

THEMATIC TITLE	LEGAL PROBLEMS CONCERNING OFFERINGS OF ACCIDENT INSURANCE TOGETHER WITH ATM CARD
KEYWORD	ATM CARD ACCIDENT INSURANCE
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LEVEL OF STUDY	MASTER OF LAWS SRIPRATUM UNIVERSITY
YEAR	2019

ABSTRACT

“Accident insurance” is the insurance which provides the beneficiary to whom an accident occurs with a lump-sum payment. Accident insurance may include benefits for physical injuries which lead to hospitalization; organ loss or paralysis; dismemberment; or accidental death etc. In such cases, the insurer may be liable for compensation including medical expenses. It is common nowadays that Thai commercial banks offer to sell such kind of insurance in conjunction with ATM card services.

This report aims to depict the inevitable legal consequences which follow from the sales of accident insurance in conjunction with an ATM card by commercial banking officers in Thailand which are generally done without neither the presence of their broker's licenses nor the power of attorney; with inadequate explanation of clauses and conditions embedded in the life insurance contract; and surprisingly without the handling of the corresponding insurance policy according to the Life Insurance Act, B.E. 2535 (1992), the drawbacks, and the author's suggestions on the subject matter. As a matter of fact, a commercial bank will require that the insurance premium in such case and the ATM usage fees be paid lump sum each year by way of deduction through a bank account although it never issues a premium receipt. This mean that the assured will remain unknown of the amount of the premium in spite of the up-front conclusion of the insurance contract. The only written evidence in this case is the ATM card in which case when given in the attempt of claiming medical expense, the assured will be left with no other

written evidence in claiming for other compensation. This is obviously in conflict with a Thai Supreme Court's decision which held that a person is entitled to the right to medical treatment as well as other appropriate compensation according to any specific legislation out there.

In order to solve the aforementioned problems, I would suggest some practical solutions to them in this report. Firstly, I would encourage commercial banks in Thailand to operate activities in relation to the insurance business, especially the sales of accident insurance policies, in an area separate from where they normally operate their general banking services. Secondly, I would strongly suggest that the insurance broker's license be presented and his license number be clearly identified in the insurance policy. Thirdly, the banks should be urged to regulate the delivery of the insurance policy on the date which the contract is signed. Moreover, I would put forward an amendment to the Life Insurance Act, B.E. 2535 (1992) and its organic law that requires the commercial banks to split up between the insurance premium and the ATM card fee and clearly indicate each amount in the insurance policies as well as an amendment that calls for an issuance of temporary receipt. Furthermore, I would urge a statutory prohibition which disallows insurer's denial of liability in accident claims in case where the insured has been previously compensated under law other than insurance law.