

(Translation)

(Counterpart copy)

Notification of the Insurance Commission

Re: Persons Related to Directors of Life Insurance Company, B.E. 2552 (2009)

By virtue of section 33 (16) of the Life Insurance Act, B.E. 2535 (1992), amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), together with the resolution of Insurance Commission Meeting No. 6/2552 on 26 June 2009, the Insurance Commission hereby issues the following notification.

Clause 1 In this notification,

"juristic person" means a limited company, limited partnership, or registered ordinary partnership incorporated under the Civil and Commercial Code, or a public limited company incorporated under the law on public limited companies, or other juristic persons incorporated under a specific law, excluding a company under the law on life insurance.

"company" means a company that is licensed to undertake the life insurance business under the law on life insurance.

"parent company" means a juristic person or company having a controlling power over the business of a juristic person or company, directly or indirectly, of the following nature.

(1) Holding over 50 percent of all shares sold in the juristic person or company.

(2) Having a controlling power over the majority vote in a shareholders meeting of the juristic person or company.

(3) Having a controlling power over appointment or revocation of a person with management authority or half or more of the total number of directors in the juristic person or company.

(4) Holding 20 percent or more of all shares sold, directly or indirectly. It shall be presumed to have a controlling power over the business, unless there is proof that it does not have a controlling power over the business.

"subsidiary" means

(1) a juristic person and/or company having a juristic person or company as a parent company; or

(2) a subsidiary of a juristic person or company as per (1) in any step along the line.

"affiliate companies" means juristic persons or companies having a mutual parent company.

"person with management authority" means:

(1) a director, manager, or executive in the next two lower levels, or a person with equivalent position with different name;

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(2) a person with a power to, wholly or partly, administer the affairs of the juristic person or company;

(3) a person under the circumstances having the power to control or influence the manager or director of the juristic person or company, or management of the juristic person or company, for compliance with his order in determining policies or operating the juristic person or company.

Clause 2 The following persons shall be the persons related to directors of the company to whom the company shall not sell or grant any immovable or movable property with aggregate value exceeding that prescribed by the Registrar, or from whom the company shall not purchase property, unless consent is given by the company's board of directors and approval is given by the Registrar.

2.1 Spouse of the company's director.

2.2 Child or adopted child of the company's director.

2.3 Juristic person or company in which the company's director or the person as per 2.1 or 2.2 is a person with management authority.

2.4 Juristic person or company in which the company's director or the person as per 2.1 or 2.2 has the power to control 20 percent of votes, or more, in a shareholders meeting.

2.5 Juristic person or company in which the company's director or the person as per 2.1 or 2.2 has the power to control appointment or revocation of directors.

2.6 Parent company of the juristic person or company as per 2.3, 2.4 or 2.5.

2.7 Subsidiary of the juristic person or company as per 2.3, 2.4 or 2.5.

2.8 Affiliate company of the juristic person or company as per 2.3, 2.4 or 2.5.

2.9 Principal or representative, under the Civil and Commercial Code, of the company's director.

In the case that a director or person as per 2.1 or 2.2 holds 20 percent or more of all shares sold, directly or indirectly, in any juristic person or company, it shall be presumed that the juristic person or company is a related person of the said person, unless there is proof that it is not a related person.

Effective henceforth.

Notified on 5 October 2009.

-Signature-

(Mr. Sathit Limpongpan)

Permanent Secretary for Ministry of Finance

Chairman of the Insurance Commission

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Note: This notification is issued because, with respect to supervision of insurance companies, the law prohibits sale or provision of any immovable or movable property with aggregate value exceeding that prescribed by the Registrar, or purchase of property, from directors and persons related to the directors. Therefore, it is necessary to issue this notification as a correct guideline.

Reviewed by -signature-

Drafted/typed by Kraithep