

(Translation)

**Notification of the Insurance Commission**

**Re: Rules, Procedures, and Conditions or Time Limits for Payment of Debts to Creditors who are Entitled to Receive Payment of Insurance Debts from the Life Insurance Fund, and Rules for Notifying Information about Insurance Debts and the Characteristics of Insurance Obligations, B.E. 2558 (2015)**

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By virtue of the fourth paragraph of section 66/3, and the first paragraph of section 85/5 of the Life Insurance Act, B.E. 2535 (1992), as amended by the Life Insurance Act (No. 3), B.E. 2558 (2015), together with the resolution of Insurance Commission Meeting No. 8/2558 on 31 August 2015, the Insurance Commission hereby issues the following notification.

Clause 1 This notification is called the "Notification of the Insurance Commission Re: Rules, Procedures, and Conditions or Time Limits for Payment of Debts to Creditors who are Entitled to Receive Payment of Insurance Debts from the Life Insurance Fund, and Rules for Notifying Information about Insurance Debts and the Characteristics of Insurance Obligations, B.E. 2558 (2015)."

Clause 2 This notification shall come into force from the date of promulgation.

Clause 3 The Notification of the Insurance Commission Re: Rules, Procedures, and Conditions for Payment from the Life Insurance Fund, and Insurance Obligations, B.E. 2552 (2009), dated 30 June 2009 shall be repealed.

Clause 4 In this notification,

"creditor" means an insured or a beneficiary under an insurance policy, including a heir, an assignee of claim or a subrogee of that person.

Clause 5 An insurance obligation must be a claim arising from a life insurance contract, and must have the following characteristics:

(1) is a monetary claim under a life insurance contract or a compromising agreement over that monetary claim, such as an insured sum in the case of death or survival to the expiration of a life insurance contract, dividend, refund according to the conditions of a life insurance policy, cash surrender value under a life insurance contract or indemnity under a life insurance rider, or claim for a refund of premium under a life insurance contract; and

(2) is not a claim arising from a reinsurance contract or any other contract or agreement, such as hire of work contract, hire of service contract, life insurance agent or broker appointment agreement.

Clause 6 The liquidator shall compile the names of creditors, amount of debts, amount of debts that are settled, outstanding amount of debts, and details of the creditors, the copies of letters of certification of payment issued by the liquidator, as well as the evidence supporting payment, in the forms prescribed by the Fund which must be in hardcopy and electronic format, and submit them to the Commissioner and the Fund within 45 days from the date of making debt payment to the respective creditors.

Clause 7 The Fund shall notify the creditors in writing to file an application for payment from the Fund within 180 days from the date the Fund receives notification of information under clause 6 from the liquidator, except that in the event that it is necessary to examine additional

details or there is a *force majeure* event, the notification shall be given within 60 days from the date the examination of additional details is completed, or the date the *force majeure* event ends.

Clause 8        The provisions in clause 6 and clause 7 shall not apply to the case where the Fund is a liquidator, and the Fund shall use its money to pay to the creditors under this notification.

Clause 9        The Fund shall pay debts to each creditor no more than the amount specified in section 85/5 paragraph one, in accordance with the rules and conditions as follows:

(1)        if an event specified in a life insurance contract occurs before the company's license is revoked, the Fund shall make payment of debts according to the obligation, deducted by indebtedness owed to the company, except in the case of a unit-linked life insurance policy under which the Fund shall pay only the portion of life insurance, less any indebtedness owed to the company; or

(2)        in other cases, the Fund shall pay the insurance policy surrender value or refund the premium according to the conditions in the insurance policy, deducted by indebtedness owed to the company, to the creditor, except that where another company agrees to accept transfer of the insurance policy, with the consent of the creditor, the Fund shall pay the insurance policy surrender value or refund the premium according to the conditions in the insurance policy, deducted by indebtedness owed to the company, to that transferee company.

The amount that each creditor is entitled to receive from the Fund under the first paragraph shall not include tax or duty obligation, interest obligation, or damages arising as a result of late payment of debts by the company.

Notified on 28 December 2015.

Somchai Satchapong  
Permanent Secretary for Finance  
Chairman  
The Insurance Commission