

Notification of the Insurance Commission

Re: Criteria and Procedure for the Issuing and Sales Offering of Insurance Policies, Loan under Insurance Policies and Payment under Life Insurance Contracts by Electronic Means, B.E. 2566 (2023)

By virtue of Section 38 (5), (8) and (12), and Section 79/1 of the Life Insurance Act B.E. 2535 (1992), as amended, together with the resolution adopted at the Insurance Commission's Meeting No. 6/2022 on 27 May 2022, the Insurance Commission hereby prescribed this Notification as follows:

Clause 1 This Notification shall be called the "Notification of the Insurance Commission Re: Criteria and Procedure for the Issuing and Sales Offering of Insurance Policies, Loan under Insurance Policies and Payment under Life Insurance Contracts by Electronic Means, B.E. 2566 (2023)".

Clause 2 This Notification shall take effect from the date following its publication.

Clause 3 The Notification of the Insurance Commission

Re: Criteria and Procedure for the Issuing and Sales Offering of Insurance Policies, Loan under Insurance Policies and Payment under Life Insurance Contracts by Electronic Means, B.E. 2560 (2017) shall be repealed.

Clause 4 In this Notification:

"Company" means a company that has been licensed to undertake the life insurance business under the law on life insurance, and shall include a branch of any foreign life insurance company that has been licensed to undertake the life insurance business in the Kingdom of Thailand under the law on life insurance;

"Life Insurance Agent" means a life insurance agent under the law on life insurance;

"Life Insurance Broker" means a life insurance broker under the law on life insurance, but excluding banks;

"Bank" means a bank that has obtained the Life Insurance Brokerage license under the law on life insurance;

“Prospect” means the person induced or arranged by a Life Insurance Agent, a Life Insurance Broker, a Bank, or the Company to acquire a life insurance;

“Insurance Policies Sales Offering”, with respect to a sales offering made by a Company, means inducing a Prospect to enter into an insurance contract; with respect to a sales offering made by a Life Insurance Agent, means inducing a Prospect to enter into an insurance contract with the Company; with respect to a sales offering made by a Life Insurance Broker or a Bank, means indicating an opportunity or arranging for a Prospect to enter into an insurance contract with a Company;

“Insurance Policies Sales Offering by Electronic Means (Online)” means inducing, indicating an opportunity or arranging for a Prospect to enter into an insurance contract with a Company by providing the details of insurance products by electronic mean, without any dependency of a Company’s employees, Life Insurance Agents, or Life Insurance Brokers who are natural person in presenting insurance products, and a Prospect will express his or her intent to enter into an insurance contract by electronic means, but excluding the Insurance Policies Sales Offering via telephone and by using ready-made applications to communicate with Prospects, provided that the person who make offers does not develop any additional information system for use in the Insurance Policies Sales Offering by Electronic Means (Online);

“Electronic” means electronic under the law on electronic transactions, but excluding the Insurance Policies Sales Offering via telephone and by using ready-made applications to communicate with Prospects, provided that the person who make offers does not develop any additional information system for use in the Insurance Policies Sales Offering by Electronic Means (Online);

“Documents in Support of the Sales Offering” means an insurance application and a summary of the insurance policy for which the Prospect expresses his or her intent to apply for the insurance, with the following details at a minimum:

(1) A summary of the general conditions, benefits under the insurance policy, exclusions, and rights in accordance with the conditions of the insurance policy that have been approved by the Company;

(2) The insurance premium of the insurance policy and attachments (if any), the period of insurance, the period for payment of insurance premium;

(3) A warning for Prospects to review, read, and understand any information relating to the insurance policy.

“Insurer’s Company Account” means a bank deposit account of the insurer, and shall include a bank deposit account agreed to be an account for receiving insurance premiums between the Company, as the issuer of insurance policies, and a juristic person holding a Life Insurance Broker license authorized to receive payments of insurance premiums on its behalf. In this regard, after the Prospect has paid insurance premiums into such bank deposit account, it shall be deemed that the Prospect has paid insurance premiums into the Insurer’s Company Account;

“Office” means the Office of the Insurance Commission.

Chapter 1

General Provisions

Clause 5 The Insurance Policies Sales Offering by Electronic Means (Online), the Insurance Policies Sales Offering with the use of supporting electronic tool, the issuance of insurance policies, the loan secured by insurance policies or payment under life insurance contracts by electronic means are required to comply with this Notification and the law on electronic transactions, anti-money laundering, data protection, and other laws with the similar nature.

Clause 6 In the Insurance Policies Sales Offering by Electronic Means (Online) under Chapter 2, the Companies, Life Insurance Brokers, and the Banks must comply with the Notification of the Insurance Commission on the criteria and procedures for the Issuing and

Sales Offering of a Life Insurance Company's Insurance Policies and for the Operations of Life Insurance Agents, Life Insurance Brokers, and Banks.

Clause 7 In the Insurance Policies Sales Offering with the use of supporting electronic tool under Chapter 3, the Companies, Life Insurance Agents, Life Insurance Brokers, and the Banks must comply with the Notification of the Insurance Commission on the criteria and procedures for the Issuing and Sales Offering of a Life Insurance Company's Insurance Policies and for the Operations of Life Insurance Agents, Life Insurance Brokers, and Banks.

Clause 8 The payments under life insurance contracts by electronic means under Chapter 5 must comply with the Notification of the Insurance Commission on criteria, procedures, conditions, and periods for payments under life insurance contracts and cases regarded as life insurance companies' acts to impede payments or insurance premium refunds.

Clause 9 The data structure standards, the data interchange standards or data disclosures shall be in compliance with the law on electronic transactions, other relevant laws and standards, and the criteria prescribed and notified by the Office.

Clause 10 In the case where the law requires a signature or prescribes a legal effect in the absence of a signature, it shall be deemed that a signature is signed if, in the expression of the Prospect's intent to enter into an insurance contract, or the expression of intent to for loan secured by an insurance policy, or payment under an insurance contract of the insured, the policy holder, the insured member, or the beneficiary, the Company, Life Insurance Broker, or the Bank arranges for the Prospect, the insured, the policyholder, the insured member, or the beneficiary, to affix his or her signature electronically under the law on electronic transactions.

Clause 11 The Documents in Support of the Sales Offering, the confirmation receipt of the applications for the insurance of a Prospect, the receipt of payments, and the insurance policies in an electronic format which the Companies, Life Insurance Brokers or the Banks, as the case may be, issued to the Prospects, the insured, the policyholders, or the insured members, the Companies, Life Insurance Brokers, or the banks, as the case may be, must affix

their signatures electronically in a manner that is reliable in accordance with the law on electronic transactions unless otherwise notified by the Office.

Clause 12 The Companies, Life Insurance Brokers, or the banks, as the case may be, must provide electronic channels for the Prospects, the insured, the policyholders, the covered persons, the insured members, or the beneficiaries, as the case may be, to choose the electronic means that they wish to use for receiving electronic information under Clause 11. In this regard, the available electronic means must transmit information into the information system specified by those persons or transmit information by other electronic means which are approved by the Office.

Clause 13 The Companies , Life Insurance Brokers or the Banks, as the case may be, must transmit electronic information under Clause 11 to the Prospects, the insured, the policyholders, the covered persons, the insured members, or the beneficiaries in accordance with the electronic means chosen under Clause 12, and after the insurance application is accepted, the Companies, Life Insurance Brokers or the Banks must arrange for those persons to be able to check that electronic information throughout the prescription period under the law, or until the case becomes final in the case where a lawsuit is filed.

Chapter 2

Insurance Policies Sales Offering by Electronic Means (Online)

Clause 14 The Insurance Policies Sales Offering by Electronic Means (Online) must be carried out by the Companies, Life Insurance Brokers, or the Banks only.

In the case where a Life Insurance Broker or a Bank offers insurance policies for sale by electronic means (online), such Life Insurance Broker or Bank must obtain permission from the Company first, and the Company has the duty to supervise those Insurance Policies Sales Offering by Electronic Means.

In the case where the Company discovers or is informed by the Office that the Life Insurance Broker or the Bank has not complied with this Notification, the Company shall

suspend its permission for the Insurance Policies Sales Offering by Electronic Means (Online) within seven days from the date on which the Company discovers, or is informed by the Office, of such non-compliance. In this regard, in the case where the Company has discovered such non-compliance, the Company shall also inform the Office of such non-compliance within such period.

Clause 15 The Insurance Policies Sales Offering by Electronic Means (Online) must be carried out in accordance with the security procedure prescribed by the law on electronic transactions.

Clause 16 In the Insurance Policies Sales Offering by Electronic Means (Online), those insurance policies must be approved by the Registrar first.

In the Insurance Policies Sales Offering by Electronic Means (Online) under paragraph one, the information about the conditions of payments of benefits, exclusions, premiums, and other information prescribed and notified by the Office, that will be beneficial in the consideration for application of the insurance for the Prospects, must be disclosed. In this regard, the interest of the target group of the Prospect must be taken into account for prescribing the notifications.

Clause 17 The Companies must perform or arrange to ensure that the Life Insurance Brokers, and the Banks, who are required to comply with this Notification, perform with the Insurance Policies Sales Offering by Electronic Means (Online) as follows:

(1) To present the insurance application procedures, communication channels, complaint procedures, and communication channels in the case of any malfunction of the electronic services;

(2) To clearly display the name and trademark or other symbol of the Company, Life Insurance Broker or the Bank who offers the insurance policies for sale by electronic means (online), as the case may be, to the Prospects;

(3) To display the Life Insurance Broker license and the electronic activity registration certificate in the case where the Life Insurance Broker or the Bank is authorized by the Office for Insurance Policies Sales Offering by Electronic Means (Online);

(4) To clearly indicate its purpose to sell insurance to the Prospects in a certain customer group, and the benefits the customer group will receive from making a decision to purchase insurance; or recommend the Prospects regarding appropriate risk levels and premium payments capacity (suitability requirement);

(5) To provide the following information on insurance policies, at a minimum:

(a) a summary of the general conditions, the benefits under insurance policies, the exclusions, rights and entitlements in accordance with the term of insurance policy that have been approved by the Company; and to provide channels for the Prospects to review the entire conditions of the insurance contracts;

(b) the insurance premiums of the insurance policies and additional contracts (if any), the period of insurance, and the insurance premium payment period;

(c) a warning for Prospects to review, read, and understand the information about the insurance policies;

(6) To arrange for the Prospects to identify and verify themselves before expressing their intent of applying for insurance;

(7) To arrange for the affixing of electronic signatures by electronic means in accordance with the criteria specified in Clause 10 when the Prospects express their intent of applying for insurance by electronic means;

(8) To inform the channels for premium payments. In the case where the Prospects make payment of an insurance premium by electronic means, the payment must be made directly into the Insurer's Company Account only;

(9) To issue a Company's receipt of payment to the Prospects by electronic means after the insurance premium has been paid;

(10) To issue an electronic reference number or reference code, and send Documents in Support of the Sales Offering and a letter confirming receipt of the insurance application of the Prospect by electronic means to the Prospect during the period while the Company considers the insurance application;

(11) To prepare and send electronic information to the Prospect in accordance with the criteria prescribed in Clause 11, Clause 12, and Clause 13;

(12) To request a confirmation from the Prospect one more time, either by calling the Prospect or by other electronic means, within seven days from the date on which the Company sends the insurance policy to the insured.

In requesting the confirmation, the Company must also inform the Prospect that if the Prospect insists on entering into the insurance contract, the Prospect still have the right to terminate the insurance policy (Free Look Period) within 15 days or more from the date on which the Prospect receives the insurance policy from the Company depending on the types of insurance policies offered to sale.

If the insured person wants to terminate the insurance policy, the Company shall refund the full insurance premium, without any deduction. The insurance premium must be refunded within 15 days from the date the Company is informed of the Prospect's exercise of the right to terminate the insurance policy and must inform the Prospect of the channel to receive the refund of the insurance premium.

In the case of requesting a confirmation by telephone, after a permission for conversation, the contact person must ask the Prospect for permission to have the conversation recorded. The conversation must be recorded starting from when permission is granted until the conversation ends. The Company shall keep the audio record throughout the period of insurance. The conversation must include the following details:

- (a) Name and surname of the contact person;
- (b) Question to the Prospect whether he or she has received the insurance policy;
- (c) Question to the Prospect whether he or she has any query about the conditions, coverage, and any exclusions. If the Prospect has any query, the contact person must explain the Prospect until there is no doubt.

Chapter 3

Insurance Policies Sales Offering with the Use of Supporting Electronic Tool

Clause 18 In Insurance Policies Sales Offering with the use of supporting electronic tool, whereby the staff members or employees of the Company, the Life Insurance Agents, the Life Insurance Brokers, the staff members or employees of the Banks, who are Life Insurance Brokers acting on behalf of the Banks offer insurance policies with the use of supporting electronic tool and the Prospects express their intention to apply for insurance by electronic means, the expression of intent to apply for insurance and the entering into insurance contracts must be carried out in accordance with the security procedure prescribed by the law on electronic transactions.

Clause 19 In Insurance Policies Sales Offering with the use of supporting electronic tool, the Company must perform and supervise the Life Insurance Brokers and the Banks to perform the following activities:

(1) To display the names of the staff members or employees of the Company, or the names and the license numbers of the Life Insurance Agents, or the natural person Life Insurance Brokers, as the case may be, at the time of the insurance policies sales offering, and keep the information of such persons for verification throughout the period of insurance;

(2) To arrange for the staff members or employees of the Company, the Life Insurance Agents, the Life Insurance Brokers, the staff members or employees of the Banks, who are Life Insurance Brokers acting on behalf of the Banks, to use the electronic means to support the insurance policies sales offering and the system that the Company, the juristic person holding a Life Insurance Brokers license, or the Banks, as the case may be, have been registered with the Office;

(3) To arrange for the Prospects to identify and verify themselves before expressing their intent of applying for insurance;

(4) To arrange for the affixing of electronic signatures in accordance with the criteria specified in Clause 10, whenever the Prospects express their intent of applying for insurance;

(5) To prepare and transmit electronic information to the Prospects in accordance with the criteria specified in Clause 11, Clause 12, and Clause 13.

Chapter 4

Issuing of Insurance Policies by Electronic Means

Clause 20 The issuing of insurance policies or certificates of insurance by electronic means must be carried out in accordance with the security procedure prescribed by the law on electronic transactions, and in the preparation and transmission of electronic information to the Prospects, the Company must comply with the criteria specified in Clause 11, Clause 12, and Clause 13.

In the issuing of insurance policies by electronic means under paragraph one, the Company shall issue insurance policies, of which their provisions are in accordance with the insurance contracts, to the insured together with the summary of the coverage and exclusions under insurance policies, and other supporting documents at the same time.

In the case of group insurance, the Company shall deliver the insurance policies and the summary of the coverage and exclusions under insurance policies, and other supporting documents to the policy holder. As for the covered persons or the insured members, the Company shall issue a certificate of insurance together with the summary of the coverage and exclusion under insurance policies.

In the issuing of insurance policies and certificate of insurance by electronic means, the Company shall carry out the following activities:

(1) In the case where the Company issues insurance policies or certificates of insurance by electronic means only, the Company shall provide communication channels in order for the insured, the policyholders, the insured members, as the case may be, to express their intention to receive insurance policies by other means at a later date. With the exception of

micro-insurance, or an insurance plan with the insurance premium throughout the period of insurance of not more than three hundred baht, or other types of insurances prescribed and notified by the Registrar, the Company may issue insurance policies by electronic means only, and is not required to provide other communication channels for receiving insurance policies by other means; or

(2) In the case where the Company issues insurance policies or certificates of insurance whereby the insured, the policyholders, the insured members, as the case may be, can express their intention to receive insurance policies by electronic means, if the insured, the policyholders, or the insured members express their intention for the Company to issue insurance policies or certificates of insurance by electronic methods only, the Company is entitled to apply insurance premium discount rate in an amount of not more than five hundred baht.

The Company must, by electronic or other means, notify the insured, the policyholders, the covered persons, or the insured members, as the case may be, after the insurance policies or the certificates of insurance and the documents under paragraph two and three have been sent.

Chapter 5

Loan Secured by Insurance Policies or Payment under Life Insurance Contracts by Electronic Means

Clause 21 The provision of loan secured by insurance policies or payment under life insurance contracts by electronic means must be performed in accordance with the security procedure prescribed by the law on electronic transactions, and the Company shall perform the activities in accordance with the following criteria and procedures:

(1) To describe the procedure for exercising of right to request a loan secured by insurance policies and claiming payment under insurance contracts by electronic means and the procedure for the submission of documents relating to the exercises of rights or claims.

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(2) To arrange for the insured, the policyholders, the insured members, or the beneficiaries, as the case may be, to identify and verify themselves before expressing their intent to exercise a right to request a loan secured by insurance policies or claim payment under life insurance contracts by electronic means.

(3) To arrange to affix electronic signatures in accordance with the criteria specified in Clause 10, whereby the insured, the policyholders, the insured members, or the beneficiaries express their intent and submit documents relating to exercises of right to request a loan secured by insurance policies or claims for payment under insurance contracts;

(4) To issue a letter confirming the receipt of an application of the insured, the policyholders, or the insured members, to exercise a right to request a loan secured by insurance policies or claim payment under life insurance contracts, and to transmit such electronic information to the insured, insured members or the beneficiaries in accordance with the criteria specified in Clause 11, Clause 12, and Clause 13.

Chapter 6

Information System Security Maintenance

Clause 22 In the Insurance Policies Sales Offering by Electronic Means (Online), the Insurance Policies Sales Offering with the use of supporting electronic tool, the issuance of insurance policies, the loan secured by insurance policies or payment under life insurance contracts by electronic means which constitutes legal obligations between the Companies, Life Insurance Brokers or the Banks and the Prospects, the insured, the policyholders, the insured members, or the beneficiaries, in accordance with the criteria specified in Clause 15, Clause 18, Clause 20, or Clause 21, as the case may be, the Company must undertake or ensure that the Companies, Life Insurance Brokers or the Banks perform as follows:

(1) To provide security measures on personal data protection in compliance with the law on personal data protection and other laws with the similar nature ;

(2) To ensure that the information system is inspected and certified by an independent auditor, or a licensed internal auditor, or a certified body prescribed and notified by the Office to certify the activities, in accordance with the security procedure prescribed by the law on electronic transactions or the criteria prescribed and notified by the Office;

(3) To register with the Office prior to entering into transactions in accordance with the criteria, procedures and conditions prescribed and notified by the Office, and to present evidence of the information system inspection and certification in accordance with (2).

In the case of any additional or change to the registered electronic transaction, the Companies, Life Insurance Brokers, or the Banks, as the case may be, must notify the Office to amend the registration information which is given prior to entering into transactions in accordance with the criteria, procedures, and conditions prescribed and notified by the Office.

Chapter 7

Engagement of Third-party Service Providers

Clause 23 In the case where the Companies, Life Insurance Brokers or Bank use the information system service of a third-party service provider in the Insurance Policies Sales Offering by Electronic Means (Online), the Insurance Policies Sales Offering with the use of supporting electronic tool, the issuance of insurance policies, the loan secured by insurance policies or payment under life insurance contracts, if any part of this service is an act that constitutes legal obligations between Companies, Life Insurance Brokers or Banks and the Prospects, the insured, the policyholders, the insured members, or the beneficiaries in accordance with the criteria specified in Clause 15, Clause 18, Clause 20, or Clause 21, as the case may be, the Companies, Life Insurance Brokers or Banks must, prior to using of such service, inform the name of the third-party service provider, and apply to the Office for permission for using the third-party service provider, in accordance with the criteria, procedures, and conditions prescribed and notified by the Office.

In using of the third-party service provider under paragraph one, the following actions must be taken:

(1) To ensure that the electronic transactions of the service provider are carried out in accordance with the security procedure prescribed by the law on electronic transactions;

(2) To arrange for the inspection and certification of the information system in accordance with the criteria specified in Clause 22 (2);

(3) To clearly display the reasons and information on the formulation of policy, procedures, and guidelines, for example, the risk assessment system, the risk management system, the service procedure, the internal control, the security Maintenance, and the contingency plan for the situation where the third-person service provider fails to provide services;

(4) To ensure that the contract with the third-party service provider contains the following conditions at a minimum:

(a) Security measures to protect personal data in compliance with the law on personal data protection;

(b) Protection against unauthorized use or disclosure of personal data and confidential information;

(c) Reporting of any irregularities or violations of personal data and confidential information;

(d) Responsibility of the third-party service providers in case of subcontracting to a subcontractor shall remain the same as if the service was provided by themselves;

(e) Right to audit by the Companies and the Office;

(f) Return, destruction, and deletion of personal data and confidential information;

(g) Consequences of violation of conditions.

Clause 24 In using third-party services, the Companies, Life Insurance Brokers, or the Banks remain responsible as if they provide such services themselves.

Chapter 8

Rectification of activity, Revocation of Registration or Revocation of Approval

Clause 25 In the case that a Company, Life Insurance Broker, or a Bank fails to perform in accordance with the criteria specified in Clause 22 or Clause 23, or fails to fully comply with the criteria, the Office is entitled to take the following actions:

(1) To order a Company, Life Insurance Broker, or Bank to rectify the activities in order to fully comply with Clause 22 or Clause 23, as the case may be, within the period specified by the Office;

(2) To revoke the registration or the approval under Clause 22 (3) or Clause 23, paragraph one, wholly or partially, in the case that Company, Life Insurance Broker or Bank fails to rectify the activities under (1) without reasonable ground, or intentionally violates the provisions under Clause 22 or Clause 23, as the case may be.

In the case where the Office revokes the registration or the approval under paragraph one, the Company, Life Insurance Broker, or Bank may subsequently file an application for registration or consent in accordance with condition of the period of time specified by the Office.

Chapter 9

Transitional Provision

Clause 26 The Companies, Life Insurance Brokers or the Banks which have been registered or applied with the Office for permission to use a third-party service for the Insurance Policies Sales Offering by Electronic Means (Online), the Insurance Policies Sales Offering with the use of supporting electronic tool, the issuance of insurance policies or payment under life insurance contracts prior to the date on which this Notification takes effect, all such Companies, Life Insurance Brokers or Banks may continue doing so. However, the Companies must undertake or arrange for the Life Insurance Brokers or Banks, those have

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been registered or applied for approval for the use of third-party service, to arrange for the inspection and certification of the information systems those have been registered or applied for permission to use a third-party service in accordance with the criteria specified in Clause 22 (2) and Clause 23 (2) in the following year. The annual inspection and certification date of the information system shall be considered from the date stated on the information system security inspection certificate, or the certificate issued by the certified body, or any other date prescribed and notified by the Office.

Notified on this 3rd day of May B.E. 2566 (2023)

Permanent Secretary, Ministry of Finance,
Chairman of the Insurance Commission