



SUNCORP

Suncorp Consumer Credit Insurance for Personal Loans

Product Disclosure Statement

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Important Information

This document is the Product Disclosure Statement ("PDS") for Suncorp Consumer Credit Insurance for Personal Loans and contains information on this product.

This information can help you:

- decide if this product meets your needs; and
- compare this product with other similar products.

You should read this PDS carefully before making any decision to acquire this product.

It is important that you read this PDS carefully to understand the extent of insurance cover provided by this product and any limitations on that cover.

In giving this PDS we have not considered your particular objectives, financial situation or needs and there is a risk that a product may not suit your particular objectives, financial situation or needs (unless Suncorp, its officers, employees or Authorised Representatives have previously advised otherwise).

Any advice in this PDS is general advice only and does not take into account your particular objectives, financial situation or needs. For that reason, before acting on that advice you should consider the appropriateness of the advice having regard to your own objectives, financial situation and needs.

Benefits payable and obligations incurred under life insurance products are provided and incurred solely by Suncorp Life and Superannuation Limited.

Entities in the Suncorp Group are not responsible or liable in respect of products or services issued or provided by other entities in the Suncorp Group and do not guarantee the obligations or liabilities of those entities.

The insurance type described in this document is not a savings plan. The primary purpose is to provide a benefit in the event of specified events occurring.

An acquisition of this product on the basis of the PDS is only available to a person receiving the PDS in Australia and who is an Australian resident at that time.

An application for Suncorp Consumer Credit Insurance for Personal Loans can only be made by completing the Suncorp Consumer Credit Insurance for Personal Loans Application Form and submitting it to us.

A cooling-off period exists for this product. Please see page 11 for details.

About the Suncorp Group

Suncorp Life and Superannuation Ltd is part of the Suncorp Group. As at June 2003, the Suncorp Group comprises Australia's 6th largest bank and 3rd largest general insurance group with assets of \$38.4 billion. Suncorp-Metway Ltd, the parent company in the Suncorp Group, ranks in the top 30 Australian companies in terms of market capitalisation.

The Suncorp Group provides financial solutions for individuals and businesses. Its diverse range of products and services include banking, insurance, investment, superannuation and financial planning and are provided through various companies in the Suncorp Group.

Customers can access services through an extensive network of retail branches and centres, as well as via the Internet and telephone.

The Suncorp Group was formed in 1996 with the merger of three groups: Suncorp, Metway Bank and QIDC Groups. Since then the Suncorp Group has acquired AMP's GIO general insurance business in Australia, putting the Suncorp Group at the forefront of financial services. The Suncorp Group's heritage dates back to 1902, a long and proud history of helping Australians achieve financial independence and security.

The Benefits of Wealth Creation and Protection

'Wealth creation' involves saving and investing your money in order to achieve specific financial and lifestyle goals.

Your goals might include growing your capital and generating regular income. It may also include protecting what you already have.

There are many strategies and financial products you can use to create wealth, including superannuation and managed investments. You can also invest directly in shares, property, fixed interest and cash.

Likewise, there are many life insurance products such as term life, trauma and income protection insurance to help protect your wealth against unforeseen events.

The right approach to wealth creation and protection varies from person to person but the fundamentals remain the same – setting goals and putting together a plan to ensure they are met.

A properly accredited advisor can help you design a plan that is right for you, taking into account your personal situation, your goals, needs and wants.

Suncorp Wealth Management

The Suncorp Wealth Management division offers products such as life insurance, superannuation and managed investments. This division also includes the funds management activities of Suncorp Metway Investment Management Ltd (SIM) ABN 31 068 147 651.

Products and services provided for Suncorp Wealth Management's retail consumers and small businesses include superannuation (personal, allocated pension and employer sponsored), managed investments (unit trusts), life insurance (term life, trauma and disability income) and financial planning and advice.

About the Suncorp Group (continued)

What is the Purpose of Suncorp Consumer Credit Insurance for Personal Loans?

Suncorp Consumer Credit Insurance for Personal Loans is available exclusively to Suncorp personal loan customers. It's designed to pay out your Loan Contract (up to a maximum of \$60,000) in the event of your death ("Death Cover") or to take over your Loan Contract repayments should you suffer an injury or illness that causes you to be unable to work for more than two weeks ("Temporary Disability Cover"). Where you are suffering a Temporary Disability that causes you to be unable to work for more than two weeks, benefits will be paid until the earliest of:

- your recovery; or
- the Loan Contract is paid out.

It's important to note that the approval of your Loan Contract is not dependent on you taking out Consumer Credit Insurance and you have the option of seeking Consumer Credit Insurance through any insurer of your choice. Please note you are not required to take out Consumer Credit Insurance. Please contact your financier for further information in this regard.

Suncorp Consumer Credit Insurance for Personal Loans will not cover you for your Loan Contract repayments should you be unemployed for any reason other than as a direct result of injury or illness.

What are the Risks?

There is a risk that this type of product may not suit your particular objectives, financial situation or needs.

Some of the other risks are:

- the product may not fully cover your Loan Contract amount on death; or
- the product does not cover you if your inability to work is caused by an illness or injury sustained and which you were aware of, before the Cover Commencement Date.

Suncorp Consumer Credit Insurance for Personal Loans Overview

The details provided in this overview are not the full details concerning this product. This overview should be read in conjunction with all other information contained in this PDS.

Feature	Suncorp Consumer Credit Insurance for Personal Loans
Product Description	This product is designed to pay out your Loan Contract if you die. Alternatively, if you are unable to work due to Illness or Injury and have selected Temporary Disability Cover, then this product will pay your Loan Contract repayments.
Benefit Options	<p>You may choose between:</p> <ol style="list-style-type: none"> 1. Death only cover; or 2. Death and Temporary Disability cover. <p>Note: Only one borrower per Loan Contract can elect to have Death and Temporary Disability cover.</p>
Benefit Payable	<ol style="list-style-type: none"> 1. In event of Death – benefit payable is the balance outstanding of the Insured Loan as at the date of death (excluding any payments in arrears at that date) or \$60,000, whichever is the lesser amount; 2. In event of Temporary Disablement – A benefit is payable after the expiration of the deferment period. The amount payable is the minimum monthly repayment for each full month you are Temporarily Disabled, or 1/30th of the minimum monthly repayment for each day you are entitled to benefits for less than a full month.
Eligibility	<p>To be eligible for Suncorp Consumer Credit Insurance for Personal Loans you must:</p> <ul style="list-style-type: none"> • Be a Suncorp Personal Loan customer; • Be generally of good health, ie not suffering any serious health problems; • not turn 65 years of age or older before the end of the term of the Loan Contract; and • be gainfully employed and working a minimum of thirty (30) hours per week (only required when Temporary Disability cover is requested).
Maximum Sum Insured	<ol style="list-style-type: none"> 1. In event of Death – a maximum sum insured of \$60,000 applies. 2. In event of Temporary Disablement – the maximum amount payable in each month of disability is the Minimum Monthly Repayment.

Suncorp Consumer Credit Insurance for Personal Loans Overview (continued)

Suncorp Consumer Credit Insurance for Personal Loans				
Feature	Loan Term		Death Cover only	Death & Temporary Disability cover
Premium Rates (Per \$1000 of the amount borrowed)	Years	Months		
	1	12	\$1.68	\$15.68
	1.5	18	\$2.49	\$20.99
	2	24	\$3.33	\$26.33
	2.5	30	\$4.18	\$32.68
	3	36	\$5.08	\$39.08
	3.5	42	\$6.00	\$44.00
	4	48	\$6.90	\$48.90
	4.5	54	\$7.85	\$53.85
	5	60	\$8.80	\$58.80
	5.5	66	\$9.85	\$64.85
	6	72	\$10.85	\$70.85
	6.5	78	\$11.90	\$76.90
7	84	\$12.95	\$82.95	

How Much Does Suncorp Consumer Credit Insurance for Personal Loans Cost?

Premiums

The cost of your insurance cover provided by this product will vary depending on the type of cover selected, the amount financed and the term of your Loan Contract. This cost is called your Premium. Your Premium pays for your insurance cover and the cost of setting up and administering your insurance.

The Premium for Suncorp Consumer Credit Insurance for Personal Loans is a once only payment that covers the full term of your Loan Contract and is added to the amount advanced to you. This will then be reflected in a higher loan repayment. All premiums are paid into the Suncorp Life No. 1 Statutory Fund.

Should you pay out your Loan Contract early you will receive a rebate of part of your premium.

Calculating your Premium

You can calculate your Premium by following three steps:

1. Find out the premium rate for the type of cover you require and the term of your Loan Contract (Refer to the premium rates on page 8)
2. Divide the amount you are borrowing by 1000
3. Multiply the answers to step 1 and 2 to determine the Premium payable for the term of Loan Contract.

Example

George takes out a Loan Contract for \$15,000 for a term of five years and decides to protect his Loan Contract with Consumer Credit Insurance. He has chosen both Death and Temporary Disability insurance.

To work out the cost of George's insurance:

1. Select the premium rate for Death and Temporary Disability Cover for a Loan Term of 5 years (60 months) = \$58.80
2. The amount of the Loan is \$15,000. Divide \$15,000 by 1000 = 15
3. Multiply the answers to step 1 and 2. $\$58.80 \times 15 = \882.00

The cost of George's insurance for the term of his Loan Contract is \$882.00

Where a Loan Contract is taken in joint names and both choose to effect cover, complete steps 1 to 3 as listed above for both Borrowers.

By adding the answer obtained in step 3 for each Borrower you will be able to determine the total cost of cover. Remember, only one Borrower may elect to effect Temporary Disability cover on a joint Loan Contract.

What are the Charges?

All the charges for this product are fully described in this section.

Commission is paid to Suncorp Retail Banking which is a division of Suncorp-Metway Ltd for introducing the business. The rate of commission payable is twenty percent (20%) of the Premium.

Commission payable is not an additional cost to you as it is paid from out of the Premium you pay for the insurance.

Example

In the case of George's cover the commission is calculated as follows:

Cost of George's insurance	=	\$882.00
Commission rate	=	20%
Commission	=	Cost of insurance x Commission rate
	=	\$882.00 x 20%
Commission	=	\$176.40

Information on Your Insurance

Once Suncorp has received your application and is prepared to offer you cover, you will be issued a Confirmation Advice detailing the specifics of your insurance. The Confirmation Advice which, together with this PDS and your application, form the terms and conditions of your insurance with Suncorp.

Please ensure you read the application, Confirmation Advice and the information contained in this PDS carefully.

You should keep your Confirmation Advice and this PDS in a safe place.

You will need to refer to these documents in the event you make a claim.

Your Duty of Disclosure

Our decision to insure you is based on the information provided in the Application Form that includes the declaration signed by you.

You are required to be truthful when providing any information.

Before you enter into a contract of insurance with Suncorp, you have a duty under the Insurance Contracts Act 1984, to disclose to Suncorp every matter that you know or could reasonably be expected to know, is relevant to the decision of Suncorp whether to accept your application for insurance and, if so, on what terms.

You have the same duty to disclose those matters to Suncorp before you extend, vary or reinstate a contract of life insurance.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by Suncorp;
- that is of common knowledge;
- that Suncorp knows or, in the ordinary course of its business as an insurer ought to know; or
- as to which compliance with your duty of disclosure is waived by Suncorp.

If you fail to comply with your duty of disclosure and Suncorp would not have been prepared to enter into the insurance contract on any terms if the duty of disclosure had been complied with, the insurer may, within 3 years after the contract was entered into, avoid the contract.

Suncorp, if entitled to avoid your insurance contract in these circumstances, may within 3 years of entering into it, elect not to avoid it but to reduce the sum that the Insured Borrower has been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to Suncorp.

If your non-disclosure is fraudulent, Suncorp may avoid the contract at any time without prior notice to you.

Cooling Off Period

Suncorp wants you to be satisfied that you have made the right decision. After you sign-up for cover and Suncorp sends you the confirmation advice, you have 21 days to check that the insurance meets your needs – this is known as the cooling-off period. Within this time you may cancel your insurance without paying any charges.

To cancel your insurance we require you to send to us written confirmation of your request for cancellation.

If your insurance is cancelled within this cooling off period, we will rebate all Premiums to your Loan account.

Complaints and Dispute Resolution

If you have a complaint or dispute about this product or our services, you can contact our Customer Relations Unit by:

- phone on: 1800 689 762 (freecall*)
- fax on: 1300 767 337
- email at: customer.relations@suncorp.com.au
- writing to us at: Reply Paid 1453
Suncorp Customer Relations Unit (RE058)
GPO Box 1453
Brisbane QLD 4001

*A higher charge may apply for public telephones and mobile phones.

We will try to settle your complaint within 1 working day. If we can't do this, we will tell you within 3 working days that we have received your complaint and will try to settle it within 21 days. For more information on our complaints handling process, please contact our Customer Relations Unit on the details above.

If you are dissatisfied with our decision or the way we handled your complaint, you can also contact the Financial Ombudsman Service Limited (FOS) (ABN 67 131 124 448). FOS is an external dispute resolution scheme that provides free services to customers and is a totally independent and impartial body who will deal with your complaint directly or follow up on the matter on your behalf in accordance with its applicable terms of reference (these may differ depending on the nature of the complaint).

You can contact FOS by:

- phoning: 1300 780 808 (for the cost of a local call*) or 03 9613 7366
- writing to: Financial Ombudsman Service Limited
GPO Box 3
MELBOURNE VIC 3001
- faxing: 03 9613 6399
- visiting: www.fos.org.au
- emailing: info@fos.org.au

*A higher charge may apply for public telephones and mobile phones.

Suncorp Consumer Credit Insurance for Personal Loans – Details of Cover

Cover under Suncorp Consumer Credit Insurance is provided by a master policy issued to Suncorp-Metway Ltd by Suncorp Life and Superannuation Limited.

Suncorp Consumer Credit Insurance for Personal Loans provides two levels of cover:

- Death only; or
- Death and Temporary Disability.

Where a Loan Contract is taken in joint names for death cover, each person can be insured. However, only one person can elect to have Death and Temporary Disability cover. The Temporary Disability cover should therefore be included on the person whose income is used to repay the greatest proportion of the Loan Contract payment.

Eligibility

The following table illustrates the eligibility requirements for the two levels of cover under Suncorp Consumer Credit Insurance for Personal Loans.

Requirement at the time of Application	Death Cover only	Death & Temporary Disability Cover
The applicant must be of generally good health, ie not suffering any serious health problems.	✓	✓
The applicant must not turn 65 years of age before the end of the Loan Contract term.	✓	✓
The applicant must be gainfully employed and working a minimum of thirty (30) hours per week.	✗	✓

"✓" means the requirement must be satisfied for the chosen cover

"✗" means that this requirement is not applicable for the chosen cover

Death Cover

In the event of your death, Suncorp shall pay the lesser of:

- the outstanding balance of the Insured Loan (excluding any amounts in arrears at that date); or
- \$60,000.

All death benefit payments will be made directly to the Financier.

Suncorp Consumer Credit Insurance for Personal Loans – Details of Cover (continued)

Temporary Disability Cover

If you become Temporarily Disabled, a benefit is payable after the expiration of the Deferment Period. No benefits are paid during or in respect of this period.

The amount of the benefit shall be the minimum monthly repayment due at the time of claim, for each full month of Temporary Disability or 1/30th of such repayments for each day you are entitled to benefits for less than one month. All benefit payments will be made directly to the Financier.

Where you are Temporarily Disabled and you receive, or become entitled to receive, any income from any source, if this income when added to the Temporary Disability benefit is greater than your monthly income immediately before your Temporary Disablement, no benefit shall be payable for that month.

Example

Andrew's monthly income prior to becoming disabled is \$2,000.00.

Whilst disabled Andrew will receive a monthly income of \$1,700.00

If Andrew's minimum monthly repayment is less than \$300, a benefit is payable.

If Andrew's minimum monthly repayment is greater than \$300, then no benefit is payable.

Benefit payments under Temporary Disability will cease on the earlier of:

- you ceasing to be Temporarily Disabled; or
- the Loan Contract being fully repaid (excluding any arrears or penalty charges for late repayments that were incurred prior to the date of Temporary Disability).

Benefit Limits

Following is a summary of the important benefit limits on this policy.

Cover Type	Benefit Limitation/s
Death	<ul style="list-style-type: none">• Only one claim payable for each Loan Contract.• Benefit is the lesser of the Loan Contract balance (less any amount in arrears at the time of claim) or \$60,000.
Disablement	<ul style="list-style-type: none">• Policy does not cover any illness or condition which you were aware of when the policy was taken out.• No benefits are paid for the Deferment Period.• Where the cover is for two or more borrowers, on the one Loan Contract, only one of the borrowers may have temporary disability cover.

What Will We Not Pay

We will not pay:

- More than one benefit for Temporary Disablement at the same time or for the same event;
- Any benefit if the death or disablement was the result of any cause/condition listed below indicated by a (✓) in the following table:

Cause / Condition	Death	Disablement
A deliberately self-inflicted injury		✓
Suicide within 13 months of the Cover Commencement Date	✓	
War or war like activities	✓	✓
Expropriation of any property		✓
The use, existence or escape of nuclear weapons material, or ionizing radiation from, or contamination by radioactivity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel; or	✓	✓
The insured person:		
(A) being under the influence of intoxicating liquor or of a drug, other than a drug taken or administered by or in accordance with the advice of a duly qualified medical practitioner		✓
(B) being addicted to an intoxicating liquor or to a drug		✓
(C) taking part in a riot or civil commotion		✓
(D) acting maliciously		✓
(E) engaging in professional sporting activities		✓
Death or disablement occurring at a time when the insured borrower is flying, or engaging in aerial activities, otherwise than as a passenger in an aircraft that is authorised to fly under a law that relates to the safety of aircraft	✓	✓
Where the insured person is employed for a specified period or by reference to specified work – the insured person becoming unemployed at the expiration of the period or on the completion of the work	✓	✓
Illness or Injury sustained by the insured borrower or an illness or injury the insured borrower was aware of prior to the Cover Commencement Date.	✓	✓

Making a Claim

Should you need to make a claim, we must be notified as soon as reasonably possible after the relevant event occurs. The notification may be given verbally or in writing to us.

Suncorp will issue the appropriate claim form that must be completed and returned with any additional information requested. Before we pay any claim, we have the absolute right to satisfy ourselves in regards to the nature of the claim or the extent of your Temporary Disablement.

We reserve the right to:

- request any necessary information that we might reasonably need to assess your claim prior to any benefit being paid; and/or
- appoint our own Medical Practitioner at any time to examine and assess you.

The cost of obtaining information in support of a claim is your responsibility or the responsibility of your authorised Legal Personal Representative.

If a death claim is lodged we will require the following information:

- a copy of your death certificate; and
- proof of your age; and
- a completed claim form (to be provided by Suncorp).

Should you fall ill or have an accident, which results in a Temporary Disability claim we will require the following information:

- proof of your age; and
- a completed claim form (to be provided by Suncorp) and;
- A report from a Medical Practitioner as to the nature of your disablement and confirmation that the Medical Practitioner's advice is being followed.

Once Suncorp has assessed and admitted the claim, we will pay benefits directly to your Financier for either Death or Temporary Disablement.

When your Insurance ceases

This policy will automatically cease and all benefits will cease on the earliest of:

- (i) the expiry date of the Period of Insurance; or
- (ii) the date on which the Loan Contract is discharged, refinanced, in default or terminated; or
- (iii) the effective date of cancellation by you or the Financier or us; or
- (iv) the date a death insurance benefit is paid; or
- (v) the date you are no longer a permanent resident of Australia, or you have been residing outside Australia for more than 6 months (unless otherwise agreed to in writing by us).

Glossary

Where any of these words appear in this PDS, whether the first letter is in upper case or lower case, then their meanings are as defined below:

A

Application Form: The application form for Consumer Credit Insurance.

C

Commencement Date: Means the later of the date your first Loan Contract monies are advanced or the date we accept you for insurance.

Consumer Credit Code: The relevant Consumer Credit Legislation in each state or Territory of Australia.

Cover Commencement Date: The date of settlement of the Insured Loan.

Confirmation Advice: The advice we send you confirming acceptance of your insurance cover.

D

Deferment Period: The period ending 14 days after you notify us of your Temporary Disablement. No benefits are paid for any period up to the end of the Deferment Period.

F

Financier: Suncorp-Metway Ltd (ABN 66 010 831 722).

I

Injury: Bodily injury resulting from an accident which occurs after the date cover commences.

Illness: A disease or sickness which becomes apparent while you are covered by your Suncorp Consumer Credit Insurance for Personal Loans.

Insured Borrower: A Person(s) who has paid a premium and been accepted by us as an Insured Borrower(s) under this Policy.

Insured Loan: The Loan Contract between the Financier and you to which the cover applies.

L

Legal Personal Representatives: The persons appointed to manage your estate under a grant of probate or letters of administration.

Loan Account: Means your Suncorp Personal Loans account.

Loan Contract: Means the Loan Contract as specified in the Schedule and Proposal.

M

Medical Practitioner: A registered medical practitioner recognised by a Medical Registration Board or Council in Australia or New Zealand (or other country approved by us) excluding the Insured Borrower or any immediate family member or relative of the Insured Borrower acting as a medical practitioner.

Minimum Monthly Repayment: The minimum monthly repayment as specified in your Loan Contract (excluding any residual or balloon payments).

P

PDS: Product Disclosure Statement.

Period of Insurance: Means the term of your loan Contract.

Permanent and Gainful Employment: Means you are working on a permanent and continuous basis for wages or income for a minimum of 30 hours every week and you are not in employment of a seasonal, casual, temporary or non-renewable nature.

S

Schedule and Proposal: Refers to the document on which you provide information about yourself and the types of cover you have chosen.

T

Temporary Disability/Disablement: Your complete inability, as a result of Injury or Illness, to perform the duties of your own occupation or any occupation, trade or profession for which you may be reasonably suited by education, training or experience. You must also be under the care and treatment of a medical practitioner and must not be engaged in any work that would normally be performed for wage or profit.

W

We, us, our, Suncorp: Suncorp Life & Superannuation Ltd ABN 87 073 979 530.

Y

You, your: The Insured Borrower.



How to contact us

If you have any questions or need more information, please contact us by:

- Call our Call Centre Consultants on 13 11 55.
- Fax on (07) 3002 3259.
- Or email: life&super@suncorp.com.au.

Registered Office

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