

**The Life Insurance Act (No. 4), B.E. 2562 (2019)**  
**Given by H.M. King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua**  
**On 24 May 2019,**  
**Being the fourth year of the present reign**

H.M. King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua is graciously pleased to proclaim that:

Whereas it is expedient to revise the law on life insurance.

This Act has certain provisions regarding the limitation of a person's rights and freedom, which is permitted under section 26, section 33, section 34, section 37, and section 40, of the Constitution of the Kingdom of Thailand, by virtue of statutory provisions.

The reason for, and the necessity of, the limitation of a person's rights and freedom is to govern the operation of the life insurance business, particularly where life insurance agents and life insurance brokers are involved, and ensure its efficiency, which will support the country's economic stability and prevent any potential damage on the public. This Act is enacted in agreement with the conditions prescribed in section 26 of the Constitution of the Kingdom of Thailand.

Be it, therefore, enacted by the King, with the advice and consent of the National Legislative Assembly acting as the Parliament, as follows.

Section 1        This Act is called the "Life Insurance Act (No. 4), B.E. 2562 (2019)."

Section 2        This Act will take effect following the 180-day period after the date of its issuance in the *Government Gazette*.

Section 3        The following provision will be added as section 5/1 of the Life Insurance Act, B.E. 2535 (1992).

"Section 5/1     Any action taken under this Act and performed via an electronic method, partially or wholly, must comply with electronic transaction laws and relevant laws, if there is no specific practice prescribed by the Commission for companies, life insurance agents, life insurance brokers, actuaries, or other relevant persons, to follow."

Section 4        The second paragraph of section 30/1 of the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed.

Section 5        The provision in section 69 of the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed and superseded by the following provision.

"Section 69     The applicant for a life insurance agent license must:

(1) have the following qualifications:

- A) be of legal age;
- B) have residence in Thailand; and
- C) have taken life insurance lessons prescribed by the Office of Insurance Commission, or have passed life insurance tests in accordance with the programs, procedures, and conditions prescribed by the Office of Insurance Commission; and

(2) have none of the following prohibited characteristics:

- A) be a person of unsound mind, an incompetent person, or a quasi-incompetent person;
- B) have been convicted by a final court judgment for an offense regarding dishonest demeanor committed to property, unless the punishment was completed at least five years before the date of application submission;
- C) be bankrupt, or have been involved in a bankruptcy fraud;
- D) be a life insurance broker;
- E) have his or her life insurance agent license or life insurance broker license, or non-life insurance agent license or non-life insurance broker license under non-life insurance law, suspended;
- F) have had his or her life insurance agent license or life insurance broker license, or non-life insurance agent license or non-life insurance broker license under non-life insurance law, revoked in the previous five years before the date of the application submission; or
- G) have a history of improper conduct, or a history of a lack of responsibility, as prescribed by the Commission.”

Section 6 Section 70/2 of the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed.

Section 7 Section 71/1 and section 71/2 of the Life Insurance Act, B.E. 2535 (1992), which are amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed.

Section 8 The provision in section 72 of the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed and superseded by the following provision.

“Section 72 A natural person intending to apply for a life insurance broker license must not be a life insurance agent, or a director, manager, officer, or employee of any company. The provisions in section 69 (1) (A), (B) and (C), and (2) (A), (B), (C), (E), (F), and (G) will apply *mutatis mutandis*. The applicant must also have passed training programs arranged or prescribed by the Office of Insurance Commission.

A juristic person intending to apply for a life insurance license must:

(1) have the following qualifications;

- A) be a juristic person, as prescribed by the Commission; and
- B) have an objective of engaging in a business of being a life insurance broker; and

(2) have none of the following prohibited characteristics:

- A) have had its life insurance broker license, or non-life insurance broker license under non-life insurance law, suspended;
- B) have had its life insurance broker license, or non-life insurance broker license under non-life insurance law, revoked in the previous five years before the date of application; or
- C) have a history of improper conduct, or a history of a lack of responsibility, as prescribed by the Commission.”

Section 9 The following provisions will be added as section 73/1, section 73/2, and section 73/3 of the Life Insurance Act, B.E. 2535 (1992).

“Section 73/1 A juristic person holding a life insurance broker license must be ready for its business operation; must appoint or assign a person with relevant knowledge or experience and holding a life insurance broker license to be in charge of a life insurance broker’s affairs; and must have a system in place to govern the performance of their duties, in accordance with the regulations implemented by the Commission.

Section 73/2 A juristic person holding a life insurance broker license cannot appoint or assign a person without a life insurance broker license to be in charge of advising or arranging a person to enter into a life insurance contract with the company.

Section 73/3 A juristic person holding a life insurance broker license must be jointly responsible for any damage caused by the appointed or assigned person acting as a life insurance broker for the juristic person, regardless of whether the person holds a life insurance broker license.”

Section 10 The following provisions will be added as section 79/1 and section 79/2 of the Life Insurance Act, B.E. 2535 (1992).

“Section 79/1 Under the provisions of this Act, the Commission has the power to prescribe and implement any rules, procedures, and conditions regarding the following subjects, for life insurance agents and life insurance brokers to comply with.

- (1) Persuading, advising, or arranging a person to enter into a life insurance contract with the company.
- (2) Receiving, keeping, and delivering insurance premiums.
- (3) Advertisements.
- (4) The revelation of information regarding the offering of insurance policies for sale, and the details of those insurance policies, to help people with their decision making.
- (5) The revelation of information regarding operation conducted by life insurance agents and life insurance brokers.
- (6) The operation’s compliance with international regulatory standards.

Section 79/2 Life insurance agents and life insurance brokers cannot use advertising messages or pictures, or invitation letters, that are not approved by the company, to persuade, advise, or arrange a person to enter into a life insurance contract.”

Section 11 The provision in section 80 of the Life Insurance Act, B.E. 2535 (1992) will be repealed and superseded by the following provision.

“Section 80 To support the inspection of operation conducted by life insurance agents or life insurance brokers, the registrar and authorized officers have the power to request that life insurance agents or life insurance brokers give statements, or provide registration books, account books, any documents, or reports using the format, and containing the details, prescribed by the registrar, for inspection. They also have the power to visit the person’s office for inspection during business hours, or during the time of sunrise and sunset.”

Section 12 The provision in section 81 of the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed and superseded by the following provision.

“Section 81 If it is apparent to the registrar that any life insurance agent or life insurance broker has any conduct below, the registrar has the power to order the life insurance agent or the life insurance broker to act, refrain from acting, or correct the act within the specified timeframe.

- (1) Violating or failing to comply with section 71, section 73/2, section 74, section 75, section 76, section 79/2, or the first paragraph of section 83, or failing to comply with an order of the registrar or an officer, under section 80.
- (2) Violating or failing to comply with notifications of the Commission issued under section 73/1 or section 79/1.

If a life insurance agent or life insurance broker fails to act, refrain from acting, or correct the act within the timeframe specified by the registrar in the first paragraph, the registrar has the power to suspend the life insurance agent license or life insurance broker license until the correction has been made. Once the life insurance agent or life insurance broker has corrected its act, the registrar will revoke his or her suspension.

The life insurance agent or life insurance broker whose license is suspended must stop acting as a life insurance agent or life insurance broker during the suspension.”

Section 13 The following provision will be added as section 81/1 of the Life Insurance Act, B.E. 2535 (1992).

“Section 81/1 The registrar has the power to revoke the life insurance agent license or life insurance broker license if it becomes apparent to him or her that the life insurance agent or life insurance broker has any following conduct.

- (1) Violating or failing to comply with section 71, section 73/2, section 75, section 76, section 79/2, or the first paragraph of section 83, or failing to comply with an order of the registrar or an officer, under section 80, in a manner that causes, or may cause, damage to the insured, beneficiaries under an insurance policy, or the public.
- (2) Violating or failing to comply with notifications of the Commission issued under section 79/1, in a manner that causes, or may cause, damage to the insured, beneficiaries under an insurance policy, or the public.
- (3) Failing to meet any of the required qualifications, or having any of the prohibited characteristics set out in section 69 or section 72.
- (4) Performing an act of a life insurance agent or life insurance broker during suspension under paragraph 3 of section 81.
- (5) His or her license’ having been suspended under section 81, and there is an event in which the license will be suspended, regardless of whether the cause of each suspension is the same.
- (6) Taking action that causes, or may cause, damage to the insured, beneficiaries under an insurance policy, or the public.”

Section 14 Section 82 of the Life Insurance Act, B.E. 2535 (1992) will be repealed and superseded by the following provision.

“Section 82 The person whose license is suspended under section 81, or revoked under section 81/1, has the right to submit an appeal to the Commission within 30 days after the date the person received the order. The Commission must complete the consideration process of the appeal within 60 days after the date it was received. The Commission’s decision is final.”

Section 15 The provisions in section 106/1 and 106/2 of the Life Insurance Act, B.E. 2535 (1992), which are amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), will be repealed and superseded by the following provisions.

Section 16 The following provision will be added as section 110/1 of the Life Insurance Act, B.E. 2535 (1992).

“Section 110/1 Any life insurance agent or life insurance broker violating section 79/2, or violating or failing to comply with, notifications of the Commission issued under section 79/1 will be penalized with a fine of up to THB 50,000 and a daily fine of THB 2,000 throughout the period of the violation or misconduct.

If the wrongdoing set out in the first paragraph causes damage to the company or the insured, he or she will be penalized with imprisonment for up to five months, or a fine of up to THB 50,000, or both.”

Section 17 The provision in section 111 of the Life Insurance Act, B.E. 2535 (1992), will be repealed and superseded by the following provision.

“Section 111 Any life insurance agent or life insurance broker failing to comply with an order issued by the registrar or an officer under section 80 will be penalized with imprisonment for up to one month, or a fine of up to THB 10,000, or both.”

Section 18 The provision in section 112 of the Life Insurance Act, B.E. 2535 (1992), will be repealed and superseded by the following provision.

“Section 112 Any person hindering the registrar or an officer who is on duty under section 80 will be penalized with imprisonment for up to one month, or a fine of up to THB 10,000, or both.”

Section 19 The following provision will be added as section 114 of the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008).

“If a juristic-person life insurance broker commits a wrongdoing under the provisions in chapter 4, and the wrongdoing is committed due to an order, or an action, of a director, manager, or any person responsible for operation of the juristic person, or due to a person in charge of issuing orders or taking action failing to issue an order or take action, causing the juristic person to commit the wrongdoing, that person will also be penalized with the penalty prescribed for that wrongdoing.”

Section 20 The following provisions will be added as section 114/3, section 114/4, and section 114/5 of the Life Insurance Act, B.E. 2535 (1992).

“Section 114/3 Any person dishonestly deceiving another person by persuading, advising, or arranging the latter to enter into or retain the status in a life insurance contract with the company, but no life insurance contract is actually made or no existing life insurance contract is retained and the deception has caused the deceiving person to obtain property from the deceived person or a third party, or has caused the deceived person or a third party to make, revoke, or destroy a title document, will be penalized with imprisonment for up to three years, or a fine of up to THB 300,000, or both.

If the wrongdoing set out in the first paragraph is committed by presenting a false statement to the public, or concealing a truth that should be told to the public, the person who commits the wrongdoing will be penalized with imprisonment for up to five years, or a fine of up to THB 500,000, or both.”

Section 114/4 Any person dishonestly requesting for benefits under an insurance policy or presenting false evidence for claiming will be penalized with imprisonment for up to three years, or a fine of up to THB 300,000, or both.

Any person acting in any manner that assists or facilitates another person in the wrongdoing set out in the first paragraph will be penalized as prescribed in the first paragraph.

Section 114/5 Any person giving, requesting to give, or promising to give property or other benefits to a director, a person with the management power, an officer, an employee, or a person designated by the company, to persuade the person to process undue compensation, payment, or benefits under the insurance policy, will be will be penalized with imprisonment for up to five years, or a fine of up to THB 500,000, or both.

Any person demanding, accepting, or agreeing to accept property or other benefits for themselves or a third party to ensure payment of undue compensation, money, or benefits under the insurance policy, will be penalized with imprisonment for up to five years, or a fine of up to THB 500,000, or both.”

Section 21 Any person obtaining a life insurance agent license or a life insurance broker license under the Life Insurance Act, B.E. 2535 (1992), which is amended by the Life Insurance Act (No. 2), B.E. 2551 (2008), and the license is still valid as of the date this Act takes effect, is deemed to be a holder of the life insurance agent license or life insurance broker license under the Life Insurance Act, B.E. 2535 (1992), amended by this Act.

Section 22 Any ministerial regulation, notification, or order issued under the Life Insurance Act, B.E. 2535 (1992), and as amended, that was effective as of the date before the date this Act takes effect will remain in full force and effect to the extent that it has no contradiction or discrepancy with the Life Insurance Act, B.E. 2535 (1992), amended by this Act, until a new ministerial regulation, notification, or order is issued under the Life Insurance Act, B.E. 2535 (1992), amended by this Act, but for no more than 180 days after the date this Act takes effect.

Section 26 The Minister of Finance will be in charge under this Act.

Countersigned by  
General Prayut Chan-o-cha,  
Prime minister

Remarks: The reason for the enactment of this Act is that several provisions of the Life Insurance Act, B.E. 2535 (1992), regarding life insurance agents and life insurance brokers, are not consistent with the current situation, in which the insurance industry is seeing an increase in the use of electronic methods. Meanwhile, the number of insurance frauds by life insurance agents, life insurance brokers, and third parties, is rising, causing damage to the public and the insurance industry. Therefore, it is expedient for rules regarding the supervision over life insurance agents and life insurance brokers, to ensure that the supervision over the insurance industry is suitable and consistent with changing situation, to protect the public, and to strengthen the insurance industry. The qualifications and prohibited characteristics of life insurance agents and life insurance brokers are hereby updated. The rules, procedures, and conditions for practices of life insurance agents and life insurance brokers, are clarified; and more suitable penalties are imposed on violations of, or failure to comply with, laws by life insurance agents or -life insurance brokers; or frauds committed by third parties against the insured and the public.