



Insurance Council
of Australia

5 August 2025

Credit, Banking and General Insurance
Australian Securities and Investments Commission

By email: rri.consultation@asic.gov.au

Dear ASIC

Proposal to update Regulatory Guide 168 Disclosure: Product Disclosure Statements (and other disclosure obligations)

The Insurance Council of Australia (Insurance Council) welcomes the opportunity to respond to the Australian Securities and Investments Commission's (ASIC) proposal to update Regulatory Guide 168 (RG 168) *Disclosure: Product Disclosure Statements (and other disclosure obligations)*.¹

The Insurance Council is the representative body of the general insurance industry in Australia and represents approximately 85 per cent of private sector general insurers. As a foundational component of the Australian economy, the general insurance industry employs approximately 60,000 people and on average pays out \$147 million in claims each working day (\$36.5 billion per year).

Overview

The Insurance Council supports ASIC's intent to simplify and consolidate RG 168 to assist industry in preparing Product Disclosure Statements (PDSs). We agree with ASIC that streamlined guidance can reduce compliance burdens and improve clarity for both insurers and consumers.

We understand that ASIC does not intend to change the substance of the guidance.² We encourage ASIC to ensure that any structural or language changes do not inadvertently alter regulatory expectations or introduce ambiguity. In particular, we seek clarification on the:

- the notification requirements for both material and immaterial changes under the proposed draft RG 168 (see further comments below).
- practical implications of the revised framing of the Good Disclosure Principles, including how ASIC will assess compliance under the updated structure.
- enhanced focus on misleading or deceptive conduct, especially how examples of general disclosure concerns will be used in regulatory practice; and
- connection to RG 78 *Breach Reporting by AFS and Credit Licensees*, in instances where disclosure requirements have been breached.³ This would help determine whether minor, technical breaches of disclosure obligations, particularly those without customer impact, should be reportable situations.

¹ [ASIC \(9 July 2022\), CS 22 Proposed update to ASIC's guidance on Product Disclosure Statements.](#)

² [Attachment 2 to CS 22: Draft RG 168 - Summary of changes.](#)

³ [Regulatory Guide RG. 78 Breach reporting by AFS licensees and credit licensees.](#)

Relief for immaterial changes

Under the current RG 168, making a material change to a PDS has the effect of making it a new PDS, so that a new notification to ASIC must be made. The current RG 168 also provides relief from this notification requirement where there are ‘immaterial changes’ to a PDS.

Paragraphs RG 168.139 and 168.140 state:

‘Immaterial changes to a PDS may include:

- (a) a minor change to presentation; or*
- (b) a trivial change to content (e.g. the correction of typographical errors).⁴*

However, a change to a PDS will only be immaterial if:

- (a) the amended PDS remains clear, concise and effective; and*
- (b) the amended PDS is not defective—that is, it does not include a misleading or deceptive statement, nor is there an omission from the PDS of information required to be included in it.⁵*

The current relief from notification requirements for immaterial changes to a PDS is essential for general insurers to maintain operational efficiency and avoid disproportionate compliance costs. If this relief was removed, this would result in disproportionate compliance costs for changes that have no material impact on consumers.

The proposed draft RG 168 incorporates guidance from Information Sheet 94 *Notification requirements for Product Disclosure Statements* (INFO 94) and *Regulatory Guide 197 Warrants: Out-of-use notices* (RG 197) in proposed Section F (with a proposal to withdraw INFO 94 and RG 197).⁶ However, it is unclear whether the current notification requirements for material changes, and relief for immaterial changes, is being retained.

The proposed draft RG 168 Paragraphs 168.128 and 168.129 state:

If a PDS or Supplementary PDS does not need to be lodged with ASIC, the product issuer must notify ASIC when a copy of the PDS is first given to someone in a recommendation, issue or sale situation: see s1015D(2).

ASIC must also be notified when:

- (a) the financial product to which a PDS or Supplementary PDS relates ceases to be available; or*
- (b) there is a change to fees and charges set out in the ‘Fees and Costs Summary’ in the PDS or Supplementary PDS: see s1015D(2)(b)–(c) and reg 7.9.16T (as modified by s6(2)(d) in ASIC Instrument 2019/1070).*

⁴ [Paragraph RG 168/139, RG 168 Disclosure: Product Disclosure Statements \(and other disclosure obligations\).](#)

⁵ Paragraph 168.140, *ibid*.

⁶ See [Information Sheet 94 Notification requirements for Product Disclosure Statements](#) and [Regulatory Guide 197 Warrants: Out-of-use notices](#).

We recommend ASIC:

- clarify the notification requirements for both material and immaterial changes under the proposed draft RG 168; and
- retain explicit relief for immaterial changes to avoid unnecessary administrative burdens for changes that do not impact consumers.

Incorporation by reference

The proposed draft Paragraph 168.66 confirms that information incorporated by reference into a PDS is subject to the same standards as directly included content. It states:

'Any information that is incorporated by reference into a PDS is taken to be included in that PDS and subject to all provisions relating to a PDS: see reg 7.9.15DA(3). This means that the incorporated information must be clear, concise and effective and must not be misleading or deceptive.'

The proposed draft Paragraph RG 168.67 also outlines information which must be expressly disclosed and included in a PDS and cannot be incorporated by reference.

To support future-proof and practical disclosure, we suggest ASIC consider an exemption within proposed draft Paragraphs RG 168.66-168.67, allowing approved industry codes to be referenced in consumer contracts, rather than fully reproduced in PDSs. This approach could also be considered in ASIC's current review of Regulatory Guide 183.⁷

Conclusion

The Insurance Council appreciates ASIC's efforts to simplify RG 168 and consolidate relevant guidance. If you have any questions in relation to our submission, please contact [REDACTED]

Yours sincerely,

[REDACTED]

⁷ [ASIC Media Release \(24 July 2025\), ASIC proposes updates to guidance for industry codes of conduct.](#)