

**Notification of the Insurance Commission  
Regarding Criteria, Procedures, and Rates for Non-life Insurance Companies' and Life  
Insurance Companies' Required Remittance of Contributions to the Office of the  
Insurance Commission**

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By virtue of Section 12 (4) and Section 43 of the Insurance Commission Act B.E. 2550 (2007), the Insurance Commission, with the approval of the Minister of Finance, hereby prescribes this Notification as follows:

Clause 1: In this Notification,

“Commission” means the Insurance Commission;

“Office” means the Office of the Insurance Commission;

“Non-life Insurance Company” means a company that has been granted a license to operate a non-life insurance business under the law on non-life insurance;

“Life Insurance Company” means a company that has been granted a license to operate a life insurance business under the law on life insurance; and

“Direct Insurance Premiums” means the insurance premiums received by the Non-life Insurance Companies and the Life Insurance Companies from the insured persons. With respect to the Non-life Insurance Companies or the Life Insurance Companies engaging only in the reinsurance business, the Direct Insurance Premiums shall mean the insurance premiums received in relation to the ceded reinsurance less retrocession premiums paid in accordance with local reinsurance contracts under the local reinsurance market agreements.

Clause 2: The Non-life Insurance Companies and the Life Insurance Companies shall remit contributions to the Office within 30 days from the end of each quarter for the purpose of covering the Commission's and the Office's operating expenses.

Clause 3: The computation of contributions to be remitted to the Office by each of the Non-life Insurance Companies and the Life Insurance Companies shall be based on the Direct Insurance Premiums recognized in each quarter on an accrual basis, regardless of whether the payment of which is received within that quarter.

Clause 4: Rates of contributions:

4.1 For the Non-life Insurance Companies, the contributions based on the Direct Insurance Premiums shall be computed at the following rates:

(1) For the first THB 1,000 million Direct Insurance Premiums received by a Non-life Insurance Company, the contributions shall be remitted at the rate of 0.3% thereof.

(2) For the portion of Direct Insurance Premiums received by a Non-life Insurance Company exceeding THB 1,000 million but not exceeding THB 5,000 million, the contributions shall be remitted at the rate of 0.25%.

(3) For the portion of Direct Insurance Premiums received by a Non-life Insurance Company exceeding THB 5,000 million, the contributions shall be remitted at the rate of 0.2%.

4.2 For the Life Insurance Companies, the contributions based on the Direct Insurance Premiums shall be computed at the following rates:

(1) With respect to all types of insurance policies other than those in (2), a Life Insurance Company shall remit the contributions at the rate of 0.3% of the Direct Insurance Premiums received in relation to the first year's coverage and at the rate of 0.15% of the Direct Insurance Premiums in relation to the subsequent years' coverage.

For single insurance premium policies, a Life Insurance Company shall remit the contributions at the rate of 0.15% of single Direct Insurance Premiums so received.

(2) For unit-linked insurance policies, a Life Insurance Company shall remit the contributions at the rate of 0.1% of the Direct Insurance Premiums received in relation to the first year's and subsequent years' coverage.

For unit-linked single insurance premium policies, a Life Insurance Company must remit the contributions at the rate of 0.1% of such Direct Insurance Premiums so received.

Clause 5: A Non-life Insurance Company's and Life Insurance Company's remittance of the contributions shall be in the following forms:

- (1) cash, cheque, or draft; or
- (2) bank transfer.

Clause 6: In a case of a Non-life Insurance Company's and Life Insurance Company's remittance of the contributions by cheque or draft, such cheque or draft must be made payable to the "Contributions to the Office of OIC" and must not be post-dated.

Clause 7: In a case where a Non-life Insurance Company or Life Insurance Company remits the contributions to the Office in an amount exceeding an obligatory amount payable

[Translation]

with respect to any quarter, the Company shall request that such amount in excess be applied for payment of subsequent quarters' contributions to the Office, until the excess is completely depleted.

Clause 8: A Company's remittance of the contributions or request for having an amount of the contributions paid in excess be applied for payment of subsequent quarters' contributions, shall be made under an application submitted in the form as prescribed and notified by the Office.

Clause 9: This Notification shall take effect for the computation of contributions from January B.E. 2551 (2018) to March B.E. 2551 (2018) onwards.

Notified on this 22<sup>nd</sup> day of January B.E. 2551 (2008).

Suparat Kawatkul

Permanent Secretary, Ministry of Finance

Chairman of the Insurance Commission