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# Suncorp Financial Protection Plan Supplementary Product Disclosure Statement

Prepared: 2nd July 2007. Effective date: 31st August 2007.



# Suncorp Financial Protection Plan

## Supplementary Product Disclosure Statement

**Issuers:** Suncorp Life & Superannuation Ltd ('SLSL')  
Suncorp Superannuation Pty Ltd ('SSPL' or 'Trustee')  
**RSE Licence No:** L0002141

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This document is the first Supplementary Product Disclosure Statement (SPDS), which supplements and is to be read together with the Suncorp Financial Protection Plan Product Disclosure Statement (PDS) prepared on the 1st September 2006. The changes include:

- New features and optional benefits for Trauma Insurance; and
- Changes to some product terms and conditions.

### New Optional Benefit – Trauma Reinstatement Option (available on Comprehensive Trauma Insurance – extra cost)

The table on page 28 of the PDS is amended by inserting the following row at the end of the Optional Benefits section:

Critical Conditions Covered	Essential Trauma Insurance	Comprehensive Trauma Insurance	Benefit Payable
<b>Optional Benefits</b>			
Trauma Reinstatement (extra cost)	X	✓	§

§ Up to the reinstatement Sum Insured.

The following information in relation to this new optional Benefit is inserted on page 31 of the PDS before the heading "General Exclusions".

### Trauma Reinstatement – Optional (extra cost) (Comprehensive Trauma Insurance only)

The Trauma Reinstatement Option is an additional cost option available under Comprehensive Trauma Insurance. This option allows you to re-purchase Comprehensive Trauma Insurance cover one year after the Trauma Insurance Benefit was paid under your policy.

The repurchased Comprehensive Trauma Insurance cover is:

- subject to the reinstated cover not exceeding the Comprehensive Trauma Insurance Benefit paid to you;
- subject to SLSL policy terms and conditions and premium rates we offer at the time of reinstatement;
- available without further underwriting;
- provided on the same acceptance terms that applied to the original Comprehensive Trauma Insurance policy; and
- available on the first year anniversary of the Comprehensive Trauma Insurance Benefit being paid and must be applied for within 30 days following this date.

This option cannot be exercised where:

- a TPD benefit, a benefit for Loss of Independent Existence, or a benefit for terminal illness has been previously paid in respect of the Insured Person; or
- we pay a Partial Trauma Benefit, unless we subsequently pay the full balance of the Trauma Insurance Benefit lump sum.

### Varied terms of the reinstated cover

The following benefits and options will not apply to the reinstated cover:

- Automatic Indexation
- Future Insurability
- Total and Permanent Disablement will not be included as a Critical Condition
- Waiver of Premium on Trauma
- Trauma Reinstatement Option

We will not pay a claim under the reinstated cover if, in our opinion, the Insured Person had any symptoms leading to the diagnosis or occurrence of the Critical Condition which first became apparent prior to the commencement of the reinstated cover.

We will also not pay a claim if, in our opinion, the Critical Condition claimed:

- a) is the same Critical Condition as the original Critical Condition; or
- b) has occurred as a direct or indirect result of the original Critical Condition; or
- c) is due to cancer, carcinoma in situ, leukaemia, melanoma or prostate cancer and the original Critical Condition was cancer; or
- d) is a Cardiovascular Related Illness and the original Critical Condition was also a Cardiovascular Related Illness; or
- e) is a Stroke (including Paralysis as a result of a cerebrovascular accident) and the original Critical Condition was a Cardiovascular Related Illness; or
- f) is Loss of Independent Existence.

**For the purposes of the above paragraph:**

- "original Critical Condition" means the Critical Condition which was the subject of the claim paid under the original Trauma policy; and
- Cardiovascular Related Illness means Heart Attack, Coronary Artery Bypass Grafting, Heart Valve Surgery, Aorta Surgery, Cardiomyopathy, Out of Hospital Cardiac Arrest, Primary Pulmonary Hypertension and Triple Vessel Angioplasty.

The Trauma Reinstatement Option will cease on the renewal date immediately prior to the Insured Person's 65th birthday.

**Advancement Benefit (C) page 63 is updated to reflect the new Trauma Reinstatement Optional Benefit.**

**The following paragraph is inserted after the ninth dot point:**

The Trauma Reinstatement Benefit is not available for any benefit paid under the Advancement Benefit. The Trauma Reinstatement Option is only available once the full Trauma Sum Insured has been paid.

**New Benefit – Death Benefit included under Stand Alone Comprehensive Trauma Insurance Only (no extra cost)**

**The table on page 28 of the PDS is amended by inserting the following row after "Advancement benefit (Partial Benefit)" in the "Other Events" section:**

Critical Conditions Covered	Essential Trauma Insurance	Comprehensive Trauma Insurance	Benefit Payable
<b>Other Events</b>			
Death Benefit	X	✓	\$10,000

**The following information is inserted on page 29 before the heading "Optional Benefits":**

**Death Benefit (Stand Alone Comprehensive Trauma Insurance only)**

If the Insured Person dies whilst cover is in force and a Comprehensive Trauma Insurance Benefit is not payable in respect of any of the other Critical Conditions listed on pages 27 and 28 of the PDS, SLSL will pay you or the Insured Person's Legal Personal Representative \$10,000.

**This benefit will not be paid:**

- if the Insured Person (sane or insane) commits suicide within 13 months of the Policy Commencement Date, or reinstatement of the insurance; or
- where the claim results from certain activities or certain types of conditions which were notified to you as exclusions on your Policy Document Notice.

**Changes to product terms and conditions**

**Sum Insured Premium Discounts – Yearly Renewable Term Life Insurance & Stand Alone Total and Permanent Disablement Life Insurance (pages 9 & 22)**

The table on page 9 of the PDS is amended in respect of the Sum Insured Premium Discounts for Yearly Renewable Term Life Insurance by replacing “\$2M+.....25% discount” with the following:

	Yearly Renewable Term Life Insurance	Super Term Life Insurance
Sum Insured Premium Discounts	\$2M + 30% discount	As per Yearly Renewable Term Life Insurance

The table on page 22 of the PDS is amended in respect of the Sum Insured Premium Discounts for Stand Alone Total & Permanent Disablement Life Insurance by replacing “\$2M+.....25% discount” with the following:

	Stand Alone Total & Permanent Disablement Life Insurance
Sum Insured Premium Discounts	\$2M + 30% discount

**Sum Insured Premium Discounts – Trauma Insurance (page 26)**

The table on page 26 of the PDS is amended in respect of the Sum Insured Premium Discounts for Essential and Comprehensive Trauma Insurance by replacing “> \$500,000.....5% discount” with the following:

	Essential Trauma Insurance	Comprehensive Trauma Insurance
Sum Insured Premium Discount	\$500,000 to \$1 million 5% > \$1 million 10%	As per Essential Trauma Insurance

**Amendment to Age Next Birthday at Entry for Death Cover Buy Back on TPD – Super Term Life Insurance (page 10) – wording correction**

The table on page 10 is amended in respect of the age next birthday at entry for Death Cover Buy Back on TPD, which appears under Super Term Life Insurance, by replacing “18 to 64” with the following:

Policy/Benefit	Age Next Birthday at Entry	Expiry at Renewal Date Before Age
Death Cover buy back on TPD	18 to 60	65*

**Amendment to Future Insurability Option (page 14)**

**The fourth bullet point on page 14 of the PDS under the heading “Conditions of increase without evidence of health” is deleted and replaced with the following:**

“The application to increase the Sum Insured must be made within 30 days of the Personal Circumstance or Business Event occurring or alternatively within 30 days from the Renewal Date following the occurrence of the Personal Circumstance or Business Event.”

### **Increase to Maximum Sum Insured for Total and Permanent Disablement Insurance (pages 14, 15, 22 and 52)**

The eighth dot point on page 14 of the PDS under the heading "Conditions of increase without evidence of health" is amended by replacing "\$2.5 million for Total and Permanent Disablement Insurance" with "\$3 million for Total and Permanent Disablement Insurance".

Page 15 of the PDS under the heading "b) Unable to Work" is amended by replacing "\$2.5 million" with "\$3 million".

The maximum Sum Insured for Stand Alone Total and Permanent Disablement Life Insurance set out in the table on page 22 of the PDS is amended by replacing "\$2.5 million" with "\$3 million."

The third dot point under the heading "The conditions of automatic indexation are as follows:" on page 52 of the PDS is amended by replacing "\$2.5 million for Total and Permanent Disablement" with "\$3 million for Total and Permanent Disablement".

### **Waiver of Premium (on Trauma) Option (page 17)**

The three dot points under the bolded statement "**The Waiver of Premium (on Trauma) Benefit will not apply to:**" on page 17 of the PDS are deleted and replaced with the following:

- Term Life Insurance death cover purchased under the Buy Back Benefit;
- Increases to your Sum Insured under the Future Insurability Option;
- Term Life Insurance policies where premiums are already waived under the Death Cover Retention Option; and
- Trauma Comprehensive Insurance purchased under the Trauma Reinstatement Option."

### **Children's Benefit Plus (pages 17 and 29)**

The listed Critical Condition "Chronic Kidney Disease" under Children's Benefit Plus on pages 17 and 29 of the PDS is deleted and replaced with "Chronic Kidney Failure". The definition for Chronic Kidney Failure, which has not changed, can be found on page 61 of the PDS.

### **Stand Alone Total and Permanent Disablement Insurance (page 23) – wording correction**

Page 23 of the PDS under the heading "Total and Permanent Disablement" is amended by inserting the following after paragraph d), titled **Significant Cognitive Impairment:**

*"At the Renewal Date immediately prior to the Insured Person's 65th birthday the definition for TPD will change. From that date, only suffering the loss of limbs or sight, the inability to perform two or more Activities of Daily Living or suffering significant cognitive impairment will apply. The maximum level of cover payable is \$1 million, therefore any Sum Insured over this amount will be reduced to \$1 million at this time."*

The table on page 22 is amended in respect of the maximum Sum Insured for Stand Alone Total & Permanent Disablement Life Insurance by replacing "(reducing to \$1million after age 65)" with "(reducing to \$1 million from the Renewal Date immediately prior to the Insured Person's 65th Birthday)"

### **Changes to the definitions of "Cancer" and "Triple Vessel Angioplasty" (pages 60 and 61)**

The definition of "Cancer (C and E)" on page 61 of the PDS is deleted and replaced with the following:

#### **"Cancer (C and E)**

This means a malignant tumour (subject to any exclusions set out below) characterised by the uncontrolled growth and spread of malignant cells that requires treatment by surgery, radiotherapy, chemotherapy, biological response modifiers, or any other major interventionist treatment and includes cancers that are completely untreatable.

Numerous cancers are covered, including:

- Bowel cancer;
- Prostate cancer;
- Lung cancer;
- Leukaemia;
- Hodgkin's Disease;
- Malignant lymphoma;
- Malignant bone marrow disorders; and
- Carcinoma in situ of the breast that directly results in the removal of the entire breast. The procedure to remove the breast must be performed specifically to arrest the spread of malignancy, and be considered the appropriate and necessary treatment.

The following are excluded:

- Tumours showing the malignant changes of carcinoma in situ (including cervical dysplasia CIN I, CIN II and CIN III) or which are histologically described as pre-malignant;
- Chronic lymphocytic leukaemia Rai Stage 0;
- All skin cancers unless there has been a spread to other organs;
- Malignant melanomas which have a depth invasion of less than Clark Level 3 and less than 1.5mm thickness under the Breslow histological method; and
- Prostatic cancers that are histologically described as TNM Classification T1 or are of other equivalent or lesser classification (unless it directly results in the removal of the entire prostate. The procedure to remove the prostate must be performed specifically to arrest the spread of malignancy, and be considered the appropriate and necessary treatment)."

### **The definition of "Triple Vessel Angioplasty" (C) on page 60 of the PDS is deleted and replaced with the following:**

#### **"Triple Vessel Angioplasty" (C)**

This means the actual undergoing of Coronary Artery Angioplasty to correct a narrowing or blockage of three or more coronary arteries within the same procedure. Angiographic evidence, indicating an obstruction of three or more arteries is required to confirm the need for this procedure."

### **Change to definition of "Intensive care" (page 63) (C)**

The heading of the definition "Intensive Care (C and E)" is amended by replacing "C and E" with "C" only.

**New Critical Conditions – Carcinoma in Situ and Severe Rheumatoid Arthritis**

The table of Critical conditions on page 28 of the PDS is amended by:

(a) inserting the following row before "Loss of Independent Existence".

Critical Conditions Covered	Essential Trauma Insurance	Comprehensive Trauma Insurance	Benefit Payable
<b>Other Events</b>			
Severe Rheumatoid Arthritis	X	✓	100%

(b) inserting the following row before "Major Organ Transplant"

Critical Conditions Covered	Essential Trauma Insurance	Comprehensive Trauma Insurance	Benefit Payable
<b>Body Organ Disorders</b>			
Carcinoma In Situ	✓	✓	20% (max 100, 000) <sup>#</sup>

The following definition of "Carcinoma in Situ" is inserted on page 61 of the PDS after the definition of "Benign Brain Tumour" and before the definition of "Major Organ Transplant":

**"Carcinoma in Situ (C and E)**

20% of the Trauma Benefit, up to a maximum of \$100,000, is payable for Carcinoma in Situ. This means the Insured Person has a carcinoma in situ, characterised by a focal autonomous new growth of carcinomatous cells, which has not yet resulted in the invasion of normal tissues. "Invasion" means an infiltration and/or active destruction of normal tissue beyond the basement membrane.

Carcinoma in situ of the following sites is covered:

- Cervix – uteri: This tumour must be classified as Tis according to the TNM staging method or FIGO stage 0. (Excluded are Cervical Intraepithelial Neoplasia (CIN) classifications including CIN I, CIN II, and CIN III)
- Fallopian Tube: The tumour must be limited to the tubal mucosa and classified as Tis according to the TNM staging method or FIGO Stage 0.
- Vagina: The tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.
- Vulva: The tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.
- Breast: The tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.

Note: FIGO refers to the staging method of The Federation Internationale de Gynecologie et d'Obstetrique."

The following definition of "Severe Rheumatoid Arthritis" is inserted on page 63 of the PDS after the Advancement Benefit (C) section:

**"Severe Rheumatoid Arthritis Benefit (C)**

The unequivocal diagnosis of Severe Rheumatoid Arthritis by a Rheumatologist. The diagnosis must be supported by, and evidence all the following criteria:

- at least a 6 week history of Severe Rheumatoid Arthritis which involves 3 or more of the following joint areas:
  1. proximal interphalangeal joints in the hands;
  2. metacarpophalangeal joints in the hands;
  3. metatarsophalangeal joints in the foot;
  4. any joint of the ankle, wrist, elbow or knee.
- simultaneous bilateral and symmetrical joint soft tissue swelling or fluid (not bony overgrowth alone).
- typical rheumatoid joint deformity.

and at least 2 of the following criteria:

- morning stiffness;
- rheumatoid nodules;
- erosions seen on x-ray imaging;
- the presence of either a positive rheumatoid factor or the serological markers consistent with the diagnosis of Severe Rheumatoid Arthritis.

Degenerative osteoarthritis and all other arthritides are excluded."

## Income Protection

### Benefits – no extra cost (page 36) and Benefit Entitlements – Income Protection Insurance (page 44)

Page 36 of the PDS under the heading “Benefits – no extra cost” is amended by deleting the following paragraph from under point v) and inserting it as the final paragraph under that heading (but just above the footnote).

*“Where the Insured Person’s occupation, as shown on your Policy Document Notice is rated as “SP – Nominated Professional” or “SM – Nominated Professional (Medical)”, SLSL shall have the right to only reduce benefits in line with paragraph iii) above, but no other reduction to your Benefits will apply.”*

Page 44 of the PDS under the heading “Benefit Entitlements Income Protection Insurance” is amended by deleting the following paragraph from the second paragraph under point iv) and inserting it as the final paragraph in that section:

*“Where the occupation as shown on your Policy Document Notice is rated as “SP – Nominated Professional” or “SM – Nominated Professional (Medical)”, SLSL shall have the right to only reduce Benefits in line with paragraph (iii) on this page, but no other reduction to your Benefits will apply.”*

### AIDS Cover (C and S) page 38

The first two paragraphs under the heading “Scenario B) on page 38 of the PDS are deleted and replaced with the following:

*“Should you choose to cease performing “exposure prone” procedures then your income may be reduced.*

*You may elect to continue performing other duties that are not considered to be “exposure prone” procedures (eg: consulting work or lecturing). In such cases, if a high percentage of your income was generated from performing “exposure prone” procedures, then it is likely your income will be reduced.”*

### Extended Waiver of Premium (c) page 38

The last sentence in this paragraph is deleted and replaced with the following:

The waiver does not apply to Premiums paid during the Waiting Period, nor Premiums paid for life cover effected under the Buy Back Benefit and Trauma Reinstatement option.

### Taxation of Benefit Payments Tax Deductibility of Premiums Superannuation Term Life Insurance (page 56)

The information on page 56 under the heading “Superannuation Term Life Insurance” is deleted and replaced with the following:

*“The Premium on Super Term Life Insurance is a contribution to a superannuation fund. Generally, a contribution by an individual other than an employer to a superannuation fund is not tax deductible, unless the individual is substantially self employed which means the individual earns no more than 10% of their assessable income from an employer. A contribution by an employer is generally tax deductible to the employer.*

*Tax deductible contributions are subject to contributions tax of 15%. By law, superannuation funds are required to ask all members for their Tax File Number (“TFN”). This also applies to Super Term Life Insurance. It is not compulsory for you to provide a TFN, however the consequences of not doing so can be:*

- *SSPL not being able to accept your contributions and therefore your application for Super Term Life Insurance or*
- *an additional loading on your premium of 59% being payable in addition to the Super Term Life insurance premium to cover the tax on no – TFN contributions income or*
- *additional tax being withheld from benefit payments (which may not have been payable if the TFN had been provided).*

*Death Benefits are not subject to tax when paid to your spouse (including ex-spouse), financial dependant/s or to your children under the age of 18 years.*

*For details of what tax may apply to you, please contact your taxation adviser.*

### Providing your Tax File Number (page 56)

Page 56 of the PDS under the bolded words **“It is not an offence for you to withhold your TFN, however the consequences of doing so include:”** is amended by inserting the following dot points after the existing dot points:

- *We may not be able to accept your contribution and therefore your application for Super Term Life Insurance; or*
- *if the premium is being paid by a concessional contribution it will be deemed to be a no-TFN contribution and will be subject to tax on the “no-TFN contributions income” and a premium loading of 59% will be payable in addition to the premium for the Super Term Life Insurance. For the purpose of determining the concessional contributions cap this additional premium will also be a contribution to a superannuation fund.*



If you would like to make an appointment with a Suncorp Financial Planner, call **13 11 55** and say **"Financial Planner"** at the prompt.

Your Financial Planner or Authorised Representative