

Product Update



Issued 1 July 2014

1. Changes to APRA levy

This information provides updates to the Suncorp Superannuation products.

APRA levy

APRA (the Australian Prudential Regulation Authority) imposes a levy on the Trustee, a proportion of which will be now recouped from your underlying investments on a monthly basis (excludes investments in Suncorp WealthSmart Term Deposits and frozen funds). For the year ending 30 June 2015 this levy should be no more than 0.02% and may change each year based on the levy set by APRA. As the APRA levy is an expense of the fund any variation to the APRA levy will be passed on to you without notice.

2. Superannuation Industry Supervision (SIS) Act changes

From 1 July 2014, a legislative change will come into effect that will change the way life insurance can be offered through super. This Product Update explains how the Superannuation Industry Supervision (SIS) Act and Regulations will affect group insurance in your product.

How will the changes affect you?

If you want to add a benefit to your existing insurance cover from 1 July 2014 (eg you already have Death and Total and Permanent Disablement (TPD) cover but want to add Income Protection (IP) cover, then the new insurance benefit cover definition (eg in this case the IP definition) will have to be consistent with the relevant SIS conditions of release.

Other policy alterations – specifically where they result in a cancel and reissue, such as cancellation for non-payment of insurance fees and subsequent reissue of a new policy subject to underwriting – will result in new insurance definitions being applied.

The modified definitions of Terminal Illness, TPD and Income Protection cover referred to below apply to members taking out cover on or after 1 July 2014 or where they cancel the cover under an existing policy and then, on or after that date, re-apply for the cover (eg subject to underwriting). In addition, the definition of the cover you apply for will be subject to the new SIS law definition requirements. Please refer to the disclosure for your product for more information on the insurance cover(s) available.

Changes to the definition of Terminal Illness

The definition of Terminal Illness will mean two medical practitioners certify that your life expectancy is due to illness or injury likely to result in your death within 12 months of the date of certification, and:

- At least one of the medical practitioners is a specialist in an area related to the illness or injury, and
- The period of certification for each of the certificates has not ended.

Changes to the definition of TPD

The definition of TPD insurance cover that applies to your superannuation product on or after 1 July 2014 will, in addition to the existing definition (whichever applies), also require that we must be reasonably satisfied that, after consideration of medical and any other evidence, the member's ill

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health (whether physical or mental) makes it unlikely that they will engage in gainful employment for which they are reasonably qualified by education, training or experience.

Changes to the definition of Totally Disabled or Total Disability* on Income Protection

The definition of Totally Disabled or Total Disability with respect to Income Protection insurance cover that applies to your superannuation product on or after 1 July 2014 will, in addition to the existing definition (whichever applies), also require you to satisfy either the Temporary Incapacity or Permanent Incapacity condition of release under the superannuation law.

What are the conditions of release?

Permanent Incapacity means, in relation to you, we must have determined that, after consideration of medical and any other evidence, we are reasonably satisfied that the your ill health (whether physical or mental) makes it unlikely that you will engage in gainful employment for which you are reasonably qualified by education, training or experience.

Temporary Incapacity means you have ceased to be gainfully employed (including someone who has ceased temporarily to receive any gain or reward under a continuing arrangement to be gainfully employed), means ill-health (whether physical or mental) that caused you to cease to be gainfully employed but does not constitute permanent incapacity.

Please refer to your product disclosure for more information about the cover available in your product.

*This will also apply if you become Partial Disabled under the income protection benefit.

Need more information?

If there's anything else you need to know, please visit our website suncorp.com.au/super or call our Customer Service team on 13 11 55, between 8am and 6pm (Eastern Standard Time) Monday to Friday. We'll be happy to help.

Important disclosure

This information is general advice and doesn't take into account a person's objectives, financial situation or needs. A person should consider the appropriateness of the advice and the Product Disclosure Statement (PDS), Product Guide and the Financial Services Guide (FSG) before making a decision to acquire a financial product or service. This product is part of Suncorp Master Trust (Fund) (ABN 98 350 952 022, RSE Fund Registration No. R1056655). Suncorp Portfolio Services Limited (Trustee) (ABN 61 063 427 958, AFSL 237905, RSE Licence No L0002059) and Suncorp Life & Superannuation Limited (SLSL) (ABN 87 073 979 530, AFSL 229880) and Suncorp-Metway Limited (ABN 66 010 831 722, AFSL 229882) (Suncorp Bank) are related bodies corporate of Suncorp Group Limited (Suncorp) (ABN 66 145 290 124). This product is not a bank deposit or other liability of Suncorp. Various products and services are provided by different entities of the Suncorp Group. The different entities of the Suncorp Group are not responsible for, or liable in respect of, products or services provided by other entities of the Suncorp Group. The obligation of the Trustee and the Insurer aren't guaranteed by any other company within the Suncorp Group. The Suncorp Group and its subsidiaries don't guarantee the repayment of capital invested in or the investment performance of this product. This product is not a bank deposit or other liability and is subject to investment risk including possible delays in repayment and loss of the interest and principal invested.

This Product Update is issued by the Trustee and updates the following products below. Part 2 of this Product Update only relates to the products indicated by # in the product list below (effective 1 July 2014 for existing members as at 30 June 2014):

This Product Update is issued by the Trustee and updates the following products:

- Suncorp WealthSmart® Term Allocated Pension
- Suncorp Employee Superannuation Plan#
- Suncorp WealthSmart® Personal Super# and Pension
- Suncorp WealthSmart® Business Super#
- Suncorp Everyday Super™#