

Australian Securities and Investments Commission

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Regulatory Guide 183: Approval of financial services sector codes of conduct

The Council of Australian Life Insurers (**CALI**) is the trusted voice of life insurance in Australia. We support Australians to make informed choices about their future and help them live in a healthy, confident, and secure way. This includes advocating for national policy settings that expand their access to the life insurance protection that suits them when they need it most over their lifetime. Our membership comprises of 20 life insurers and reinsurers.

Our mission is to ensure Australians view life insurance and the industry as accessible, understandable, and trusted. We do this by supporting our members to deliver the protection and certainty Australians need on their best and worst days.

CALI welcomes the opportunity to provide feedback on ASIC's proposed updates to Regulatory Guide 183 *Approval of financial services sector codes of conduct* (**RG 183**).

CALI is the code owner of the Life Insurance Code of Practice (**Life Code**), a code of practice developed by the life insurance industry to improve customer outcomes and promote trust and transparency. While the Life Code is not currently approved by ASIC under RG 183 CALI considers the Life Code to be aligned with the principles underlying ASIC's approach to industry codes. CALI has therefore considered ASIC's proposed changes to RG 183 through the lens of the Life Code.

Clarity of guidance

CALI considers the updated guidance to be clear and relevant to a broader audience, including code owners, subscribers, and consumers. The expanded scope and inclusion of practical information about ASIC's expectations and processes is appreciated, even for voluntary code owners who may not seek formal approval.

The guidance supports industry efforts to develop codes that are meaningful, enforceable, and aligned with community expectations.

Alignment to ASIC's code principles

While CALI does not currently seek ASIC approval for the Life Code, we note that the Life Code is substantively aligned with ASIC's updated approval criteria for code approval as set out below:

Threshold criteria

- The Life Code aims to be consistent with relevant Commonwealth laws and provides additional protections and explanations beyond the relevant legislation.
- It sets out clear obligations for life insurers that enhance consumer protections and promote fair treatment.

Evaluative criteria

- The Life Code is subject to independent monitoring and enforcement by the Life Code Compliance Committee (**LCCC**).

- The LCCC publishes regular reports, has the power to impose sanctions and financial penalties, and ensures accountability across the industry.

Additional criteria

- The Life Code is written in plain language, with clearly defined objectives, scope, and rules.
- It is accessible to consumers and designed to be easily understood and applied.

Independent review of the Life Code

CALI has appointed Peter Kell to conduct an independent review of the Life Code, commencing in October 2025, which will inform any necessary amendments to ensure it continues to meet the needs of customers and reflects good industry practice. CALI and its members remain committed to continuous improvement and will give full consideration to the review's recommendations.

The overarching principle for the Life Code review will be to maintain or enhance the consumer protections and industry commitments with consideration of the below objectives:

- Ensure the Life Code meets community expectations and needs of consumers, responds to changes in the regulatory environment and reflects good industry practice.
- Ensure the Life Code provides certainty and makes it easier for customers to deal with life insurers, for example, when they buy insurance or make a claim.
- Improve the understanding of or simplifying the Life Code without losing meaning or reducing consumer protection.
- Ensure the Life Code delivers the promised consumer protections, while being operationally practicable for life insurers, the LCCC, customers and other stakeholders.

Thank you for the opportunity to provide feedback. If you require further information, please contact [REDACTED] (General Manager, Policy) at [REDACTED].

Kind regards,

[REDACTED]

Chief Executive Officer
Council of Australian Life Insurers