

Notification of the Ministry of Commerce

Re: Criteria, Procedures, and Periods regarded as Life Insurance Companies' Act to impede Indemnity Payments or Insurance Premium Refunds

In order to ensure expeditious and fair payments under a life insurance contract, the Minister of Commerce, by virtue of Section 6 and Section 37 paragraph two of the Life Insurance Act B.E. 2535 (1992), issues this Notification prescribing the criteria, procedures, and periods regarded as life insurance Companies' act to impede indemnity payments or insurance premium refunds, as follows:

Clause 1 The Notification of the Ministry of Commerce regarding Criteria, Procedures, and Periods regarded as Life Insurance Companies' Act to impede Indemnity Payments or Insurance Premium Refunds dated 4 March 1999 shall be repealed.

Clause 2 Any case conforming to any one of the following criteria, procedures, and periods shall be regarded as life insurance Companies' act to impede indemnity payments or insurance premium refunds:

(1) In the case where a Company voids an insurance contract in accordance with Section 865 of the Civil and Commercial Code without due reason, or with neither documentary evidence nor other evidence indicating that the insured has omitted to disclose certain known facts or has knowingly made a misrepresentation.

(2) In the case where a Company, without due reason, manifests any conduct expressing no intention to make payments under an insurance policy or to refund insurance premiums.

(3) In the case where a Company, without due reason, offers to make payments of an amount lower than the sum insured, or pays medical expenses in an amount lower than the actual amount or lower than the amount specified in the insurance policy.

(4) In the case where an agreement or compromise settlement entailing an amount to be paid under an insurance policy or an insurance premium to be refunded has been concluded, the Company fails to comply with such agreement or compromise settlement.

(5) In the case where a complaint is lodged with the Department of Insurance and the Department of Insurance rules that the Company is obligated to make payments according to an insurance policy, or to refund insurance premiums, the Company fails to comply with

the ruling and makes no objection to such ruling within 15 days from the date of receipt of the ruling.

(6) In the case where a complaint is lodged with the Department of Insurance and the Department of Insurance rules that the Company is obligated to make payments according to an insurance policy, or to refund insurance premiums, the Company fails to comply with the ruling and makes no objection to such ruling within 15 days from the date of receipt of the ruling, and a lawsuit is filed with a court and the court renders a final judgment on issues in dispute upholding the ruling which requires the Company to make the payments or to refund the insurance premiums.

(7) In the case where an insurance contract, regulations, or any rules issued by virtue of the law clearly impose liability on a Company to make a payment under the insurance contract or to refund an insurance premium to an insured, or a beneficiary, or to perform any particular act, the Company refuses to make the payment or refund the insurance premium, or to perform such act to the extent that such refusal causes the insured, the beneficiary, or a concerned person to lodge a complaint with the Department of Insurance, refer the dispute for resolution by arbitration, or file a lawsuit with the court.

(8) In the case where a Company is obligated by a final court judgment to make payment according to an insurance policy or to refund an insurance premium, the Company fails to comply with the court judgement within the period specified in a legal execution decree.

(9) In the case where an arbitral tribunal renders an award that requires a Company to make payment according to an insurance policy or to refund an insurance premium, the Company fails to comply with the arbitral award within the period specified in the award.

Clause 3 This Notification shall take effect as from the date following its publication in the Government Gazette onwards.

Notified on this 4th day of January B.E. 2548.

Mr. Watana Muangsook

Minister of Commerce