

Submission

16 January 2026

Retail and Regulatory Investments
Australian Securities and Investments Commission
rri.consultation@asic.gov.au

NIBA Submission: CS 37 Proposed update to RG 234 Advertising financial products and services (including credit)

Dear Sir/Madam,

The National Insurance Brokers Association (NIBA) welcomes the opportunity to provide feedback on the proposed updates to Regulatory Guide 234 Advertising financial products and services (including credit).

NIBA is the peak body for the insurance broking profession in Australia, representing around 450 member firms and 15,000 individual brokers nationwide. Insurance brokers play a critical role in helping consumers and businesses understand their insurance needs, arrange appropriate cover, and receive support during the claims process.

Support for the updated guidance

NIBA supports ASIC's initiative to update RG 234 to ensure its currency and clarity. The consolidation of guidance, incorporation of recent enforcement examples, and updates reflecting the evolution of digital advertising channels represent sensible administrative improvements that will help industry participants understand their obligations.

Clarity on obligations and expectations

NIBA observes that RG 234 contains numerous provisions using the word "should" without clearly distinguishing between enforceable obligations and ASIC's expectations of best practice. NIBA encourages ASIC to provide greater clarity on which provisions represent

regulatory requirements versus guidance on good practice. This distinction helps industry participants prioritise compliance efforts and provides greater certainty for businesses seeking to meet their obligations.

Alignment with Target Market Determinations

NIBA notes that the draft RG 234 places increased emphasis on ensuring advertising content is consistent with a product's Target Market Determination (TMD), particularly where advertising language implies that a product is suitable for a particular type of consumer or use case. NIBA supports the policy intent of ensuring that advertising does not undermine design and distribution obligations.

However, insurance brokers occupy a distinct position in the distribution framework. Under the design and distribution obligations, brokers are classified as distributors, yet they do not control the content of insurers' TMDs and typically provide advice and arrange cover across panels of products issued by third-party insurers. NIBA encourages ASIC to provide clearer guidance on how brokers can reasonably satisfy expectations of TMD alignment when:

- advertising a range or panel of general insurance products;
- relying on issuer-provided TMDs and distribution conditions; and
- promoting their professional services rather than a specific product.

Clear examples of what constitutes reasonable reliance by brokers on issuer documentation would assist industry participants in meeting their obligations without imposing disproportionate compliance burdens.

Practical examples of compliant advertising

NIBA notes that the examples throughout RG 234 predominantly illustrate advertising practices that raise concerns or have resulted in regulatory action. While these examples are instructive, NIBA encourages ASIC to supplement the guidance with examples of compliant advertising that demonstrate how industry participants can meet their obligations in practice. Providing positive examples alongside non-compliant examples would assist businesses, particularly smaller operators with limited compliance resources, in understanding what good practice looks like and in designing their advertising accordingly.

In particular, many insurance brokers increasingly engage with consumers through short-form digital channels, including social media posts, search advertising, and display advertising, where space and format constraints limit the amount of contextual information that can be provided. NIBA encourages ASIC to include practical, general-insurance-specific examples illustrating how brokers can provide appropriately balanced messaging in short-form advertising without creating undue complexity or effectively requiring full policy disclosures in advertising material.

Industry standards complement regulatory guidance

NIBA notes the guidance at RG 234.10-11, which encourages industry bodies to develop and enforce guidelines, standards or codes that build on the principles of RG 234. The Insurance Brokers Code of Practice (IBCOP), which binds NIBA member brokers, includes standards for professional conduct and client communications that complement the principles in RG 234. NIBA remains committed to ensuring that insurance brokers maintain the highest standards of professional conduct in all client interactions, including advertising and promotional communications.

Guidance on social media influencers

NIBA welcomes the inclusion of guidance regarding social media influencers promoting financial products (RG 234.169). This guidance appropriately highlights the risks to consumers when financial products are promoted by individuals who may lack the regulatory obligations, training requirements, and accountability frameworks that apply to licensed professionals. For consumers to have trust and confidence in insurance advice, anyone providing guidance on financial products must meet appropriate professional standards. The distinction between the broking profession—which operates under regulatory oversight, training requirements, and accountability to the Insurance Brokers Code of Practice—and unregulated influencers is an important consideration for consumer protection.

NIBA welcomes the opportunity to discuss any aspect of this submission with ASIC. Should you have any queries, please do not hesitate to contact the Policy and Advocacy Team.

Yours sincerely,



Richard Klipin
Chief Executive Officer
National Insurance Brokers Association