E. 2551 hereby declares the following:

Clause 1. This notification shall be called the “The Declaration of the Insurance Commission, subject “The Forms Related to The Fire Insurer B.E.2551”.

Clause 2. This notification is to be enforced 90 days after declared on the government gazette.

Clause 3. The cancellation of

3.1 The notification of the Insurance Commissioner, subject “ The Forms Related to The Fire Insurer on 20 January B.E. 2537”.

3.2 The notification of the Insurance Commissioner, subject “ The Forms Related to The Fire Insurer on 21 March B.E. 2543”;

Clause 4. When a company has any contract of fire insurance, the company shall submit the particulars relating to the underwriting of the fire insurance under the forms as prescribed in 3.1 which are enclosed.

Clause 5. In case of issuing an endorsement in order to correct, add or change in fire insurance term, the company shall submit the particulars related to the underwriting of the fire insurance under the forms as prescribed in 3.3.01 which are enclosed.

Clause 6. Submitting of the particulars related to the underwriting of the fire insurance as prescribed in section 4 and 5, the company shall deliver those via OIC electronic system.

As of 25 September B.E. 2551

(Mr. Suparut Kawatkul)

Permanent Secretary for finance

Chairman of the Insurance Commission
The Notification of the Insurance Commission

Subject “Register Form Concerned with Non-Life Insurance Business B.E.2551”

According to section 44 of the non-life insurance Act B.E. 2535 and section 3 (1) of insurance commission Act B.E. 2550 with the resolution from the insurance commission’s with the resolution from the 6th, B.E.2551 insurance commission’s meeting which took place on 30 June B.E. 2551, the insurance commission hereby declares the following:

Clause 1. This notification shall be called the “Notification of the Insurance Commission, subject “Register Form Concerned with Non-Life Insurance Business B.E.2551”.

Clause 2. This notification is to be enforced from now onward.

Clause 3. The cancellation of the notification of the insurance commissioner, subject “register form concerned with non-life insurance Business B.E.2551 declared on 25 September B.E. 2549”.

Clause 4. Register Form concerned with non-life insurance business shall be contained information as follow:

1. Register for received non-life insurance
2. Register for received compulsory motor insurance
3. Register for voluntary motor insurance
4. Register for insurer
5. “Aure- Are- Torn” accident insurance project
6. Register for endorsement non-life insurance policy
7. Register for personal reinsurer in domestic
8. Register for personal reinsurer out of country
9. Register for endorsement personal reinsurer
10. Register for personal reinsured in domestic
11. Register for personal reinsured out of country
12. Register for reinsured fire insurance
13. Register for reinsured marine and transport insurance
14. Register for compulsory motor indemnity
15. Register for voluntary indemnity
16. Register for indemnity,
   “Aure- Are- Torn” accident insurance project

As of 30 September B.E. 2551

(Mr. Suparut Kawatkul)

Permanent Secretary for Finance

Chairman of the Insurance Commission
Note: The reason for the issuance of this notification is due to the Insurance Commission Act B.E. 2550, which states that the Insurance Commission shall prescribe the register form concerning Non-life insurance business instead of the Registrar, thus requiring the issuance of this notification.
The Notification of the Insurance Commission
Subject “Rules, Procedures, Conditions, and Periods for
Preparing and Submitting Financial Statements and Reports on the Operations
of the Non-Life Insurance Business B.E. 2552”

In accordance with section 47 of the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance Act (Volume 2) B.E. 2551 together with 2/2552 resolution of the Insurance Commission, dated 26 February B.E. 2552, the Insurance Commission so declares the following:

Clause 1 This notification shall be called the “Notification of the Insurance Commission, subject “Rules, Procedures, Conditions, and Periods for Preparing and Submitting Financial Statements and Reports on the operations of the Non-Life Insurance Business B.E. 2552”.

Clause 2 In this notification,

“Company” means a Non-Life Insurance Business in accordance to the Non-Life Insurance Law.

“Commission” means the Insurance Commission.

“Registrar” means the Secretary-General of the Office of Insurance Commission or the person delegated by the Secretary-General of Insurance Commission.


Clause 3 The company shall prepare and submit financial statements and reports on its operations to the Commission through the Office as follow:

(1) Quarterly financial statements audited by the auditor.

(2) Annual financial statements of the previous fiscal year audited and commented by the auditor.

(3) Annual reports describing operations and performances of the business.

Clause 4 Preparation of the financial statements shall be in accordance with the notification of the Federation of Accounting Profession on guidelines relating to the preparation of accounts and financial statements of the accountant and accounting professions.

Clause 5 The preparation of annual reports will use the realization and valuation criteria in accordance with the Non-Life Insurance Law.
Clause 6 The submission of the financial statements and reports on the operations of the company will be in accordance with the forms and periods as follow:

6.1 For quarterly financial statements audited by the auditor for the year B.E. 2553 for 3 quarters, the company shall submit within 60 days from the last day of each quarter in accordance with the form attached registrar order number 10/2545 on specification of financial statements of the Non-Life Insurance Company, dated 6 March B.E. 2545 or in accordance with quarterly financial statements attached to this notification.

For audited quarterly financial statements of the year B.E. 2554 for all three quarters, the company shall submit within 60 days from the last day of each quarter in accordance with quarterly financial statements attached to this notification.

For audited quarterly financial statements since the first quarter of the year B.E. 2555 onward, the company shall submit within 45 days from the last day of each quarter in accordance with quarterly financial statements attached to this notification.

6.2 The financial statements that are audited and commented for the fiscal year B.E. 2551, B.E. 2552 and B.E. 2553, the company shall submit by 5 months from the end of each fiscal year in accordance with registrar order number 10/2545 on specification of financial statements of Non-Life Insurance Company, dated 6 March B.E. 2545 or in accordance with financial statements for previous fiscal year attached to this notification.

The financial statements that are audited and commented for the fiscal year B.E. 2554 onward, the company shall submit within 4 months from the end of each fiscal year in accordance with financial statements for previous fiscal year attached to this notification.

6.3 For the annual reports describing the company’s operations and performances for the fiscal year B.E. 2551, the company shall submit within 5 months from the end of the fiscal year in accordance with registrar declaration on specification of form and report for annual reports for financial status and operations of Non-Life Insurance Company, dated 14 December B.E. 2548 or in accordance with annual reports attached to this notification.

For the annual reports describing operations and performances of the company for the fiscal year B.E. 2552 and B.E. 2553, the company shall submit within 5 months from the end of each fiscal year in accordance with annual reports attached to this notification.

For the annual reports describing operations and performances of the company for the fiscal year B.E. 2554 onward, the company shall submit within 4 months from the end of each fiscal year in accordance with annual reports attached to this notification.

Clause 7 The submission of quarterly financial statements and annual financial statements for the previous fiscal year of the company in this notification, shall be
submitted in the form of a hard copy and a diskette or a hard copy and a compact disc (CD).

The submission of annual reports describing operations and performances of the company in this declaration shall be done in accordance with the manual for preparation of annual financial information in the form of electronic means, which is developed by the Office. If the information cannot go through the screening process of the computer system as specified in the manual, the company shall be considered not submitting report in this notification.

In the event that the company cannot submit the report in the form of electronic means, which is developed by the Office in accordance with paragraph 2, the company may request an extension to the Registrar before the end of that submission period by specifying reasons and needs. If the Registrar deems appropriate the extension may be granted and the company has to submit a report in a hard copy for 2 sets together with the extension requested.

Clause 8 The submission of quarterly financial statements and financial statements for the previous fiscal year of the company in accordance with 7, paragraph 1, reports in the form of a hard copy must have content consistent with reports in the diskette or in the compact disc and must have no materially false statements or hiding materially correct statements.

Clause 9 In case the performance on annual profit and loss statement of the company changes from the same period of last year, exceeding 20 percent, the company shall prepare a report describing reasons of such a change and submit it to the Commission through the Office together with the financial statement that the company has to submit according to this notification.

As of 18 May B.E. 2552

(Mr. Suparut Kawatkul)
Permanent Secretary for Finance
Chairman of the Insurance Commission

Note: The reason for the issuance of this notification is to obtain financial information that can be used in promoting and supervising insurance business for more efficiency, including legal information concerning Non-life insurance, which states that the Non-life insurance company shall prepare and submit financial statements and reports on the operations to the company’s committee, which include (1) quarterly financial statements audited by the auditor (2) annual financial statements of the previous fiscal year audited and commented by the auditor (3) annual reports describing operations and performances of the business, to be in accordance with the forms, rules, conditions, and periods prescribed by the Insurance Commission, thus requiring the issuance of this notification.
The Notification of the Insurance Commission
Subject “Submission of Reports on Financial Status and Operations of the Non-Life Insurance Business B.E. 2551”

In accordance with section 49 of the Non-Life Insurance Act B.E. 2535 amended by the Life Insurance Act (Volume 2) B.E. 2551 together with 12/2551 resolution of the Insurance Commission, dated 19 November B.E. 2551, the Insurance Commission so declares as follow:

Clause 1 This notification shall be called the “Notification of the Insurance Commission, subject “Submission of Reports on Financial Status and Operations of the Non-Life Insurance Business B.E. 2551”.

Clause 2 This notification shall be enforced since 1 January B.E. 2552 onward.

Clause 3 To repeal

(1) Registrar order number 20/2548 on Submission of Reports on Financial Status and Operations of the Non-Life Insurance Business, dated 14 December B.E. 2548.

(2) Registrar order number 4/2549 on Submission of Reports on Financial Status and Operations of the Non-Life Insurance Business (Volume 2), dated 7 April B.E. 2549.

Clause 4 In this notification,

“An individual or a related business” means an individual or a related business according to definition specified in the generally accepted accounting principal, which is issued by the Federation of Accounting Profession.

“Commission” means the Insurance Commission.

“Secretary-General” means the Secretary-General of the Insurance Commission.


Clause 5 The company shall submit report on financial status and operation of its business in the form of electronic means as specified by the Office in accordance with the form attached to this notification.

For the submission of the report in paragraph 1, the company has to submit to the Commission through the Office monthly by the end of the next month, except for details of the report as follow, which the company will submit quarterly.
(3) Report on equity in accordance with form and particulars Wor 0200.
(4) Report on loans in accordance with form and particulars Wor3521 Wor3522 Wor3523 Wor3530 Wor3540 Wor3550 and Wor3570.

(5) Report on investment in hire purchase in accordance with form and particulars Wor3610.

(6) Report on investment in assets for lease in accordance with form and particulars Wor3620.

(7) Report on operation location, property, and operating asset in accordance with form and particulars Wor5100 Wor5200 and Wor5300.

(8) Report on receivables, payables with regards to reinsurance in accordance with form and particulars Wor4200 and Wor4210.

In submitting report in the electronic form as specified in paragraph 1, if the information has not gone through the screening process of the computer system as specified, the company shall be considered not submitting the report.

In case report on first paragraph submitting by the company is incorrect or not complete, the commission has a power to order the company to correct and complete it by the time specified by the Commission.

Clause 6 In case the company cannot submit report in the form of electronic as specified in 5, the company may request an extension to the Secretary-General before the end of that period by specifying reasons and needs. If the Secretary-General deems appropriate the extension can be granted but the company needs to submit report in the form of hard copy for 2 sets together with the extension request.

Clause 7 In the valuation process, the company shall make valuations in accordance with the notification on valuation of asset and liability of the Non-Life Insurance Company, enforced at the time of submission.

As of 30 December B.E. 2551

(Mr. Suparat Kawatkul)
Permanent Secretary For Finance
Chairman of the Insurance Commission

Note: The reason for the issuance of this notification is due to the imperfection of the previous reports on the financial status and operations of the company and in order to improve the supervision and examination of the insurance business, the issuance of this notification is required.
Notification of Insurance Commission
Subject: Rules, Procedures and Conditions for Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies B.E.2551

By the virtue of the provision of Section 50/1 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2) B.E.2551, combined with the consensus of the 9th/2551 Insurance Commission meeting on 24th September, B.E.2551, the Insurance Commission hereby notifies as follows:

Clause 1: This Notification is called "Notification of Insurance Commission, Subject: Rules, Procedures and Conditions for Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies B.E.2551"

Clause 2: This Notification shall come into force on and from 1st January B.E.2552

Clause 3: Information regarding a company's financial standing and operating results are as follows:

3.1 Financial standing
   3.1.1 Balance Sheet and Capital status
   3.1.2 Important financial ratios

3.2 Operating results
   3.2.1 Profit and Loss Statement
   3.2.2 Cash Flow Statement
   3.2.3 Percentage of written premium by lines of business

3.3 Underwriting, claim payment, and the Company's contact information

Clause 4: A company shall disclose its annual financial standing which was audited by an auditor and compare with the financial standing of the same period of the previous year. The company shall disclose its quarterly financial standing which was audited reviewed by an auditor and compare with the financial standing of the same period of the previous year. The information regarding the financial standing and operating results shall be disclosed in accordance with forms, particulars, conditions, and period as prescribed by the Registrar. The information shall be present, be disclosed at all time, and be adequately clear for making a decision to enter into an insurance contract. The company shall certify the correctness of the disclosed information.

Clause 5: The Company shall disclose the information via media and post a notice at the places as prescribed by the Registrar.
Notified on the 9th December B.E.2551
(Signed) Suparut Kawatkul
(Mr. Suparut Kawatkul)
Permanent Secretary for Finance,
Chairman of Insurance Commission

Note: The purpose of this notification is that the Office of Insurance Commission recognizes the importance and necessity of public disclosure of credible and present information. Such disclosure is a part of market discipline which leads Thai insurance industry to attain the efficient competition. Especially, an insured can access to the information of financial status and operating results of insurance companies. Furthermore, the disclosure helps the insured to reach useful information in making a decision to purchase an insurance policy.
Notification of Insurance Commission
Subject: Designation of Forms, Rules, Procedures, Conditions and Period of the Submission of Policy Liability Valuation Annual Report B.E.2551

By the virtue of the provision of Section 50/2 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2), B.E.2551, combined with the resolution of the 13th/2551 Insurance Commission meeting on 24th December, B.E.2551, the Insurance Commission hereby notifies as follows:

Clause 1: This Notification is called “Notification of Insurance Commission, Subject: Designation of Forms, Rules, Procedures, Conditions and Period of the Submission of Policy Liability Valuation Annual Report B.E.2551”

Clause 2: This Notification shall be enforced for the Policy Liability Valuation Annual Report of B.E.2551 and onwards.

Clause 3: In this Notification,
“Report” means a Policy Liability Valuation Annual Report which is certified by an Actuary, and shall be submitted to the Insurance Commission under Section 50/2 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2) B.E.2551.

“Company” means a company that has been licensed to engage in the Non-Life Insurance Business under Non-Life Insurance law, and shall include a branch office of a foreign Non-life insurance company, which has been licensed to engage in the Non-Life Insurance Business in the Kingdom.

“Actuary” means an actuary under Non-Life Insurance Law and shall include the person who has legal authority to certify a policy liability valuation report under Section 64 of the Non-Life Insurance Act (No.2), B.E.2551.

“Commission” means the Insurance Commission

“Office” means the Office of Insurance Commission

Clause 4: A Company shall submit to the Commission the Report of the previous calendar year within five months following the end of the previous calendar year. The Report shall disclose, at minimum, the contents in accordance with forms and particulars as prescribed in the attachment of this Notification.

Clause 5: In a reasonable case, the Commission may order any of or both of the followings:

5.1 Order the Company to find another Actuary, who holds the Actuary License approved by the Registrar, to certify the Report at the Company’s cost.

5.2 Order the Company to hold insurance reserve at the amount that the Commission deems appropriate.
Clause 6: The Company shall provide the correct and complete information to the Actuary in order to use in the insurance reserve valuation.

Clause 7: Upon the submission of the Report in this Notification, the Company shall submit the Report in electronic format, as prescribed by the commission, and in the hard copy. The information in the electronic format and the hard copy must be matched.

Notified on the 6th February B.E.2551
(Signed) Suparut Kawatkul
(Mr. Suparut Kawatkul)
Permanent Secretary for Finance,
Chairman of Insurance Commission

Note: The reason of this notification is that Non-Life Insurance Act, B.E. 2535, amended by Non-Life Insurance Act (No.2), B.E. 2551, provides that the Commission has authority to designate forms, rules, procedures, conditions, and period of the Company's submission of Policy Liability Valuation Annual Report, certified by an Actuary.
According to section 68, paragraph 2, of the Non-Life Insurance Act B.E.2535 and section 3(1) of the Insurance Commission Act B.E.2550, the Insurance Commission hereby declares the following:

Clause 1 This notification shall be called the “Notification of the Insurance Commission, subject “Rules and Conditions of Licensing for Juristic person in the form of Financial Institution to be Non-Life Insurance Broker B.E.2551”.

Clause 2 This notification is to be enforced from now onward.

Clause 3 The cancellation of the notification of the Insurance Commissioner, subject “Rules and Conditions of Licensing for Juristic person in the form of Bank to be Non-Life Insurance Broker, dated 29 June B.E.2548”.

Clause 4 In this notification,

“Financial Institution” means a Commercial Bank and shall include Financial Institution which is established by specific law.

“Commercial Bank” means a limited public company which has obtained a license to engage in the banking business and shall include retail bank and bank which is established by specific law.

“Non-Life Insurance Broker’s License” means Non-life insurance broker’s license in the type of inducement, advice or acts in any manner to cause any person to enter into a non-life insurance contract.

Clause 5 A Financial Institution which applies for a non-life insurance broker’s license shall have the following qualifications:

5.1. Have the objective of the undertaking non-life insurance broker business.

5.2. Have at least 5 officers or employees licensed to be a non-life insurance broker and at least 3 non-life insurance brokers in each branch to advise customer or to cooperate with the insurance commissioner.

Clause 6 A Financial Institution that is qualified under 5 and wish to be a non-life insurance broker shall apply for license with the Insurance Commissioner’s application form.

Clause 7 When the financial institution is licensed to be a non-life insurance broker, its branches become a non-life insurance broker branch office to undertake non-life insurance broker business.
Clause 8 To undertaking non-life insurance broker business, the financial institution shall act as following:

8.1 Induce, advice or provide services to any person who is their customer only to enter into a non-life insurance contract.
8.2 In case of change of the number of branch or employee who have non-life insurance broker’s license, the institution shall notify the Insurance Commissioner of such change within fifteen (15) days from the date of change.
8.3 Operate in accordance with Non-Life Insurance Act and related law.
8.4 No Financial Institution shall appoint or allow any person with any of the following qualifications to be or to perform the duty of a non-life insurance broker or a person having management authority:
8.4.1 do not have a non-life insurance broker’s license.
8.4.2 being a non-life insurance broker who having management authority of any other juristic person that having a non-life insurance broker license.
8.4.3 being a manager, an accountant or staff having management authority of any other company that having a non-life insurance broker license.
8.4.4 being a director, a share holder, a manager or a person having management responsibility of any other juristic person that having a life insurance broker license.
8.4.5 being or having been a bankrupt.
8.4.6 being adjudged incompetent or quasi incompetent.
8.4.7 being a life insurance agent.
8.4.8 have had a non-life insurance agent’s license or broker’s license revoked within five (5) years prior to the date of application for a license.
8.4.9 have been sentenced to imprisonment upon final judgment for offences relating to property committed dishonestly unless the sentence has been completed at least five (5) years before the date of application.

Clause 9 In the case where a institution fails to comply with rules and conditions under this notification, the institution shall be deemed violating the provisions of law. The Insurance Commission shall have the power not to issue the life insurance broker’s license and revoke or extend a life insurance broker’s license.

Clause 10 The financial institution that has a non-life insurance broker’s license before this notification is enforced, shall proceed under 5.2 within one (1) years from the date of enforcement.

As of 20 August B.E. 2551

(Mr. Supanut Kawatkul)
Permanent Secretary for finance
Chairman of the Insurance Commission
The Notification of the Insurance Commission
Subject “The Prescribed Rules, Procedures, Conditions, for the Application, the Approval, and the Renewal of Non-Life Insurance Agent and Broker Licenses B.E. 2551

In accordance with section 64, section 65, paragraph 2, section 67, paragraph 1, and section 72, paragraph 3 of the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance Act (Volume 2) B.E. 2551 and the 9/2551 resolution of the Insurance Commission meeting, which took place on 24 September B.E. 2551, the Insurance Commission so issues a notification as follow:

Clause 1 This notification shall be called the “Notification of the Insurance Commission, subject “The Prescribed Rules, Procedures, Conditions, for the Application, the Approval, and the Renewal of Non-Life Insurance Agent and Broker Licenses B.E. 2551”.

Clause 2 This notification shall be enforced from 1 January B.E. 2552 onward.

Clause 3 To repeal:

3.1 the Notification of the Registrar, subject “A Person Who Has Been Educated Subjects on Non-Life Insurance from Educational Institutions, Exempted from a Non-Life Insurance Examination, dated 6 November B.E. 2535”;

3.2 the Notification of the Registrar, subject “The Prescribed Courses and Examination Procedures for obtaining a Non-Life Insurance Agent License, dated 25 September B.E. 2549”;

Clause 4 In this notification:

“Non-Life Insurance Agent” means a person assigned by the company to induce other people to enter into a non-life insurance contract with the company;

“Life Insurance Broker” means a person who, expecting a commission, indicates the opportunity or arranges for other people to enter into a Non-Life Insurance contract with a Company;

“Office” means the Office of Insurance Commission;

“Educational Institution” means a university level educational institution, certified by the Ministry of Education, or an oversea educational institution, certified by the Office of the Civil Service Commission.
Chapter 1

The Qualifications of the Applicants for Non-Life Insurance
Agent and Broker Licenses

Clause 5 A natural person who applies for a non-life insurance agent license shall have the following qualifications:

5.1 be *sui juris*;

5.2 be domiciled in Thailand;

5.3 not be adjudged incompetent or quasi incompetent;

5.4 never have been sentenced to imprisonment upon final judgment, for offences relating to property committed dishonestly unless the sentence was completed at least five (5) years prior to the date of application;

5.5 not be bankrupt;

5.6 not be a non-life insurance broker;

5.7 not have had a non-life insurance agent's or broker's license revoked within the five (5) years prior to the date of application for a license;

5.8 hold at least a bachelor's degree or equivalent from an educational institution and passed examinations concerning non-life insurance for at least 6 subjects or passed examinations concerning non-life insurance knowledge in accordance with the courses and examination procedures prescribed in chapter 2 of this notification.

Clause 6 A natural person who applies for a non-life insurance broker license cannot be a non-life insurance agent or a director, a manager, an officer, or an employee of any company and the provisions of sections 5.1, 5.2, 5.3, 5.4, 5.5, 5.7 and 5.8 shall apply, *mutatis mutandis*.

Chapter 2

Curriculums and Examination Procedures
Concerning Non-Life Insurance Knowledge for Applicants of Non-Life Insurance Agent and Broker Licenses

Clause 7 The examination curriculums concerning non-life insurance knowledge for applicants of non-life insurance agent and broker licenses for direct insurance shall include the following subjects:

7.1 a subject concerning ethics and moral of the non-life insurance agent
and broker;
    7.2 a subject concerning general knowledge of non-life insurance;
    7.3 a subject concerning knowledge of the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance Act (Volume 2) B.E.;
    7.4 a subject concerning general knowledge of non-life insurance, including;
    7.4.1 a subject concerning non-life insurance principles;
    7.4.2 a subject concerning fire insurance;
    7.4.3 a subject concerning motor insurance and insurance law, concerning the protection for motor vehicle accident victims;
    7.4.4 a subject concerning marine and transit insurance;
    7.4.5 a subject concerning miscellaneous insurance.

The details of the contents shall be as prescribed by the Registrar.

Clause 8 For a natural person who applies for a non-life insurance broker license for reinsurance, after taking the examination for the non-life insurance broker license for direct insurance, he or she shall also take another examination concerning the knowledge of reinsurance.

Clause 9 The examinations for applicants of non-life insurance agent and broker licenses are of multiple choice type and use the following criterions:

9.1 passing the subject in accordance with 7.1 by receiving at least a 70 percent;

9.2 passing the subject in accordance with 7.2, 7.3, and 7.4 by receiving a total average of at least 60 percent;

The applicants shall pass the examinations as prescribed in 9.1 and 9.2 in one test to be considered passing.

Clause 10 The examination procedures for applicants of non-life insurance broker license for reinsurance shall use the multiple choice type or essay type examinations. Besides passing the examination in accordance with 9, the applicants shall pass the examination concerning knowledge of reinsurance, earning at least 60 percent in one test to be considered passing.

Clause 11 The application, examination, test results, and test rules shall be as prescribed by the Registrar.
Chapter 3

Applying for a License

Clause 12 A natural person who possesses the qualifications under 5 or 6 and wishes to apply for a license shall submit an application for a non-life insurance agent or broker license to the Registrar in the form as prescribed by the Registrar.

An applicant who wishes to apply for a non-life insurance agent license shall pass a training program form the Office or other training under the program or procedures as prescribed by the Office.

Clause 13 The Registrar shall issue a non-life insurance agent or broker license for an applicant who has already paid the license fee.

Clause 14 The non-life insurance agent and broker licenses shall be valid for one (1) year from the date of issuance.

Chapter 4

The License Renewal and Approval

Clause 15 A licensee wishing to renew a license shall submit an application for renewal in the form as prescribed by the Registrar to the Registrar within two months prior to the expiration of the license. The applicant shall obtain from the Office, a certificate evidencing that he or she has passed additional training by the Office or has passed the course and procedures prescribed by the Office.

Clause 16 If the licensee under 15 has renewed his or her license two consecutive times and applies for a third renewal, the newly issued license shall be valid for a period of five (5) years.

Clause 17 If the licensee under 15 had his or her license expired and wishes to apply for a new one, the licensee shall be deemed as still possessing the qualifications under 5.8.

As of 9 December B.E. 2551

(Mr. Suparut Kawatkul)
Permanent Secretary for Finance
Chairman of the Insurance Commission

Note: - The reason for the issuance of this notification is due to the law prescribing for the application and the approval to be in accordance with the principles, procedures, and conditions prescribed by the Insurance Commission, thus, requiring the issuance of this notification.
The Notification of the Insurance Commission
Subject “Registers and Account Books, concerning business of a non-life insurance broker B.E.2551”

According to section 70 of the Non-Life Insurance Act B.E. 2535 and section 3 (1) of Insurance Commission Act B.E.2550, the Insurance Commission hereby declares the following:

Clause 1 This notification shall be called the “The Notification of the Insurance Commission, subject “Registers and Account Books, concerning business of a non-life insurance broker B.E.2551”.

Clause 2 This notification is to be enforced from now onward.

Clause 3 The cancellation of the notification of the Insurance Commissioner, subject “Registers and Account Books, concerning business of a non-life insurance broker on 25 September B.E.2549”.

Clause 4 Registers and Account Books, concerning business of a life insurance broker shall follow in forms and contain list at least prescribe as enclose document

As of 20 August B.E. 2551

(Mr. Suparat Kawatkul)
Permanent Secretary for Finance
Chairman of the Insurance Commission

Note: The reason for the issuance of this notification is due to the Insurance Commission Act B.E. 2550, which states that the Insurance Commission shall prescribe the forms and account books relating to life insurance broker business instead of the Registrar, thus requiring the issuance of this notification.
Notification of Insurance Commission

Subject: Rules, Procedures and Conditions for the Application, the Application for Renewal, and the Issuance of an Actuary License B.E.2551

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By the virtue of the provision of Section 78/2 and Section 78/5 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2), B.E.2551, the Insurance Commission hereby notifies as follows:

Clause 1: This Notification is called “Notification of Insurance Commission, Subject: Rules, Procedures and Conditions for the Application, the Application for Renewal, and the Issuance of an Actuary License B.E.2551”

Clause 2: This Notification shall come into force now and onwards.

Clause 3: A person applying for an Actuary License shall have the following qualifications:

3.1 Graduated in Actuarial Sciences from an educational institute certified by the Civil Service Commission, in the programs or courses prescribed in the notification of the Registrar, and have conducted actuarial or statistical work, in relation to insurance, as prescribed by the Registrar, for a period of not less than five years; or

3.2 be a fellow of the Actuarial Association, as prescribed by the Registrar.

Clause 4: A person applying for an Actuary License shall not meet any of the following disqualifications:

4.1 was convicted to imprisonment by a final court judgment for an offense relating to property, or an offense to act as an actuary without approval from the Registrar, or an offense to certify a false liability valuation report, or an offense to prepare any report or documents with regard to false liability valuation report, unless has been released for not less than five years prior to the date of application;

4.2 be a person who is non compos mentis, a mentally incapacitated, or an incompetent or quasi-incompetent;

4.3 be bankrupt;

4.4 had his license suspended;

4.5 had his license revoked within the five years prior to the date of application.

Clause 5: A person applying for an Actuary License shall submit the application form and evidence, as prescribed by the Registrar, to the Registrar.
Clause 6: An Actuary License shall be in accordance with forms as prescribed by the Registrar. The Actuary License shall be valid for two years from the date of issuance.

Clause 7: An actuary licensee, who intends to file an application for renewal, shall submit an application for renewal in accordance with the application form for renewal as prescribed by the Registrar within two months prior to the date of expiration.

Upon the applicant's submission of an application for renewal under first paragraph, it shall be deemed that the applicant is a licensee until the receipt of a rejection order.

Notified on the 3rd July B.E.2551
(Signed) Sathit Limpongpan
(Mr. Sathit Limpongpan)
Deputy Permanent Secretary for Finance,
Chairman of Insurance Commission

Note: The reason of this notification is that Non-Life Insurance Act, B.E. 2535, amended by Non-Life Insurance Act (No.2), B.E. 2551, states that application and issuance of the actuary license shall be in accordance with rules, procedures, and conditions as prescribed by the Insurance Commission.
The Notification of the Insurance Commission
Subject "The Rates, Rules, Procedures, Conditions, and Period
That the Company has to Submit Contribution to
the Non-Life Insurance Fund B.E. 2552"

In accordance with section 80/3, paragraph 1 and 2, of the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance Act (Volume 2) B.E. 2551 together with 13/2551 resolution of the Insurance Commission dated 24 December B.E. 2551 and 2/2552 dated 26 February B.E. 2552 with the consent of the Minister of Finance in promulgating the rate that the company has to submit contribution to the Non-Life Insurance Fund. The Insurance Commission so declares as follow:

Clause 1 This notification shall be called the "Notification of the Insurance Commission, subject "The Rates, Rules, Procedures, Conditions, and Period that the Company has to submit contribution to the Non-Life Insurance Fund B.E. 2552".

Clause 2 In this notification

"Company" means a company that is granted a license for Insurance Business according to the Non-Life Insurance Law and including a branch of foreign Non-Life Insurance Company that is granted a license for insurance business in the Kingdom.

"Fund" means Non-Life Insurance Fund.

"Premium" means insurance premium that the company received from the insured but not including the insurance premium from reinsurance.

Clause 3 The company has to submit contribution to the Fund twice a year as follow:

3.1 In the first time, the company has to submit contribution by January at the rate of 0.1 percent of the company's premium received during July – December of the previous year.

3.2 In the second time, the company has to submit contribution by July at the rate of 0.1 percent of the company's premium received during January – June of the current year.

Clause 4 The calculation of the contribution that the company has to submit to the Fund is to use the premium incurred in the six month period, although has not yet been paid in that six month period to include in the calculation for the premium of that six month.

Clause 5 Submitting contribution to the Fund, the company has to do as follow:

(1) Pay in cash, cheque, or draft
(2) Account transfer

Clause 6 In case the company submits in cheque or draft, the company has to make payable in the name of “Life Insurance Fund” and that cheque or draft can not be predated.

Clause 7 In case the company submits contribution to the Fund more than the amount that the company has to submit in the period of six months, the company shall ask for the excess to be paid to the Fund for the next six months period, until that excess is diminished.

Clause 8 Submitting contribution to the Fund, the request of the excess in accordance with 7 for payment of the next six months period, the company has to submit the form for contribution to the Fund according to form attached to this notification.

Clause 9 The company shall submit contribution to the Fund for January and July B.E. 2552 at the rate of 0.1 percent.

The company shall submit contribution to the Fund for January and July B.E. 2553 at the rate of 0.15 percent.

The company shall submit contribution to the Fund for January and July B.E. 2554 at the rate of 0.2 percent.

The company shall submit contribution to the Fund for January B.E. 2555 and the following contributions at the rate prescribed in 3.

Clause 10 Submitting contribution to the Fund for January B.E. 2552, the company shall submit within 30 days from the date of this notification. As for the following contributions, the company shall submit within the period specified in 3.

As of 20 March B.E. 2552

(Mr. Suparut Kawatkul)
Permanent Secretary
Chairman of the Insurance Commission

Note: The reason for the issuance of this notification is due to the Non-Life Insurance Act B.E. 2535, amended by the Non-Life Insurance (Volume 2) B.E. 2551, which states that the Insurance Commission, with the approval of the Minister of Finance, prescribes the contribution rate that the company shall submit to the Fund. The contribution is to be used as operational budget for the Fund, thus requiring the issuance of this notification.
Registrar Notification

Subject: Prescription of application forms for permission to open branch, relocate head or branch office or dissolve branch of Non-Life insurance Company B.E. 2551

By virtue of section 17 paragraph one of the Non-Life Insurance Act B.E. 2535 amended by the Non-Life Insurance Act (No. 2) B.E. 2551 combine with Insurance Commission Notification subject: Rules, Procedures and Conditions for Applying for Permission to Open a Branch or to Relocate the Head or a Branch Office or to dissolve a Branch Office of Non-Life Insurance Company B.E. 2551 notified on 3 July B.E. 2551, Registrar declares as followings;

Clause 1 This Notification shall be called “Registrar Notification subject: Prescription of application forms for permission to open branch, relocate head or branch office or dissolve branch of Non-Life Insurance Company B.E. 2551”

Clause 2 This Notification shall come to force from now onwards.

Clause 3 In this Notification
“The Insurance Commission Notification” means Insurance Commission subject: Rules, Procedures and Conditions for Applying for Permission to Open a Branch or to Relocate the Head or a Branch Office or to dissolve a Branch Office of Non-Life Insurance Company B.E. 2551

Clause 4 There should be 7 permission application forms as follows;

4.1 Application form for permission to open branch or sub-branch to undertake Non-Life insurance business under Clause 7 of The Insurance Commission Notification must be in accordance with the form attached to this Notification.

4.2 Application form for license to open branch or sub-branch to undertake Non-Life insurance business under Clause 8 paragraph two of The Insurance Commission Notification must be in accordance with the form as attached to this Notification.

For those who are authorized to manage a branch and staff must fill in the qualification certificate in accordance with the form attach to this Notification.

4.3 Application form for license to open specific branch for indemnification to undertake Non-Life insurance business under Clause 9 of The Insurance Commission Notification must be in accordance with the form attached to this Notification

4.4 Application form for replacement of opening branch to undertake insurance business license that has been lost, damaged or for situation where the Company's name, branch or the office number of a branch has been changed under Clause 12 of The Insurance Commission Notification must be in accordance with the form attached to this Notification.

4.5 Application form for relocating head, branch office, sub-branch or specific branch for indemnification under clause 21 of the Insurance Commission Notification must be in accordance with the form attached to this Notification.

4.6 Application form for changing type of branch office under 23 of the Insurance Commission Notification must be in accordance with the form attached to this Notification.
4.7 Application form for permission to dissolve head, branch office, sub-branch or specific branch for indemnification under clause 26 of The Insurance Notification must be in accordance with the form attached to this Notification.

Clause 5 Form of license to open branch to undertake Insurance business must be in accordance with the form attached to this Notification.

Clause 6 The application for permission to open branch, relocate head or branch office or dissolve branch office of Non-Life insurance company or application for replacement of license, the Company must hand the form under clause 4 to Investment and Operation Supervision Department, Office of Insurance Commission.

Notified on 25 July B.E. 2551

(Mrs. Chantra Pumariksa)
Secretary General of Insurance Commission
Registrar

Note:- The reason of issuing this Notification is that the Non-Life Insurance Act B.E. 2535 amended by the Non-Life Insurance Act (No.2) B.E. 2551 combine with Insurance Commission Notification subject: Rules, Procedures and Conditions for Applying for Permission to Open a Branch or to Relocate the Head or a Branch Office or to dissolve a Branch Office of Non-Life Insurance Company B.E. 2551 provides that Registrar shall prescribe application forms.
Registrar Notification
Subject: Prescription of forms for application of license, license and documents concerning the being Non-Life insurance agent or Non-Life insurance broker

By virtue of section 63 paragraph two, section 65 paragraph four section 66 paragraph four and section 68 paragraph three of the Non-Life Insurance Act B.E. 2535 amended by the Non-Life Insurance Act (No. 2) B.E. 2551, Registrar declares as follows:

Clause 1 This Notification shall be called "Registrar Notification Subject: Prescription of forms for application of license, license and documents concerning the being Non-Life insurance agent or Non-Life insurance broker"

Clause 2 This Notification shall come into force from 1 January B.E. 2552

Clause 3 The following Registrar Notifications shall be repealed;

3.1 Registrar Notification subject: Prescription of forms for renewal of Non-Life insurance agent license and Non-Life insurance broker license via bank and internet system notified 11 August B.E. 2547

3.2 Registrar Notification subject: Prescription of forms for application of Non-Life Insurance agent license, license and documents concerning the being of Non-Life Insurance Agent notified on 25 September B.E. 2549

3.3 Registrar Notification subject: Prescription of form for application of Non-Life insurance broker license for juristic person B.E. 2551 notified on 12 February B.E. 2551

Clause 4 In this Notification
"Office" means The Office of Insurance Commission
"Commission" means Insurance Commission
"Company" means Company that has been licensed to engage in the Non-Life insurance business under the law on Non-Life Insurance, and shall include the branch office of a foreign Non-Life insurance company under the law on Non-Life Insurance.
"Non-Life Insurance Agent" means a person who is appointed by a Company to solicit people to enter into a Non-Life insurance contract with the Company.
"Non-Life Insurance Broker" means a person who, expecting commission, indicates the opportunity or arranges for a person to enter into a Non-Life insurance contract with a Company.

Clause 5 Form for the application of license; the license; and documents concerning the being Non-Life insurance agent shall be those as attached to this Notification;

5.1 Application form for Non-Life insurance agent license shall be in accordance with the form attached (Tor wor 1)

5.2 Non-Life Insurance license shall be in accordance with form attached (Tor wor 2)

5.3 Letter expressing Company's intention to have such person be its Non-Life
Insurance Agent shall be in accordance with the form attached (Tor wor 3)

5.4 Letter expressing Company's consent to allow person to be Non-Life Insurance agent of another company shall be in accordance with the form attached (Tor wor 4)

5.5 Application form for renewal of Non-Life Insurance Agent license shall be in accordance with the form attached (Tor wor 5)

5.6 Application form for renewal of Non-Life Insurance Agent license via bank and internet system shall be in accordance with the form attached (Tor wor 6)

5.7 Company's Power of Attorney to enter into Non-Life insurance contract shall be in accordance with the form attached (Tor wor 7)

Clause 6 Form for the application of license; the license; and documents concerning the being Non-Life insurance broker shall be those as attached to this Notification.

6.1 Application for Non-Life insurance broker shall use the forms as follows;

6.1.1 Form for individual person shall be in accordance with the form attached (Nor wor 1.)

6.1.2 Form for juristic person shall be in accordance with the form attached (Nor wor 2.)

6.1.3 Form for bank shall be in accordance with the form attached (Nor wor 3)

6.2 Non-Life insurance broker license

6.2.1 Form for individual shall be in accordance with the form attached (Nor wor 4)

6.2.2 Form for juristic person or financial institution shall be in accordance with the form attached (Nor wor 5)

6.3 Application for renewal of Non-Life insurance broker license

6.3.1 For individual person shall be in accordance with the form attached (Nor wor 6)

6.3.2 For juristic person shall be in accordance with the form attached (Nor wor 8)

6.3.3 For juristic person shall be in accordance with the form attached (Nor wor 9)

6.4 Application for renewal of Non-Life insurance broker license via bank and internet system

6.4.1 For individual person shall be in accordance with the form attached (Nor wor 7)

6.4.2 For juristic person or financial institution shall be in accordance with the form attached (Nor wor 10)

6.5 Company's power of attorney to receive premium shall be in accordance with the form attached (Nor wor 11)

Notified on 19 December B.E. 2551

signed by
(Mrs. Chantra Purnariksha)
Secretary General of Insurance Commission
Registrar Notification

Subject: Prescription of form of Non-Life insurance broker license for juristic person B.E. 2551

By virtue of section 68 paragraph three of the Non-Life Insurance Act B.E. 2535, Registrar notifies as follows;

Clause 1 This Notification shall be called "Registrar Notification Subject: Prescription of form of Non-Life insurance broker license for juristic person B.E. 2551"

Clause 2 This Notification shall come to force from now onwards

Clause 3 Non-Life Insurance Broker license for juristic person shall be in accordance with the form attached (Not wor 5)

Notified on 12 February B.E. 2551

Signed by
(Mrs. Chantra Purnariksha)
Secretary General of Insurance Commission
The Registrar
Notification of Insurance Commission
Subject: Designation of the Application forms for an Actuary License and the Actuary License Renewal, and the Actuary License Form

By the virtue of the provision of Section 5, Section 6, and Section 7 of the Notification of Insurance Commission, Subject: Rules, Procedures and Conditions for the Application, the Application for Renewal, and the Issuance of an Actuary License B.E.2551, which is notified by the virtue of the provision of Section 78/2 an Section 78/5 of the Life Insurance Act (No.2) B.E. 2551, the Registrar hereby notifies as follows:

Clause 1: This Notification is called "Notification of Insurance Commission, Subject: Designation of the Application forms for an Actuary License and the Actuary License Renewal, and the Actuary License Form"

Clause 2: This Notification shall come into force now and onwards.

Clause 3: An application for an Actuary License shall be in accordance with the application form for the Actuary License, attached to this Notification.

Clause 4: An application for Actuary License renewal shall be in accordance with the application form for Actuary License renewal, attached to this Notification.

Clause 5: An Actuary License form shall be in accordance with the actuary license form, attached to this Notification.

Notified on the 21st July B.E.2551
(Signed) Chantra Purnariksha
(Mrs. Chantra Purnariksha)
Secretary General of Office of Insurance Commission
The Registrar
Notification of Insurance Commission
Subject: Designation of Programs, Courses, and Actuarial Experience of Applicants of Actuary License, and a List of Actuary Association

By the virtue of the provision of Section 78/3 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2), B.E. 2551, the Registrar hereby notifies as follows:

Clause 1: This Notification is called “Notification of Insurance Commission, Subject: Designation of Programs, Courses, and Actuarial Experience of Applicants of Actuary License, and a List of Actuary Association”

Clause 2: This Notification shall come into force on 15th May B.E. 2551 and onwards.

Clause 3: A person who graduated in the following programs or courses shall be a person who graduated in Actuarial Science under section 78/3 (1).

3.1 Hold a Bachelor Degree or a higher degree with major of Actuarial Science from an educational institute certified by the Civil Service Commission; or

3.2 Have passed Actuarial Science courses and have passed at least three courses with the following subjects from an educational institute certified by the Civil Service Commission.

(1) Risk Theory or Actuarial Modeling
(2) Applied Statistic or Statistic for Insurance
(3) Theory of Interest or Mathematical Finance
(4) Probability Theory
(5) Credibility Theory and Loss Distribution
(6) Financial Accounting

Clause 4: A person who has conducted the following works for not less than 5 years shall be a person who has conducted actuarial or statistical work in relation to insurance under Section 78/3 (1).

(1) Calculate premium rate and policy valuation; or
(2) Calculate policy liability; or
(3) Conduct statistical data analysis with regard to insurance business

Clause 5: Society of Actuary of Thailand shall be a Actuary Association under section 78/3 (2)
Notified on the 28th April B.E.2551

(Signed) Chantra Purnariksha
(Mrs. Chantra Purnariksha)

Secretary General of Insurance Commission
The Registrar

Note: The reason of this notification is that Section 83/3 of the Non-Life Insurance Act, B.E. 2535, amended by Non-Life Insurance Act (No.2), B.E. 2551, provides the Registrar shall designate programs or actuarial science courses, actuarial science work experience, and a list of Actuary Associations for a person to be qualified for applying the Actuary License.
Notification of the Registrar on Application for Test Taking, Organization of Tests, Announcement of Results and Test Taking Rules & Regulations for Requesting Non-life Insurance Agent and Broker License B.E. 2551

By virtue of clauses 7 and 11 of the Notification of the Insurance Commission on the Rules & Regulations, Methods, Conditions, and Permission Request for Renewal of Non-life Insurance Agent or Broker License B.E. 2551, the Registrar hereby promulgates the following:

Clause 1 This notification is referred to as the “Notification of the Registrar on Application for Test Taking, Organization of Tests, Announcement of Results for Requesting Non-life Insurance Agent and Broker License B.E. 2551”.

Clause 2 This notification is proclaimed to be effective as of the 1st of January B.E. 2552.

Clause 3 In this notification “Office” means, the Office of Insurance Commission

Chapter 1
Testing of Knowledge for Requesting Non-life Insurance License

Clause 4 The testing for knowledge required for the request of a life insurance agent license must have the following number of questions, along with the following total points for each subject, as follows:

4.1 Non-life Insurance Agent License

4.1.1 Subject on ethics and morality of life insurance agents, 10 questions worth 20 Points

4.1.2 Subject of civil and commercial law concerning insurance, 10 questions worth 20 points

4.1.3 Subject of the Non-life Insurance Act B.E. 2535 as Amended by the Non-life Insurance Act (No. 2) B.E. 2551, 10 questions worth 20 points.

4.1.4 Subject of General Knowledge About Non-life Insurance, including:

4.1.4.1 Subject of principles of Non-life insurance, 4 questions worth 8 points

4.1.4.2 Subject of fire insurance, 4 questions worth 8 points

4.1.4.3 Subject of automobile insurance and insurance according to the law on the protection of victims of road accidents, 4 questions worth 8 points

4.1.4.4 Subject of marine insurance and transportation, 4 questions worth 8 points

4.1.4.5 Subject of miscellaneous insurance, 4 questions worth 8 points

4.2 Non-life insurance agent license of the type involving individual personal accident and health insurance.

4.2.1 Subject of ethics and morality of Non-life insurance agents, 10 questions worth 20 points
4.2.2 Subject of civil and commercial law concerning insurance, 10 questions worth 20 points
4.2.3 Subject of Non-life Insurance Act B. E. 2535 amended by the Non-life Insurance Act (No. 2) B. E. 2551, 10 questions worth 20 points.
4.2.4 Subject of general knowledge on personal accident insurance and health insurance, 20 questions worth 40 points
4.3 Non-life insurance agent license of the type involving compulsory insurance for the protection of victims of road accidents
4.3.1 Subject of ethics and morality of Non-life insurance agent, 10 questions worth 20 points
4.3.2 Subject of civil and commercial law concerning insurance, 10 questions worth 20 points
4.3.3 Subject of Non-life Insurance Act B. E. 2535 as Amended by the Non-life Insurance Act (No. 2) B. E. 2551, 10 questions worth 20 points
4.3.4 Subject of compulsory insurance for the protection of road accident victims, 20 questions worth 40 points.

Clause 5 The testing for knowledge according to clause 4 shall be an open ended test, with a testing period of 2 hours

Chapter 2
Testing for Knowledge Required for a Non-life Insurance Broker’s License

Clause 6. The testing for knowledge required for the request of a Non-life insurance broker license of the type involving the management of direct insurance business must have the following number of questions, along with the following total points for each subject, as follows:
6.1 Subject of ethics and morality of Non-life insurance brokers, 10 questions worth 20 points
6.2 Subject of civil and commercial law concerning insurance, 20 questions worth 40 points
6.3 Subject of Non-life Insurance Act B. E. 2535 as Amended by the Non-life Insurance Act (No. 2) B. E. 2551, 20 questions worth 40 points
6.4 Subject of general knowledge about Non-life insurance:
6.4.1 Principles of Non-life Insurance, 14 questions worth 28 points
6.4.2 Fire insurance, 14 questions worth 28 points
6.4.3 Automobile insurance and compulsory insurance for the protection of road accident victims, 14 questions worth 28 points
6.4.4 Marine insurance and transportation, 14 questions worth 28 points
6.4.5 Miscellaneous insurance, 14 questions worth 28 points

Clause 7 Persons requesting a Non-life insurance broker’s license of the type involving the management of reinsurance business, such person must also take the test for reinsurance (worth 80 points) as well after having received their Non-life insurance broker’s license.

Clause 8 The test to be taken according to clause 6 shall be of the open ended type, while the test according to clause 7 shall be of the open ended type, with a testing period of three and one hour respectively.
Chapter 3
Application for Test Taking, Test Preparation, and Announcement

Clause 9 Persons applying for test taking for requesting a Non-life insurance agent or broker's license must submit the applications form along with a copy of their citizen's ID card.

Clause 10 Persons applying for test taking according to clause 9 must pay a testing fee as stipulated in the ministerial regulations; such fee will not be refundable.

Clause 11 The date, time, and place for test taking, as well as its organization and means by which test results will be announced will be achieved by:

11.1 Association of Non-life Insurance of Thailand and/or Insurance Institution of Thailand, where the test taking is for the purpose achieving the issuance of the Non-life insurance agent license.

11.2 The Office, where the test taking is for the purpose of achieving the issuance of the Non-life insurance broker license.

Chapter 4
Conditions of Decision Making

Clause 12 Applicant takes the test according to clause 4, based on the following conditions:

12.1 Pass the test on ethics and morality of Non-life insurance agents with a score count no less than 70 percent

12.2 Applicant passes the test on a subject that exempts the test on ethics and morality of Non-life insurance agents according to sub-clauses 4.1 or 4.2 or 4.3, with a score count of no less than 60 percent. The applicant must pass both 12.1 and 12.2 in one test taking trial to be considered a passing score.

Clause 13 Applicants taking the test according to clause 6 is measured upon on the following conditions:

13.1 Applicant passes the course on ethics and morality of Non-life insurance agents with a score count of no less than 70 percent.

13.2 Applicant passes the test of knowledge according to sub-clause 6.2, 6.3, and 6.4 with an average score no less than 60 percent.

The applicant must pass with a score count prescribed for sub-clauses 13.1 and 13.2 in one test taking trial to be considered a passing score.

Clause 14 Applicant taking the test according to clause 7 is measured on the following conditions:

14.1 Must be a person with knowledge according to clause 13

14.2 Passed the test on reinsurance, with a score no less than 60 percent.

The applicant must pass the test based on conditions set in sub-clauses 14.1 and 14.2 to be considered a passing score.
Chapter 5
Rules on Test Taking

Clause 15 The applicant must abide by the following regulations:
15.1 Show own test taking ID to the supervisor before taking the test
15.2 Enter the testing room on the date, time and at the test venue designated. If the applicant is late by 15 minutes or more, he shall lose his privilege to take the test. The applicant must also not leave the testing room within the first 20 minutes after the testing period starts.
15.3 Must dress properly
15.4 Must sit in the designated seat and display his test taking ID and citizen’s ID card, along with other ID cards issued by the government that displays a picture of the holder on the test table.
15.5 Must use the answer sheet provided
15.6 Must have own test taking utensils such as pen, pencil, and calculator.
15.7 Must sign in to take the test by one’s own self in the register provided by the supervisor
15.8 Not take paper, books, texts, and other documents and telecommunications equipment into the testing room unless approved by the supervisor.
15.9 Must not take the test questions or answer sheet outside the testing room.
15.10 Must not talk, consult, copy, sound out loud sounds or do any other things that may disturb or cause problems for others in the testing room.

Clause 16 Applicants violating any conditions in clause 15 is deemed to have failed the test.

Clause 17 Any applicants having cheated in whole or part, or allows others to take the test for them shall be, cause for the applicant, the one testing in place of the applicant, and all others involved in dishonest activities loses their privilege in test taking for the purpose of requesting the issuance of the Non-life insurance agent or broker license for a period of three years, starting from the date of the violation. If the person taking the test in place of another person or is involved in any dishonest activities and holds a Non-life insurance agent or broker license, such person is considered one who violated the law and thus, the Registrar may revoke such licenses.

Promulgated on this day, the 18th of December B. E. 2551

(Mrs. Chantra Pumariksha)
Secretary General
Insurance Commission
The Registrar

Note: The reason for the promulgation of this notification is due to the Insurance Commission’s designation for the Registrar to issue notification relating to the application for test taking, announcement of test results, and testing regulations for the purpose of requesting Non-life insurance agent and broker license. Such, has necessitated the promulgation of this notification.
Registrar Order No. 2/2552
Subject: Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies

By the virtue of the provision of Section 50/1 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2) B.E.2551, combined with the Notification of Insurance Commission, Subject: Rules, Procedures and Conditions for Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies B.E.2551, dated 9th December B.E.2551, the Registrar hereby orders as follows:

Clause 1: This Order is called "Registrar Order No. 2/2552 Subject: Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies"

Clause 2: This Order shall come into force on 31st March B.E.2552 and onwards.

Clause 3: In this Order,
"Company" means a non-life insurance company under Non-Life Insurance Law.

Clause 4: Companies shall disclose the information in accordance with Form PR Phor Wor.1, attached to this Order. The information to be disclosed shall contain the followings:

4.1 Financial standing by disclosing annual financial standing, which was audited by an auditor, and comparison with the financial standing of the same period of the previous year, and by disclosing quarterly financial standing which was audit reviewed by an auditor, and comparison with the financial standing of the same period of the previous year.

In the period that the Company is not required to submit a quarterly financial statement, audit reviewed by an auditor, to the Insurance Commission under section 47 (1) of the Life Insurance Act, B.E. 2535, amended by the Life Insurance Act (No.2), B.E. 2551, the Company shall disclose report in relation to financial and operating performance of March, June, and September.

Disclosure of the financial standing shall include the followings:

4.1.1 Balance Sheet and Capital status
(1) Asset
(2) Liability
(3) Equity
(4) Capital
(5) Required Capital
(6) Available Capital to Required Capital ratio

4.1.2 Financial ratios, namely, Liquidity ratio which is equal to liquid asset divided by direct claim reserves and outstanding direct claims.
4.2 Annual operating results and quarterly operating accumulated results which contain the followings:

4.2.1 Profit and Loss Statement, comprising of
   (1) Income
   (2) Expenses
   (3) Net Profit (Loss)

4.2.2 Cash Flow Statement
   (1) Cash flows from (used) operating activities
   (2) Cash flows from (used) investing activities
   (3) Cash flows from (used) financing activities
   (4) Net cash increase (decrease)

4.2.3 Percentage of direct written premium by lines of business

4.3 Underwriting, claim payment, and the Company’s contact information which contain the followings:

4.3.1 Procedures, period of time, documents, and instruction for insurance application;

4.3.2 Procedures, period of time, documents, and instruction for receiving of claims or insurance policy benefit;

4.3.3 Instruction for contacting the Company and other relevant entities in case of dispute or complaint.

Clause 5: Companies shall disclose its information regarding quarterly financial standing and operating results within 45 days following the end of the quarter.

The Company shall disclose its information regarding annual financial standing and operating results within 5 months from the end of the accounting period.

In case that the Company’s Available Capital to Required Capital ratio is less than 100% between quarters, the Company shall disclose information in accordance with the form Por Phor Chor.2, as attached to this Order, at all time as long as the Available Capital to Required Capital ratio is less than 100%, and shall update the information at the end of every month as minimum.

Clause 6: An authorized director shall certify the correctness of the disclosed information.

Clause 7: The Company shall disclose the information via the Company’s website and post a notice in the open place at the Company’s head office and branches. The Company shall notify the present Universal Resource Locator (URL) of the disclosed information to the Office of Insurance Commission.

Ordered on the 16th January B.E.2552

(Signed) Chantra Purnariksha
(Mrs. Chantra Purnariksha)
Secretary General
The Registrar
Note: The purpose of this notification is that the Office of Insurance Commission recognizes the importance and necessity of public disclosure of credible and present information. Such disclosure is to lead the Thai insurance industry to attain the efficient competition and provides useful information in making a decision to purchase an insurance policy.
Registrar Order No. 7/2552
Subject: Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies (No.2)

By the virtue of the provision of Section 50/1 of the Non-Life Insurance Act, B.E.2535, amended by the Non-Life Insurance Act (No.2), B.E.2551, combined with the Notification of Insurance Commission, Subject: Rules, Procedures and Conditions for Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies B.E.2551, dated 9th December B.E.2551, the Registrar hereby orders as follows:

Clause 1: This Order is called “Registrar Order No. 7/2552
Subject: Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies (No.2)”

Clause 2: This Order shall come into force on 31st March B.E.2552 and onwards.

Clause 3: It is to repeal the first paragraph of Clause 5 of the Registrar Order No. 2/2552, Subject: Disclosure of Financial Standing and Operating Results of Non-Life Insurance Companies, dated 16th January B.E.2552 and shall be replaced with the following texts

“Companies shall disclose its information regarding quarterly financial standing and operating results within 60 days from the end of the quarter.”

Ordered on the 18th February B.E.2552
(Signed) Chantra Purnariksha
(Mrs. Chantra Purnariksha)
Secretary General
The Registrar

Note: The purpose of this notification is to allow insurance companies to have adequate time for preparing quarterly financial statements.
Registrar Order No. 25/2551
Subject: Juristic Persons who are Non-life Insurance Brokers to Submit the Business Operating Result Report

By the virtue of the provision of Section 75 of the Non-life Insurance Act, B.E.2535, the Registrar hereby orders as follows:

Clause 1: This Order is called “Registrar Order No. 25/2551 Subject: Juristic Persons that are Non-life Insurance Brokers to Submit the Business Operating Result Report”

Clause 2: This Order shall come into force on 1st January B.E.2552 and onwards.

Clause 3: It is to repeal the Registrar Order No. 16/2549 Subject: Juristic Persons who are Non-life Insurance Brokers to Submit the Business Operating Result Report dated 25th September B.E.2549

Clause 4: In this Order,
“Registrar” means the Registrar under Non-life Insurance Law.
“Non-life Insurance Broker” means a person who, expecting commission, indicates the opportunity or arranges for a person to enter into a Non-life insurance contract with a company.
“Bank” means a commercial bank under Law of financial institution and shall include a bank, operating in the Kingdom, which was established by the specific laws.
“Securities Company” means a securities company licensed to establish and manage a fund under Securities and Securities Market Law

Clause 5: A Non-life Insurance Broker, except Banks and Securities Companies, shall submit two copies of the Business Operating Result Report in accordance with the financial statement form, notified by Director General of Department of Business Development under the Accounting Act B.E.2543 with consent from the Minister of Commerce, and form Ror Por Wor. 1, attached to this Order, to the Registrar within five months from the end of accounting year.

A Non-life Insurance Broker that is a Bank or a Securities Company shall submit to the Registrar two copies the Business Operating Result Report with regard to the income and expenses report form for Non-life Insurance Broker business, in accordance with Ror Por Wor.2, attached to this Order, within five months following the end of accounting year.

Clause 6: A Non-life Insurance Broker shall submit to the Registrar two copies of the Business Operating Result Report with regard to the form for direct insurance arrangement report, in accordance with form Nor Por Wor. 1, attached to this Order,
every monthly period by the end of the next month, starting from the report for the period of January B.E.2552 onwards.

Clause 7: A Non-life Insurance Broker that indicates the opportunity or arranges a reinsurance contract shall submit to the Registrar two copies of the Business Operating Result Report with regard to the form for reinsurance arrangement report, in accordance with form Nor Por Wor. 2, attached to this Order, every quarterly period by the end of the next quarter, starting from the report for the first quarter of B.E.2552 onwards.

Clause 8: A Non-life Insurance Broker shall submit the Business Operating Result Report under Clause 5, Clause 6, and Clause 7, in the electronic format that has been developed by the Office of Insurance Commission and in hard copy that record correct and matched information, in accordance with the attachment to this Order. Upon the submission of electronic report, if the preliminary information has not passed the computer system validation process, as prescribed, it shall be deemed that the Non-life insurance Broker does not submit the report to the Registrar.

Clause 9: From 1st January B.E.2552 to 31st March B.E.2552, if any Non-life Insurance Broker fails to submit the electronic report under Clause 8, such Non-life Insurance Broker may submit a hard copy of report only.

Ordered on the 30th October B.E.2551

(Signed) Chantra Purnariksha
(Mrs. Chantra Purnariksha)
Secretary General
The Registrar

Note: The purpose of this notification is to impose the submission of the Business Operating Result Report in electronic format that record correct and matched information with a hard copy. The submission of hard copy shall be repealed once the juristic persons who are Non-life Insurance Broker can submit the report in the electronic format without a problem and difficulty.
Notifications of the Office of Insurance Commission
on Rules & Regulations, and Methods of Compensation Payment for Differences
In Insurance Premiums for Property Insurance Involving Acts of Terrorism

The Office of Insurance Commission has made the following promulgation
with the intention of supporting business owners in the Temporary Special
Development Zone to be able to continue their business, by compensating the
insurance premium difference thereby affecting such businesses. This promulgation
hereby states:

Clause 1 This notification is referred to as the "Notification of the Office of
Insurance Commission on Rules & Regulations, and Methods of Compensation
Payment for Differences in Insurance Premiums for Property Insurance Involving
Acts of Terrorism"

Clause 2 To be effective from this immediate time onwards.

Clause 3 In this notification,
"Office" means, Office of Insurance Commission
"Committee" means, Committee on Consideration of Assistance to Business
Owners Affected by Acts of Terrorism in the Temporary Special Development Zone

Clause 4 Business owners whom have purchased insurance policies covering
property damage from acts of terrorism who bear the privilege of receiving
compensation for insurance premium difference of between one-half (0.5) to two (2.0)
percentage points shall have the following qualities:
4.1 is a business owner whom has purchased insurance policy or
policies, covering damages caused by acts of terrorism, with related property situated
in the Temporary Special Development Zone. The said zone includes provinces,
Yala, Paani, Narathiwat, Satun, and Songkla (Jana District, Nawee District, Sabayoi
District, and Taepa District).
4.2 insurance policy purchased covering damage to property caused
by acts of terrorism is effective for the period of 1st January B. E. 2550 to 31st
December B. E. 2552
4.3 has fully paid up for the said insurance policy

Clause 5 Compensation for the difference in the insurance premium is
effective for a three (3) year period, starting from 1st January B. E. 2550 to 31st
December B. E. 2552.

Clause 6 Compensation made for the difference in the insurance premium is
not inclusive of stamp tax and VAT.

Clause 7 Request for compensation for the difference in the insurance
premium must be made with the "Kor Ror" 1 Form in the attachment to this
notification. The said form must be submitted together with document evidence as
stipulated in the request form mentioned, and should be submitted to the branch office
of the Office in one of the Temporary Special Development Zone.
The branch office of the Office shall inspect the submitted form along with the document evidence attached as stated in paragraph one for correctness and completeness. If such submission papers are correct and complete, the branch office shall forward such documents to the Committee according to the regulations stated at the end of this notification.

Clause 8 If the Committee passes a decision that the compensation for the difference in insurance premium should be paid, the request form and document evidence shall be passed on to the Center for Management of Southern Border Provinces to administer the payment of such compensation in cash to the business owner whom is the insurance policy holder.

Once the Committee reaches a decision, the Committee shall inform the branch office in the locale where the request was originally submitted so that the business owner whom is the policy holder will be notified.

Clause 9 In the case where the insurance policy covering damages caused by acts of terrorism is cancelled, whether by the policy holder or the insurance company, the insurance company shall return all premiums according to the conditions of the insurance policy to the customer by returning all such premiums to the branch office of the Office, allowing the Office to take back compensation payment for difference in insurance premium to be subsequently returned to the government according to the pro-rata basis for the insurable period left in the policy.

Promulgated on this day, the 10th of October B.E. 2551

(Mrs. Chantra Purnariiksha)
Secretary General
Notification of the Office of Insurance Commission on Form for Contribution to the Non-Life Insurance Fund and Request for Use of Excess Contribution to be Used as On-Going Three Month Reserve

By virtue of the Notification of Insurance Commission on Regulations, Methods, and Contribution Rates for the Non-Life Insurance Fund, such contribution must be deposited with the Office of Insurance Commission, dated the 22nd of January B.E. 2551.

Abiding by clause 8 of the above stated notification mentioned in paragraph one of this notification, it is hereby promulgated the Form for Contribution to the Non-Life Insurance Fund and Request for Use of Excess Contribution to be Used as On-Going Three Month Reserve in the attached.

Promulgated on this day, the 3rd of April B.E. 2551

(Mrs. Chantra Purnariksha)
Secretary General
Notification of the Office of Insurance Commission
on Form for Contribution to the Non-Life Insurance Fund
and Request for Use of Excess Contribution to be Used as On-Going Three
Month Reserve (dated on 19 September B.E. 2551)

As the Office of Insurance Commission has issued Notification on Form
Contribution to the Non-Life Insurance Fund and Request for use of excess
contribution to be used as on-going three month reserves (dated 3 April, B.E. 2551)

Since the Office of Insurance Commission has corrected the form for
contribution in order to comply with clause 8 of Insurance Commission Notification
of Insurance Commission on Regulations, Methods, and Contribution Rates for the
Non-Life Insurance Fund, such contribution must be deposited with the Office of
Insurance Commission, dated the 22nd of January B.E. 2551., new form of
contribution has been hereby prescribed as attached to this Notification. If Company
wants to continue using the old form, this can be done until the end of the year B.E.
2551 By virtue of the

Abiding by clause 8 of the above stated notification mentioned in
paragraph one of this notification, it is hereby promulgated the Form for Contribution
to the Non-Life Insurance Fund and Request for Use of Excess Contribution to be
Used as On-Going Three Month Reserve in the attached.

Promulgated on this day, the 19 September B.E. 2551

(Mrs. Chantra Purnariksha)
Secretary General
Notification of the Office of Insurance Commission
on Prescribed Courses and Methods for Training
for Non-life Insurance Business for Applicants Requesting Issuance or Renewal
of Non-life Insurance Agent or Broker License B. E. 2551

By virtue of Articles 65 and 72 of the Non-life Insurance Act B. E. 2535 as Amended by the Non-life Insurance Act (No. 2) B. E. 2551, the Office of Insurance Commission hereby promulgates:

Clause 1 This notification is referred to as the “Notification of the Office of Insurance Commission on Prescribed Courses and Methods for Non-life Insurance Agent or Broker License B. E. 2551”

Clause 2 This notification is proclaimed to be effective as of the 1st of January B. E. 2552.

Clause 3 In this notification,
“Non-life Insurance Agent” means, a person whom the insurance company entrust to solicit other persons to enter into a Non-life insurance contract with the insurance company.
“Non-life Insurance Broker” means, a person that directs and induces other persons to enter into an insurance contract with the insurance company in order to receive the related commission.
“One Office” means, the Office of Insurance Commission
“Institution of Higher Education” means, an institution of higher education as approved by the Ministry of Education.

Chapter 1
Training Courses

Part 1
Courses and Methods for Requesting the Issuance
or Renewal of a Non-life Insurance Agent License

Clause 4 A person requesting the issuance or renewal of a Non-life insurance agent license must work through the following coursework.

4.1 A person requesting the issuance of a Non-life insurance license must work through at least six hours of the following:
(1) Law relating to Non-life insurance agents (1 hour)
(2) Overall outlook on the Non-life insurance business and a summary of the important issues concerning Non-life insurance (2 hours)
(3) Guidelines on selling, obtaining information related to customers, and how to give advice on Non-life insurance (1 hour 30 minutes)
(4) Ethics and guidelines on good practice in the provision of service, together with case study (1 hour 30 minutes)
4.2 A person requesting the renewal of his Non-life insurance license the first time shall be given a one year extension, but such person must work through at least 6 hours of the following:

1. Law relating to Non-life insurance agents (1 hour)
2. Management of the insurance underwriting process (1 hour)
3. Management of insurance claims for Non-life insurance agents (1 hour)
4. Risk Management (1 hour)
5. Non-life Insurance Products (1 hour)
6. Ethics and Guideline in Good Practices in the Provision of Services, together with case study (1 hour)

4.3 A person requesting a second renewal of his Non-life insurance agent license shall extend the validity of the license for one year; such person must work through at least six hours of the following:

1. The provision of good service to customers (1 hour)
2. Law relating to Non-life insurance agent (1 hour)
3. Basic knowledge concerning reinsurance (1 hour)
4. Overall outlook on the Non-life insurance business and trends for the future (1 hour)
5. Non-life Insurance Products (1 hour)
6. Ethics and Guideline in Good Practices in the Provision of Services, together with case study (1 hour)

4.4 A person requesting a third renewal of his Non-life insurance agent license shall extend the validity of the license for five years; such person must work through at least eleven hours of the following:

1. Provision of good service to customers (1 hour)
2. Law relating to Non-life insurance agents (1 hour)
3. Management of the underwriting process and insurance premium rate setting (2 hours)
4. Management of Remedial Funds (1 hour)
5. Insurance Company Investment Decisions (1 hour)
6. Management of Reinsurance Transactions (1 hour)
7. Non-life Insurance Products (1 hour)
8. Insurance Core Principles as Designated by the International Association of Insurance Supervisors (IAIS) (1 hour)
9. Ethics and Guidelines in Good Practices in the Provision of Services (1 hour)
10. Compilation of Knowledge (1 hour)

The person requesting the issuance or renewal of his Non-life insurance agent license according to sub-clauses 4.1, 4.2, 4.3, or 4.4 must work through completely, all the prescribed courses, no more than one year prior to the date of submission of the request for such.
Part 2
Courses and Methods for Requesting the Renewal of the Non-life Insurance Broker’s License

Clause 5 Persons requesting renewal of his Non-life insurance broker’s license must work through the following:

5.1 A person requesting the first renewal of the Non-life insurance broker’s license shall receive an extension of validity of 1 year, and such person must and work through at least 10 hours of the following courses:
(1) Law relating to Non-life insurance broker (1 hour 30 minutes)
(2) Overall outlook for the Non-life insurance business and Non-life insurance products (4 hours)
(3) Guidelines on selling, obtaining information related to customers, how to give advice on Non-life insurance, and how to manage remedial funds (3 hours)
(4) Ethics and Guidelines on Good Practices in the Provision of Services, together with case study (1 hour 30 minutes)

5.2 A person requesting the second renewal of the Non-life insurance broker’s license shall receive an extension of validity of one year, and such person must work through at least ten hours of the following courses:
(1) Law relating to Non-life insurance agent (1 hour)
(2) Non-life Insurance Products (3 hours)
(3) Overall outlook for the Non-life insurance business and trends for the future (1 hour)
(4) Reinsurance (1 hour)
(5) Insurance Underwriting Process and Risk Management (2 hours 30 minutes)
(6) Ethics and Guidelines on Good Practices in the Provision of Services, together with case study (1 hour 30 minutes)

5.3 A person requesting the third renewal of the Non-life insurance broker’s license shall receive an extension of validity of five years, and such person must work through at least ten hours of the following courses:
(1) Law relating to Non-life insurance brokers (1 hour)
(2) Insurance Core Principles by the International Association of Insurance Supervisors (IAIS) and the Institutional Insurance Broker: Role of the Insurance Broker in Society, Ethics and Guidelines on Good Practices and the Provision of Services, together with case study (2 hours)
(3) Non-life Insurance Products (3 hours)
(4) Management of the Underwriting Process and Insurance Premium Setting (1 hour)
(5) Reinsurance (1 hour)
(6) Financial Analysis of Non-life Insurance Companies (2 hours)

The person requesting a renewal of his Non-life life insurance broker’s license according to sub-clauses 5.1, 5.2, and 5.3 must have worked through the prescribed courses completely no more than one year before the date on which the submission requesting the license renewal is turned in.
Part 3

Courses and Methods for Required Training for Requesting the 4th Renewal of the Non-life Insurance Broker's License

Clause 6 A person requesting a fourth renewal of his Non-life insurance agent or broker's license shall extend the validity of the license for five years. He must work through coursework in the subject of insurance or other subjects related to insurance, organized by an institution, association, or organization according to clause 7 for no less than thirty hours for an agent license and fifty hours for a broker license. The institution, association, or organization according to clause 7 whom is responsible for administering the training must receive the approval of the Office on the course, its details, and the training plan no less than one month before the date of the initial training course.

Under the following exceptional cases, the number of hours of training in paragraph 1 shall be reduced to fifteen hours for Non-life insurance agents and twenty-five hours for Non-life insurance brokers.

(1) Such person who bears status of Non-life insurance agent or broker passes the test of knowledge and aptitude necessary for the Non-life insurance business administered by an institution, association, or organization according to clause 7 approved by the Office.

(2) Such person graduated at the Masters Degree level from a foreign institution of higher education approved by the Office of Civil Service Commission; the degree earned being in the subjects of Business Administration, Finance, Accounting, Statistics, Law, and Economics.

(3) Such person is an academician, knowledgeable lecturer, full-time or part-time professor at an institution, association, or organization according to clause 7.

(4) Such person is a director, secondary director, consultant, or a member of a committee of an institution, association or organization according clause 7, and has held such position for a consecutive period of at least 6 months.

In reference to the above conditions, a person applying for license renewal may only be exempted under conditions (1), (2), (3) or (4) only once, except where such person is qualified under different course work requirement as allowed according to sub-clause (1), or has achieved his graduate studies degree in a field other than that already mentioned according to sub-clause (2).

A person requesting renewal of his life insurance agent or broker license according to paragraph 1 of this clause must have worked through all prescribed courses completely no more than 5 years prior to the date of request for renewal of his life insurance agent or broker license.

Chapter 2

Institution, Association, or Organization Administering the Training

Clause 7 The following institutions, associations, and organizations shall administer the training according to clauses 4 and 5.

(1) Office of Insurance Commission
(2) Thai Institution of Insurance
(3) Institutions of Higher Education
(4) Association of Non-life Insurance
(5) Association of Insurance Brokers of Thailand
(6) Non-life Insurance Companies
(7) An institution or organization approved by the Office

An institution, association, or organization according to sub-clauses (2), (3), (4), (5), (6), (7) organizing and administering training coursework according to clauses 4 and 5 must submit their plan and related details of the courses to the Office (for approval) no less than 1 month prior to the date of initial training.

Persons having worked through coursework not having been approved by the Office shall not be considered one who has worked through coursework prescribed according to this notification.

Clause 8 The institution, association, or organization according to clause 7 shall issue a letter certifying the person that has worked through courses as prescribed in the attachment at the end of this notification, so that such person can submit the said document to the Registrar in requesting the issuance or renewal of life insurance agent or broker license.

Chapter 3
Letter of Certification for Training

Clause 9 Where a person who maintains the status of Non-life insurance agent or broker fails to request renewal of his life insurance agent or broker license within the two month prior to the date on which such license expires, such person must request the issuance of a new license.

If the person who’s Non-life insurance agent or broker license has expired for a period of less than six months, requests the issuance of a new license, the Office shall allow such person to submit the letter certifying his working through prescribed coursework used in a previous submission for license issuance or renewal, for use in his request for issuance of a new license.

Clause 10 Where a person who maintains the status of Non-life insurance agent while working for one insurance company quits his being an agent for that insurance company, and requests the issuance of a new license within a six month period from the last date where he held the status of agent for the former insurance company mentioned, such person will be permitted to submit the letter certifying his working through prescribed coursework used in a previous submission for an issuance or renewal of license.

Clause 11 Where a person wishing to hold the status of Non-life insurance agent for more than one Non-life insurance company makes a request for license issuance or renewal, such person will be allowed to submit the letter certifying his working through prescribed coursework used in a previous submission.

Chapter 4
Provisional Measures

Clause 12 Beginning the 1st of January to 31st of December B.E. 2552, the course work requirement hours for life insurance agent according to clause 6, is reduced to 6 hours, and 10 hours for brokers.
Promulgated on this day, the 10th of October B. E. 2551

(Mrs. Chantra Pumariksha)
Secretary General Of
the Insurance Commission

Note: The reason for the promulgation of this notification is due to the need for life insurance agents and brokers to work through coursework prescribed by the Office of Insurance Commission which would enable such agents and brokers to better solicit and advise individuals to effectively enter into insurance contracts with insurance companies.
Notification of the Office of Insurance Commission on Prescribed Courses and Methods for Training for Non-Life Insurance Business for Applicants Requesting Issuance or Renewal of Non-Life Insurance Agent or Broker License B. E. 2551 (No. 2)

By virtue of section 65 and 72 of the Non-Life Insurance Act B. E. 2535 amended by the Non-Life Insurance Act (No. 2) B. E. 2551, Insurance Commission has declared the followings:

Clause 1 This notification is referred to as the “Notification of the Office of Insurance Commission on Prescribed Courses and Methods for Training for Non-Life Insurance Business for Applicants Requesting Issuance or Renewal of Non-Life Insurance Agent or Broker License B. E. 2551 (No. 2)”

Clause 2 This notification shall come into effect the next day immediately following the date of promulgation.

Clause 3 In this notification, “Office” means, the Office of Insurance Commission “Training Institution” means, the Thai Institution of Insurance, Institutions of Higher Education, Thai Non-Life Insurance Association, Association of Non-Life Insurance Brokers of Thailand, Non-Life Insurance Companies, and other institutions and organizations that the Office approves.

Clause 4 The following shall be added to Category 2/1 (Methods of Training), clause 8/1, clause 8/2 and 8/3 of the “Notification of the Office of Insurance Commission on Prescribed Courses and Methods for Training for Non-Life Insurance Business for Applicants Requesting Issuance or Renewal of Non-Life Insurance Agent or Broker License B. E. 2551.

Chapter No. 2/1 Training Methods

Clause 8/1 The Training Institution shall abide by the following regulations:

1) Announce readiness to accept applicants to the training program in a well disclosed place, or via public relations media, other channels, or through the website of the institution.

2) Require applicants to fill out a training course enrollment form, stating the desired course, submitted together with a copy of a citizen’s ID card; or the applicant may submit a copy of their Non-Life insurance agent or broker license in case of renewals.

3) Inspect the qualities of applicants to ensure that desired courses as stated are correct and complete according to the license issuance or renewal requested. Inspections may be performed by referring to the website of the Office at http://eservice.oic.or.th/eService/Search/Broker/PersonAllow.aspx
4) Announce the list of names of persons permitted to participate in the training courses in a well disclosed place, or via the website of the Training Institution at least 3 days before the date which training begins.

5) Submit applicant information to the Office via the VPN Network at least 3 days prior to the date which training begins
   (1) Name of the Training Institution
   (2) Training Institution’s code
   (3) Name-Surname and citizen’s ID no. of the applicant
   (4) Where renewing license, type of license and license no.
   (5) Training course
   (6) Training dates
   (7) Venue for the training

6) The Training Institution must administer the training in courses prescribed, and it should ensure that trainees attend the training course on time, by requiring trainees to sign in two times per day, once for the morning session, and once for the afternoon session. The trainees must sign in on their own, and any trainee reaching the training venue more than thirty minutes after the designated time, such trainee will lose their privilege to train that day.

7) All lecturers must have received approval from the Office and their name should be listed in the training course plan.

8) A training course handbook approved by the Office must be distributed to trainees.

9) The Training Institution must ensure trainees fill out the training course survey after completing the training course.

10) The Training Institution must send all trainee information to the Office via the virtual network (VPN) within 3 days after the date on which the training ends, details as follows:
    (1) Name of the Training Institution
    (2) Training Institution Code
    (3) Name-Surname and citizen’s ID no.
    (4) Type of license
    (5) Name of course
    (6) Date certifying the trainee having worked through coursework

11) Where the Training Institution already accepted applications for training according to the training plan already approved by the Office, and the said institution late cancels or otherwise materially changes the scheduling of the course, the said institution must appoint a new Training Institution to train the applicants already received.

Clause 8/2 The Training Institution must retain all evidence of applicants of training courses, all information related, and all survey forms of lecturers. The said institution must also produce a summary of the training courses’ effectiveness within two years from the start of such training and divulge such information to the Office upon request by the latter.

Clause 8/3 Given any of the following circumstances, the Office may invalidate all permission for the incumbent Training Institution to continue administering training programs for applicants pursuing issuance or renewal of a Non-Life insurance agent or broker license:
(1) Violates or fails to abide by regulations relating to the designation of training courses and methods of training on issues concerning Non-Life insurance, designed for applicants pursuing the issuance or renewal of Non-Life insurance agent or broker license, as promulgated by the Office.

(2) Illegally issues letters certifying the receipt of training by trainees

Promulgated on this day, the 5th of June B.E. 2552

(Mrs. Chantra Purnariksha)
Secretary General of
the Insurance Commission