

Meeting ASIC's Informed Consent obligations from 10 July, 2025

A practical compliance tool for brokers, authorised representatives, and support staff providing personal advice to retail clients.

Step 1: Determine Applicability

I am providing **Personal Advice** to a **Retail Client** (not Wholesale)

I am receiving **Monetary Benefits** (i.e., commission) in connection with the issue or sale of:

A general insurance product

A life insurance product that maintains the **same benefit** ratio for each year it continues (i.e., level commissions), or

A life insurance product that meets requirements relating to commission caps and clawbacks, as outlined in sections **963B(1)(b)** and **963BA** of [ASIC Corporations \(Life Insurance Commissions\) Instrument 2017/510](#)

A consumer credit insurance product (as defined in the Insurance Contracts Act 1984).

Step 2: Disclose the Required Information to the Client

Prior to receiving consent from the client, I have disclosed:

The **name of the insurer**, if known

The **rate of commission**

Expressed as a percentage range of the policy cost for general insurance (i.e., 10-20% of the premium), or

Expressed as a percentage of the policy cost payable for life risk insurance and consumer credit insurance

The **frequency** of commission payments

The **period** over which commission payments will be given

The **nature of services** that you provide in relation to the product, if any

Step 3: Include the Mandatory Statements

In requesting consent from my client, I have clearly stated that:

It is a legal requirement that consent is to be obtained **prior to** the payment of an insurance commission

Client consent is **irrevocable** once provided

Step 4: Obtain and Record Consent

I have obtained:

Written consent, or

Verbal consent, and a written record of that consent has been provided to the client

The consent is **stored securely and accessibly** for a period of no less than 5 years

I can retrieve and provide the record of consent if requested by **ASIC or the client**

Step 5: Address Common Scenarios

I have provided **personal advice** to a **retail client**, considering their specific circumstances and making tailored recommendations based on their financial situation, objectives, and needs. If no, the obligations do not apply.

If name of insurer is not yet known when receiving client consent, I will inform the client as soon as **reasonably practicable** after obtaining name of insurer.

All consent language used is clear, concise, and effective.

The rate of monetary benefit is in a font **at least the same size** as that predominantly used for surrounding text (i.e., the same font size as the other information in the SOA).

I understand clients have not had a genuine opportunity to make an informed decision if the disclosure is not **clearly presented** as information disclosed to help them decide whether to be issued or sold the relevant insurance.

I understand that failure to obtain informed consent that satisfies the above requirements will render the commission as **conflicted remuneration**, which brokers are prohibited from accepting.