

Notification of the Insurance Commission

Re: Rules and Procedures on Notification or Publicity with respect to Violation of or Noncompliance with the Law on Life Insurance, B.E. 2556 (2013)

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By virtue of provisions in section 117/2 of the Life Insurance Act, B.E. 2535 (1992), amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), and the resolution of Insurance Commission Meeting No. 9/2555 on 23 November 2012, the Insurance Commission hereby issues the following notification.

Clause 1 This notification is called the "Notification of the Insurance Commission Re: Rules and Procedures on Notification or Publicity with respect to Violation of or Noncompliance with the Law on Life Insurance, B.E. 2556 (2013)."

Clause 2 The Notification of the Insurance Commission Re: Rules and Procedures on Notification or Publicity with respect to Violation of or Noncompliance with the Law on Life Insurance, B.E. 2552 (2009), dated 11 September 2009, shall be repealed.

Clause 3 This notification shall come into force from the date following the date of publication in the government gazette.

Clause 4 In this notification,

"Office" means the Office of Insurance Commission.

"company" means a life insurance company under the law on life insurance, and shall include a branch of a foreign life insurance company which has received a license to undertake the life insurance business in the Kingdom under the law on life insurance.

"life insurance agent" means a person delegated by the company to solicit persons to enter into insurance contracts with the company.

"life insurance broker" means a person who, for commissions, indicates the opportunities or arranges for persons to enter into insurance contracts with the company.

"actuary" means a person who has received an actuary license from the Registrar under the law on life insurance.

"settlement commission" means a settlement commission appointed by the Minister of Finance under the law on life insurance.

Clause 5 In the event that any company, life insurance agent, life insurance broker, or actuary acts in violation of or fails to comply with the provisions of this act, ministerial regulation, or notification issued by virtue of provisions in this act, the Office shall have the power to announce or publicize such violation or noncompliance, specifying the details of the violation or noncompliance, including names of relevant persons, for information of the public in accordance with the rules and procedures prescribed herein.

Clause 6 The Office shall announce or publicize any violation or noncompliance with the law by the company, life insurance agent, life insurance broker, or actuary in the following cases on the Office's website, and shall prepare news documents for publicity to different branches of mass media for information of the public.

(1) In the case that the company fails to maintain a full capital fund under section 27 of the Life Insurance Act, B.E. 2535 (1992), and as amended, the Office shall make an announcement or public notice, specifying the name of the company, the amount of the capital fund that is not fully maintained by the company as prescribed by law, and the status of the company which is prohibited from expanding its business by way of issuing insurance for new clients.

(2) In the case that the company fails to submit financial statements and reports of operating results under section 43, amend annual reports in accordance with the Commission's order under section 44, submit financial reports under section 45, disclose information on its financial standing and operating results under section 46/1, submit annual liability calculation reports under the insurance policies under section 47, or the company reports any of the foregoing incompletely or inconsistently with the truth, the Office shall make an announcement or public notice, specifying the name of the company, and the act in violation of or noncompliant with the law.

(3) In the case that the Register issues an order under section 53 or section 54, the Office shall make an announcement or public notice, specifying the name of the company, its action, relevant persons (if any), and details of the order to amend its standing or operations.

(4) In the case that the Register issues an order to revoke the license of a life insurance agent, life insurance broker, or actuary, or issues an order to suspend an actuary license, the Office shall make an announcement or public notice, specifying the name of the person whose license has been revoked or suspended, the act causing such revocation or suspension, and the result of the revocation or suspension.

Clause 7 Subject to clause 6, if the company, life insurance agent, life insurance broker, or actuary violates or fails to comply with the law, which is an offense that the settlement commission has the power to settle, the Office shall make an announcement or public notice on the violation of or noncompliance with the law by the company on the Office's website, and shall prepare news documents for publicity to different branches of mass media for information of the public, as follows.

(1) In the case of payment of fine in accordance with the settlement of the settlement commission, the Office shall make an announcement or public notice, specifying the name of the person committing the offense, the nature of the offense, and the settled punishment.

(2) In the case of failure to pay fine in accordance with the settlement of the settlement commission, the Office shall make an announcement or public notice, specifying the name of the person committing the offense, the nature of the offense, and the settled punishment, as well as further action taken by the Office. The information in such announcement or public notice shall be adjusted in accordance with the progress of the case until the case has been finalized.

Clause 8 The Office shall make an announcement or public notice on the Office's website in accordance with clause 6 and clause 7 in the following periods.

(1) In the case in clause 6 (1), the announcement or public notice shall be posted until the company has presented clear evidence and it has been verified by the Register that the company maintains a full capital fund.

(2) In the case in clause 6 (2), the announcement or public notice shall be posted until the company has taken action under the law.

(3) In the case in clause 6 (3), the announcement or public notice shall be posted until the company has amended its standing or operations.

(4) In the case in clause 6 (4), the announcement or public notice on the revocation of license shall be posted for one year, and the announcement or public notice on the suspension of license shall be posted until the suspension period has lapsed.

(5) In the cases in clauses 7 (1) and (2), the announcement or public notice shall be posted for the following periods.

(a) Six months for the case in clause 7 (1), for which the fine of less than Baht 300,000 is prescribed by law.

(b) One year for the case in clause 7 (1), for which the fine from Baht 300,000 and up, or imprisonment, are prescribed by law

(c) For the case in clause 7 (2), the announcement or public notice shall be posted for another one year from the date on which the case is finalized.

Notified on 23 August 2013.

Areepong Bhoocha-Oom

Permanent Secretary of Ministry of Finance

Chairman of the Insurance Commission