

22 January 2026

Australian Securities and Investments Commission
GPO Box 9827
Melbourne VIC 3001

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

Dear Sir/Madam,

Proposed update to ASIC's Regulatory Guidance 234 on Advertising Financial Products and Services (including Credit)

This submission is made by PetSure (Australia) Pty Ltd in response to Consultation Statement 37: Proposed update to ASIC's guidance on Advertising Financial Products and Services (including Credit) (**CS 37**), which was released by the Australian Securities and Investments Commission (**ASIC**) for consultation on 27 November 2025.

Background

ASIC is proposing to update Regulatory Guide 234 *Advertising financial products and services (including credit): Good practice guidance (RG 234)*, so that it will be current and provide clarity on ASIC's regulatory approach to advertising financial products and services.

Overview

The key matters that PetSure wishes to bring to ASIC's attention are as follows:

- (a) PetSure supports ASIC's proposal to update RG 234, which has not been formally updated since 2012, so that it will be a comprehensive source of guidance on industry requirements for the advertisement of financial products and services.
- (b) PetSure also supports the incorporation of Regulatory Guide 53 *The use of past performance in promotional material (RG 53)* into RG 234 to ensure all of ASIC's guidance related to advertisements is consolidated.
- (c) PetSure supports the feedback contained within the submission prepared and submitted by the Insurance Council of Australia.

Feedback

1. Application of RG 234 to Pet Insurance Advertising

Pet insurance differs materially from many other financial products referenced in RG 234. Consumer decision-making in pet insurance is often emotionally driven, time-sensitive, and influenced by perceptions of coverage at the point of veterinary need. Advertising therefore plays a significant role in shaping expectations about what is and is not covered.

We support ASIC's emphasis on avoiding exaggerated benefit claims and ensuring consistency with policy terms. However, we encourage ASIC to more explicitly acknowledge that pet insurance products typically contain:

- Defined exclusions (e.g. pre-existing conditions, elective or preventative care);
- Sub-limits and annual benefit caps; and
- Coverage eligibility is contingent on clinical assessment and veterinary diagnosis at claim time, as opposed to consumer disclosure and election or preference at inception.

Clear recognition of these types of nuanced features within RG 234 would provide useful guidance to those insurers operating in the pet insurance category and potentially some other more niche insurance products in tailoring advertising that is both compliant and meaningful for consumers.

2. Balance Between Benefits and Risks (RG 234.15–234.33)

We agree that advertising should not overstate benefits or create unrealistic expectations. That said, we note that for pet insurance:

- Risks often relate to *scope of cover* rather than financial volatility.
- Exclusions are frequently misunderstood by consumers despite being clearly set out in policy documentation.

We suggest ASIC clarify that "balanced information" in pet insurance advertising does not require exhaustive disclosure of exclusions, but rather:

- Clear signposting that exclusions and limits apply; and
- Avoidance of absolute or unconditional claims (e.g. "we cover all vet bills").

We believe clarifying this information would reduce the risk of overly defensive advertising that may obscure key product information.

3. Use of Headline Claims and Qualifications (RG 234.34–234.40)

We support the position that headline claims must not itself be misleading and that fine print cannot correct a misleading impression. However, we believe it would be useful if ASIC could provide greater clarity in the context of short-form digital and social media formats.

For example:

- Claims such as "up to 80% back on eligible vet bills" are widely understood by consumers as conditional.
- Requiring full contextual detail within the headline itself may reduce clarity rather than enhance it.

We recommend ASIC provide pet insurance-specific examples illustrating acceptable use of:

- "Up to" claims;
- Percentage reimbursement statements; and
- References to eligibility or policy limits, without requiring excessive qualification that undermines consumer comprehension.

We note that the guidance is directed to the use of headline claims and the role of warnings, disclaimers and qualifications in advertising financial products. However, it does not expressly address the advertising of promotional offers that are ancillary to a product, such as time-limited discounts (e.g. "20% off your policy if you purchase by a specified date").

In practice, these offer-based advertisements are intended to promote the availability of the offer itself rather than to describe or compare product features, and therefore commonly rely on a concise headline claim accompanied by qualifying conditions in fine print. Applying RG 234.34–RG 234.40 to such advertising without clarification creates uncertainty as to whether a headline claim relating solely to an offer could be viewed as misleading by omission if it does not also include substantive product information.

We recommend that ASIC clarify how the principles relating to headline claims and qualifications are intended to apply to the advertising of promotional offers. In particular, clarification would assist in confirming that offer-based advertising may focus on the terms and conditions of the offer itself, provided the headline claim is accurate and the qualifying information is sufficiently prominent, without requiring the inclusion of broader product-related disclosures that are not the subject of the advertisement.

We note that a fundamental purpose of advertising, particularly in digital media, is to attract consumers attention and drive traffic to an issuer's website, where more detailed information can be provided in an appropriate and proportionate manner. Within the guidance, ASIC's discouragement of reliance on click-throughs to qualify headline claims, creates uncertainty as to how standard digital advertising practices are intended to operate in practice.

In particular, it is unclear whether ASIC's guidance is directed solely at links that take consumers to a separate webpage, or whether it is also intended to apply to in-platform functionality that expands content within the same advertisement. By way of example, social media platforms such as Facebook allow advertisers to include additional qualifying information through a "learn more" or similar expansion feature, where the content remains embedded within the original post rather than redirecting the consumers to another webpage.

We also note that discouraging the use of click-throughs more broadly risks undermining the core purpose of advertising, which is to prompt consumer engagement and direct consumers to further information. In many cases, advertisements are intended to drive consumers to webpages containing general consumer information, rather than to a quote tool.

We recommend ASIC clarify whether:

- The use of click-throughs to separate webpages remains acceptable where the headline claim is not misleading in its own right and does not rely on the linked content to correct or qualify an otherwise misleading impression; and
- In-platform expanded content (such as "learn more" text within a social media post) is distinguished from external click-through links, and may be considered as part of the advertisement itself.

We support ASIC's emphasis on ensuring that headline claims are appropriately qualified. In particular, we acknowledge the requirement that advertising must be consistent with the obligation to ensure that information provided to consumers is clear, concise and effective.

In applying these principles, we consider that examples similar to the following would assist in clarifying expectations within the industry:

- Example: Clear, concise and effective qualification
An advertisement states: *"Get up to 80% back on eligible vet bills."*
The headline claim is accompanied by a clearly visible qualification such as *"Eligibility, terms and conditions, limits and exclusions apply. See PDS."* This approach is consistent with Sections 949A and 1018A, as the headline claim is accurate in its own right and the qualification informs consumers that there are conditions without obscuring the primary message of the advertisement.
- Example: Inadequate qualification
An advertisement states: *"We cover your pet's surgery costs."*
Where significant exclusions apply (e.g. exclusions for certain procedures or pre-existing conditions), relying solely on detailed exclusions in fine print or a linked document may not meet the "clear, concise and effective" standard under Sections 949A and 1018A, as the headline claim may create an impression of broader cover than is actually available.
- Example: Overqualification
An advertisement includes a headline claim followed by extensive, technical qualifications that dominate the advertisement. Whilst factually correct, this may undermine the "clear, concise and effective" standard under Sections 949A and 1018A by overwhelming consumers and obscuring the primary message.

We recommend that incorporating examples that explicitly reference the "clear, concise and effective" obligation would assist the industry in applying RG 234.34-RG 234.40 in a manner that supports both consumer understanding and appropriate advertising practices.

4. *Corporations Act - General Advice Warning and Issuer Statement Requirements (Sections 949A & 1018A)*

In relation to Section 949A of the *Corporations Act*, we seek clarification on how the requirement to provide a General Advice Warning is intended to operate in the context of short-form and digital advertising under the RG. In particular, we seek guidance on whether the use of abbreviated or micro General Advice Warnings remains acceptable in short-form media formats (e.g. social media posts, banners and tiles), where the advertisement is clearly general in nature and does not purport to take into account a consumer's objectives, financial situation or needs.

Clarification would assist the industry in understanding whether a concise General Advice Warning can satisfy the "clear, concise and effective" obligation in circumstances where space and format constraints apply, without requiring the full statutory warning to be reproduced in a way that may detract from consumer comprehension or the purpose of the advertisement.

Similarly, in respect of Section 1018A of the *Corporations Act*, we seek clarification on how issuer statement requirements are intended to be applied in the context of short-form and digital advertising under the RG. In particular, we seek guidance on whether the use of abbreviated or micro issuer statements in short-form media formats (e.g. social media posts, banners and tiles), where the identity of the issuer is clearly disclosed but full issuer details are not practical due to format constraints.

Clarification on this point would assist the industry in understanding whether a concise issuer statement can satisfy the “clear, concise and effective” obligation, without requiring full replication of disclosure-document level issuer information in advertising that is intended primarily to prompt further consumer engagement rather than to provide comprehensive product disclosure.

We suggest that ASIC clarify whether the restriction on character limits for certain media forms would mean that those media forms are no longer acceptable for use, or whether there may be scope for the creation of a form of disclosure that meets the requirements of RG 234, and are consistent with the “clear, concise and effective” obligation under Sections 949A and 1018A (e.g. micro disclaimers).

5. *Consistency With Disclosure Documents (RG 234.27–234.28)*

We strongly support the requirement for consistency between advertising and Product Disclosure Statements. In the pet insurance context, however, we note that:

- Veterinary treatment options may evolve during a policy term;
- Claims outcomes depend on clinical assessments rather than consumer election; and
- Advertising cannot reasonably anticipate all treatment pathways or exclusions.

We recommend ASIC clarify that consistency does not require advertising to pre-emptively address all potential claim outcomes, provided:

- Advertising does not contradict the policy terms; and
- No definitive representations are made about claim acceptance.

6. *Comparisons and Consumer Interpretation (RG 234.62–234.70)*

We support the guidance on avoiding misleading comparisons. This is particularly challenging in the context of pet insurance where there are:

- Variations in exclusions, benefit limits, and definitions across insurers; and
- Differences in veterinary pricing and treatment standards.

We suggest ASIC consider acknowledging that high-level comparative claims (e.g. “comprehensive cover”, “major medical cover”) would be acceptable in circumstances where:

- The terminology aligns with the insurer’s internal product naming conventions; and
- The policy clearly defines the scope of cover.

Additional guidance or examples specific to the pet insurance category would be beneficial.

7. Incorporation of RG 53 - Use of Past Performance

We support the incorporation of RG 53 into RG 234 to ensure that all advertising related guidance is consolidated. However, while this guidance is well-established and clearly relevant to investment and superannuation products, it is unclear how ASIC intends for these obligations to apply to general insurance products, including insurance advertisements.

Insurance products do not generate returns or performance outcomes in the same way as investment products, and insurers do not typically advertise past performance metrics as a basis for consumer decision-making. To the extent that insurers may reference historical information (for example, claims statistics or service outcomes), such information is qualitatively different from investment performance data and is not intended to imply future financial outcomes.

We recommend that ASIC clarify whether, and in what circumstances, the past performance guidance is relevant to insurance products. Clear guidance on this point would assist insurers in understanding the scope of their obligations and avoid uncertainty or over-application of requirements that were originally designed for investment products.

Conclusion

In summary, we support the intent of the updated RG 234 and believe it will contribute positively to advertising standards. To improve its practical application to the pet insurance category, we recommend ASIC:

- Include pet insurance-specific examples or clarifications;
- Recognise the clinical and claims-based nature of coverage determinations; and
- Provide guidance on proportional disclosure in the context of various forms of advertising, with respect to the "clear, concise and effective" obligation as it relates to headline claims and qualifications.
- Provide guidance on proportional disclosure in the context of short-form advertising, with respect to Section 949A and 1018A of the Corporations Act

We appreciate the opportunity to provide feedback and support ASIC's commitment to creating a modernised and comprehensive source of guidance on industry requirements for the advertisement of financial products and services.

If you have any questions or comments in relation to our submission, please contact [REDACTED]

Kind regards,

[REDACTED]
[REDACTED]