

**Modern Risk
Solutions.**

A Honan Company

Financial Services Guide

Modern Risk Solutions Pty Ltd

MELBOURNE

P.O. Box 4747

Melbourne VIC

The financial services referred to in this financial services guide (FSG) are offered by the Trustee for Modern Risk Solutions Pty Ltd (“We”, “Us”, “Our”) [ABN 72 610 844 822](#).

Tower 1, Collins Square, 727 Collins Street, Docklands VIC 3008

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t— 1800 131 688

e— enquiry@modernrisksolutions

[We are an authorised representative and wholly owned subsidiary of Honan Insurance Group Pty Ltd \(“HIG”\) ABN 67 005 372 396](#)

HIG is a subsidiary of Marsh Pty Ltd. Marsh Pty Ltd. is a world leader in delivering risk and insurance services and solutions to clients. Global risk management consulting, insurance broking and insurance program management services are provided for businesses, professional services organisations and private clients under the Marsh name. HIG’s ultimate parent is Marsh McLennan Companies, Inc. (MMC) which is a public company listed on the New York, Chicago and London stock exchanges.

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[HIG holds a current Australian Financial Services Licence \(AFSL\) No: 246749 and is responsible for the financial services that We provide to you. Our Authorised Representative No is 431431. HIG is also responsible for the content and distribution of this FSG. The distribution of this FSG by Us is authorised by HIG.](#)

This FSG sets out the services that HIG and We can offer you. It is designed to assist you in deciding whether to use any of those services and contains important information about:

- the services We offer you;
- how We and others are paid;
- any potential conflicts of interest We may have;
- HIG’s internal and external dispute resolution procedures and how you can access them; and
- arrangements We have in place to compensate clients for losses.

NOT INDEPENDENT

We are not independent, impartial or unbiased in relation to the provision of any personal advice to you as a retail client because:

- ☒ We may receive remuneration, commission, gifts and other benefits on insurance products that we arrange for you where we have also given you personal advice; and
- ☒ We may have associations and relationships with issuers of insurance products.

Further information about these benefits and relationships is set out in this FSG.

Further information when personal advice is given

When you ask Us to recommend an insurance policy for you, We will usually be providing general advice where We only consider the policies offered by the insurers or insurance providers that We deal with regularly. In giving you advice about the costs and terms of recommended policies We have not compared those policies to other policies available, other than from those insurers We deal with regularly.

If We provide you with tailored personal advice, which takes into account your objectives, financial situation and needs, We will provide you with further information. This information may include the advice that We have given you, the basis of the advice and other information on Our remuneration and any relevant associations or interests. This information may be contained in a Statement of Advice (SOA).

Product Disclosure Statement

If We offer to arrange an insurance policy for you, We will also provide you with, or pass on to you, a product disclosure statement (PDS), unless you already have an up to date PDS. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

From when does this FSG apply?

This FSG applies from **24 December 2023** and remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG. It will not replace this FSG but will cover services not covered by this FSG.

How can I instruct you?

You can contact Us to give Us instructions by post, phone, email on the contact number or details mentioned on page 2 of this FSG.

Cooling off period

A cooling off period may apply to an insurance policy issued to a retail client, however, only if the policy has a qualifying cooling off period and only during this period may the policy be returned. Details of cooling off rights will be included in the relevant PDS.

Who is responsible for the financial services provided?

HIG is responsible for the financial services that will be provided to you, including the distribution of this FSG. HIG holds a current Australian Financial Services Licence (Licence No: 246749). The contact details for HIG are on the front and back of this FSG.

What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to?

We are authorised to apply for, acquire, vary or dispose of certain general insurance products on behalf of, and to provide financial product advice in relation to those products, to retail and wholesale clients. We will do this under the HIG AFSL and on behalf of HIG unless We tell you otherwise.

From time to time, HIG may act under a binder or agency arrangement HIG has with an insurer which

allows HIG to arrange, bind and issue insurance policies on the insurer's behalf. This may include a binder or agency arrangement with an insurer for providing services relating to general insurance coverage. When HIG acts under a binder or agency arrangement HIG will be acting as the agent of the insurer. This means that HIG represents and act for the insurer. HIG will tell you when it operates under a binder or agency arrangement to arrange your insurance.

Conflicts of interest

In all areas of business, conflicts of interest sometimes arise. Where there are potential or actual conflicts of interest in our remuneration arrangements, or otherwise in our dealings with clients as a result of Our relationships with related or third parties, they are managed in accordance with Our Conflicts of Interest Policy.

Contractual liability and your insurance cover

Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them.

What if my circumstances change?

Where We provide you with advice about your insurance arrangements, that advice is current at the time that We give it. We will review your insurance arrangements annually or when you inform Us about changes in your circumstances.

You must notify Us of any changes to your situation that may affect the cover under your insurance policy or the services to be provided by Us. We may need to discuss with you the appropriateness of the insurance placed for your changed circumstances to ensure it remains suitable for your situation. The endorsing of your insurance policy may involve additional premium upon which We will notify you by sending you an invoice with the premium breakdown.

What information do you maintain in my file and can I examine my file?

HIG value the privacy of personal information and is committed to the protection of your privacy. HIG is bound by the Privacy Act 1988 when it collects, uses, discloses or handles personal information. HIG collects personal and/or business information in order to provide various services to you such as insurance broking and claims management. If you do not provide the requested personal information, HIG may not be able to evaluate, effect, manage or administer your policy and you may also be in breach of your duty of disclosure. We also collect, use, disclose and handle personal information in providing you with property management services, including the insurance related services We are authorised to provide under HIG's AFSL. We will disclose both personal and business information relating to you to HIG for the purpose of arranging your insurances. We and HIG may also provide information to the extent required by law or regulatory requirements.

We and HIG maintains a record of client information, including details of insurance policies arranged for clients. We and HIG may also maintain records of any recommendations or advice provided.

We and HIG will retain, for the period required by law, this FSG, HIG's FSG and any PDS that We give or pass on to you. A copy of HIG's privacy policy is available on request and at www.honan.com.au. A copy of our privacy policy is available on request and at <https://modernrisksolutions.com>. If you wish to look at your file, please ask Us. We will make arrangements for you to do so.

Insurance Brokers Code of Practice

HIG is a member of the National Insurance Brokers Association ("NIBA") and are bound by their Code of Practice ("the Code"). As a representative of HIG, We are also bound by the Code.

The Code sets out standards for brokers and their representatives to follow when dealing with clients, including requirements to inform clients of remuneration arrangements and any conflict of interest. The Code is available from the NIBA Website www.niba.com.au. We can also provide you an electronic or hard copy on your request.

You may report alleged breaches of the Code to the Insurance Brokers Code Compliance Committee, which is an independent committee that monitors compliance with the Code.

Please visit www.insurancebrokerscode.com.au for information.

How will I pay for the services provided?

For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. Payment for the services We provide you are payable directly to HIG.

HIG often receive a payment based upon:

- a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to HIG by the insurers.

OR

- a Fee.

OR

- a combination of commission and a Fee.

You can choose to pay by any of the payment methods set out on the invoice We and/or HIG provide. You are required to pay within the time set out on the invoice.

HIG bank your premium payment into its trust account. HIG retain the commission from the premium and remit the balance to the insurer in accordance with HIG's arrangements with the insurer. HIG will retain any interest or return on investment earned on the premium.

We will charge you a fee for the insurance services We provide and We also receive a percentage of the premium paid by you.

Refunds

If there is a refund or reduction of your premium owed to you as a result of a cancellation or alteration to a policy or based on a term of your policy (such as a premium adjustment provision), We and HIG will retain any fee We have charged you. We and HIG may also retain commission.

How are any commissions, fees or other benefits calculated for providing the financial services?

Our commission will be calculated based on the following formula: $X = Y\% \times P$

In this formula:

X = Our commission

Y% = the percentage commission paid to HIG/Us by the insurer. Our/HIG's commission varies between 0 and 30%.

P = the amount you pay for any insurance policy (less any government fees or charges included in that amount).

When HIG acts under a binder, the commission HIG receives from the insurer for policies issued under the binder is also calculated based on the formula above.

Any broker fees that HIG charge you will be based upon HIG's standard non-refundable broker fees. HIG may also charge you a separate administration fee to cover administration and processing costs in relation to HIG's broking services. When HIG acts under a binder HIG may also charge you an administration fee or underwriting fee. HIG's broker fees and any administration and/or underwriting fees payable will be detailed on your tax invoice.

We or HIG may pay commissions, fees or benefits to others who refer you to Us or refer Us to an insurer. If We do, We or HIG will pay commissions, referral payments or benefits to those people out of Our commission and/or fees.

Our or HIG's employees that will assist you with your insurance needs will be paid a market salary and may receive a bonus based upon the overall performance of the business.

If We give you personal advice, We will inform you of any fees, commission or other payments We, Our associates or anyone referring you to Us (or Us to any insurer) will receive in relation to the policies that are the subject of the advice at the time that We provide the advice to you.

If We only provide you general advice, you may ask us for further details of the commission and fees provided that your request is made within a reasonable time after you receive this FSG and before any financial service identified in this FSG is provided to you.

Does HIG have any relationships or associations with the insurers who issue the insurance policies or any other material relationships?

We and/or HIG may arrange premium funding through a selected premium funder for you.

If We and/or HIG arrange premium funding for you, HIG may be paid a commission by the premium funder and may also charge you a fee. The commission that We or HIG are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or charges). If you instruct us to arrange or issue a product, this is when we become entitled to the commission.

Our/HIG's commission rates for premium funding are in the range of 0 to 4% of funded premium. When We/HIG arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement compared to the other arrangements that were available to you.

From time to time We and/or HIG may receive some form of non-monetary benefits from Our insurer relationships. These may include administration support, access to platforms, education and training, event sponsorship, or marketing assistance. We and/or HIG will not accept any non-monetary benefits where doing so could reasonably be expected to influence the advice we provide.

What should I do if I have a complaint?

You can contact HIG and/or Us to tell HIG/Us about your complaint. You can contact Us or HIG using the contact details on page 2 of this FSG. Alternatively, you can put your complaint in writing and send it to complaints@honan.com.au or by post to Level 9, IBM Centre, 60 City Rd, Southbank Victoria 3006 or P.O. Box 4747, Melbourne, Victoria, 3001. Upon receipt We will refer your complaint to HIG who will acknowledge your complaint and work with you to reach a resolution.

HIG is a member of the Australian Financial Complaints Authority (AFCA). Your complaint will be handled in accordance with [HIG's Feedback and Complaints Policy](#). If your complaint cannot be resolved to your satisfaction by HIG, you have the right to refer the matter to AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers. The AFCA can be contacted at:

Mailing address – Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC 3001

Phone – 1800 931 678

Email – info@afca.org.au

Website – www.afca.org.au

What arrangements do you have in place to compensate clients for losses?

HIG has a professional indemnity insurance policy (PI policy) in place. The PI policy covers HIG and its Authorised Representatives, including Us, for claims made against them by clients as a result of the conduct of HIG, their employees or representatives in the provision of financial services.

Any questions?

If you have any further questions about the financial services We or HIG provide, please contact Us. Please retain this document for your reference and any future dealings with Us or HIG.

Contact Us

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 STAY CONNECTED WITH US.

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 HONAN INSURANCE GROUP