

The Notification of the Insurance Commission
Subject “Rules and Conditions of Licensing for Juristic person in the form of
Financial Institution to be Life Insurance Broker B.E.2551”

According to section 73, paragraph 2, of the Life Insurance Act B.E.2535 and section 3(2) of the Insurance Commission Act B.E.2550, the Insurance Commission hereby declares the following:

1. This notification shall be called the “Notification of the Insurance Commission, subject “Rules and Conditions of Licensing for Juristic person in the form of Financial Institution to be Life Insurance Broker B.E.2551”.

2. This notification is to be enforced from now onward.

3. The cancellation of the notification of the Insurance Commissioner, subject “Rules and Conditions of Licensing for Juristic person in the form of Bank to be Life Insurance Broker, dated 29 June B.E.2548”.

4. In this notification,

“Financial Institution” means a Commercial Bank and shall include Financial Institution which is established by specific law.

“Commercial Bank” means a limited public company which has obtained a license to engage in the banking business and shall include retail bank and bank which is established by specific law.

“Life Insurance Broker’s License” means life insurance broker’s license in the type of inducement, advice or acts in any manner to cause any person to enter into a life insurance contract.

5. Financial Institution which applies for a life insurance broker’s license shall have the following qualifications:

5.1. Have the objective of the undertaking life insurance broker business.

5.2. Have at least 5 officers or employees licensed to be a life insurance broker and at least 3 life insurance brokers in each branch to advise customer or to cooperate with the insurance commissioner.

6. A Financial Institution that is qualified under 5 and wish to be a life insurance broker shall apply for license with the Insurance Commissioner’s application form.

7. When the financial institution is licensed to be a life insurance broker, its branches become a life insurance broker branch office to undertake life insurance broker business.

8. To undertaking life insurance broker business, the financial institution shall act as following:

8.1 Induce or, advice or acts in any manner to cause any person who is their customer only to enter into a life insurance contract.

8.2 In case of change of the number of branch or employee who have life insurance broker's license, the institution shall notify the Insurance Commissioner of such change within fifteen (15) days from the date of change.

8.3 Operate in accordance with Life Insurance Act and related law.

8.4 No Financial Institution shall appoint or allow any person with any of the following qualifications to be or to perform the duty of a life insurance broker or a person having management authority:

8.4.1 do not have a life insurance broker's license.

8.4.2 being a life insurance broker who having management authority of any other juristic person that having a life insurance broker license.

8.4.3 being a manager, an accountant or staff having management authority of any other company that having a life insurance broker license.

8.4.4 being a director, a share holder, a manager or a person having management responsibility of any other juristic person that having a life insurance broker license.

8.4.5 being or having been a bankrupt.

8.4.6 being adjudged incompetent or quasi incompetent.

8.4.7 being a life insurance agent.

8.4.8 have had a life insurance agent's or broker's license revoked within five (5) years prior to the date of application for a license.

8.4.9 have been sentenced to imprisonment upon final judgment for offences relating to property committed dishonestly unless the sentence has been completed at least five (5) years before the date of application for a license.

9. In the case where a institution fails to comply with rules and conditions under this notification, the institution shall be deemed violating the provisions of law. The Insurance Commission shall have the power not to issue the life insurance broker's license and revoke or extend a life insurance broker's license.

10. The financial institution that has a life insurance broker's license before this notification is enforced, shall proceed under 5.2 within one (1) years from the date of enforcement.

As of 20 August B.E. 2551

Permanent Secretary
Chairman of the Insurance Commission