

SUNCORP GROUP HOLDINGS (NZ) LIMITED

SUNCORP GROUP LIMITED

CRS NOMINEES LIMITED

**TRUST DEED
CONSTITUTING THE EXEMPT
EMPLOYEE SHARE PLAN**

RUSSELL McVEAGH

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PARTIES

SUNCORP GROUP HOLDINGS (NZ) LIMITED ("Company")

SUNCORP GROUP LIMITED ("Suncorp")

CRS NOMINEES LIMITED ("Trustee")

INTRODUCTION

- A. The Company is a wholly-owned subsidiary of Suncorp.
- B. The Company and Suncorp wish to establish a "share purchase scheme" as defined in section OB 1 of the Income Tax Act 2004, being capable of approval by the Commissioner of Inland Revenue for the purposes of section DC 11 of the Income Tax Act 2004.
- C. The Trustee has agreed to act as the first trustee of the Plan under this deed.
- D. The Company has agreed from time to time to provide, procure or reimburse to the Trustee such sums of money as may be required by the Trustee and lawfully provided for the purposes of the Plan.

COVENANTS

1. INTERPRETATION

- 1.1 In this deed unless the context otherwise requires:

"Acquisition" means the purchase of, or subscription for, Shares by the Trustee to be held in trust for an Eligible Employee under the Plan or the allocation by the Trustee out of Shares already held by it under clause 6.1 to be so held and **"Acquire"** and **"Acquired"** shall bear like meanings.

"Board" means, at any time, the board of directors of Suncorp at that time.

"Company" means Suncorp Group Holdings (NZ) Limited.

"Eligible Employee" means a member of any one of the following classes of Employee (which classes shall be treated as separate classes for the purposes of this deed):

- (a) full-time Employees, being Employees normally employed or deemed to be employed by the Company or any Subsidiary to work for 40 hours or more in each week;
- (b) part-time Employees, being Employees normally employed or deemed to be employed by the Company or any Subsidiary to work for such number of hours in each week (which shall in any event be less than 40) nominated by the Company for the purposes of each invitation made pursuant to clause 3;

and who has been employed by the Company or any Subsidiary for such minimum continuous period as the Company may from time to time nominate, provided that such a minimum continuous period nominated by the Company shall in no circumstances exceed (in the case of full-time Employees) three years or (in the case of part-time Employees) an accumulated period that is the equivalent of three years' full-time work.

"Employee" means any person (not being a company, a local or public authority or an unincorporated body of persons) employed by the Company or any Subsidiary but does not include:

- (a) that person if he or she is a director (as defined in section OB 1 of the Income Tax Act 2004) of the Company or of the relevant Subsidiary which employs the person (as the case may be); or
- (b) any person where that person and any other person or persons are "associated persons" (as defined in section OD 7(1) of the Income Tax Act 2004) and hold in the aggregate 10 per cent or more of the issued capital of either or both of:
 - (i) Suncorp; and
 - (ii) the Company or the relevant Subsidiary which employs the person (as the case may be).

"Employee's Shares" in relation to any Eligible Employee means the Shares held by the Trustee for that Eligible Employee during the Restrictive Period under clause 5.3.

"Market Price" means the weighted average price at which Shares were sold on the Australian Stock Exchange on the date that their price is to be determined under this deed or, in the event of there being no sales on that date, then on the last date when any sales were made provided that where pursuant to clauses 5.4 and 5.5 the Trustee purchases Shares from an Employee and within two days on which the Australian Stock Exchange is open for trading the Trustee sells some or all of those Shares on the Australian Stock Exchange, the "Market Price" of the Shares so sold shall for the purposes of clauses 5.4 and 5.5 be the price obtained for those Shares in that sale. Where the "Market Price" is the weighted average price at which the Shares were sold on the Australian Stock Exchange the certificate of any member of the Australian Stock Exchange or the Plan manager nominated by the Company as to the Market Price of Shares at any particular time shall be conclusive for all purposes of the Plan.

"Notice of Withdrawal" means a duly completed and executed request submitted by an Employee to the Trustee to withdraw some or all of the Employee's Shares from the Plan. Such Notice of Withdrawal must specify the number of Employee's Shares to be withdrawn and be submitted in a form approved by the Board.

"Plan" has the meaning given to it in clause 2.1.

"Restrictive Period" in relation to any Shares Acquired means the shorter of:

- (a) a period of three years commencing with the date of Acquisition or the period of repayment of any loan made to an Employee in respect of that Acquisition in accordance with clause 3.3(j), whichever is the longer; and
- (b) a period commencing with the date of Acquisition and ending with the date on which the relevant Employee ceases to be employed by the Company or any Subsidiary, to the intent that the Restrictive Period shall cease when the Employee is no longer employed by the Company or a Subsidiary,

provided that any Employee may at any time terminate the Restrictive Period in respect of all but not some only of the Shares held for him or her by the Trustee hereunder, by giving not less than three calendar months' prior written notice to the Trustee, on the same terms as if he or she had ceased to be an Employee and the provisions of clause 5.4(d) of this deed shall apply on the expiry of such notice.

"Sections" means sections DC 11 to DC 14 of the Income Tax Act 2004 and any statutory modification or re-enactment thereof.

"Share Entitlement" in respect of an Eligible Employee means such number of Shares the Total Consideration for which, when added to the Total Consideration for any other Shares Acquired by the Trustee in trust for that Eligible Employee under the Plan or acquired by the Eligible Employee under any similar scheme within the period of three years ending on the date of calculation of the entitlement under this deed, shall not exceed such sum as may from time to time be fixed by the Company, provided that such sum shall not exceed the sum of \$2,340 or such higher amount as may from time to time be permitted under the Sections.

"Share Rights" means any rights to acquire shares or securities issued or to be issued by Suncorp.

"Shares" means fully paid ordinary shares in the capital of Suncorp ranking equally in all respects from their date of issue with all existing issued ordinary voting shares for the time being of Suncorp.

"Subsidiary" means any New Zealand tax resident company which is from time to time a subsidiary of Suncorp within the meaning of section 5 of the Companies Act 1993 and is included in a "group of companies" with Suncorp as that term is defined in section IG 1(2) of the Income Tax Act 2004 (and any statutory modification or re-enactment thereof), provided that a Subsidiary does not include a company that is expressly excluded from being a Subsidiary by a resolution of the Board from time to time for the purposes of this deed.

"Surplus Shares" has the meaning given to that term in clause 5.9.

"Total Consideration" means the amount determined by the Company as being payable to the Trustee by any Eligible Employee under the Plan in respect of Shares offered to him or her under clause 3 or, as the case may be, the consideration payable by the Eligible Employee under any similar scheme. The Total Consideration shall not in any event exceed the Market Price of those Shares at the date of their Acquisition for or on behalf of an Eligible Employee.

"Trust" means the trust established by the Trust Deed.

"Trust Deed" means the deed entered into by the Company, Suncorp and the Trustee as set out in this instrument.

"Trustee" means and includes the trustee or trustees for the time being of the Plan under this deed.

1.2 In this deed unless the context otherwise requires:

- (a) A reference to this deed or this document means this document and includes any variation or replacement of it;

- (b) a reference to a party is a reference also to that party's executors, administrators or successors and permitted assigns;
- (c) a reference to a "person" includes an individual, firm, company, corporation or unincorporated body of persons, in each case whether or not having separate legal personality, and a reference to a "company" includes a person;
- (d) headings are for convenience only and shall not affect interpretation;
- (e) references to sections, clauses and schedules are references to sections, clauses and schedules of this deed unless specifically stated otherwise;
- (f) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

2. NAME

- 2.1 The name of the plan established by this deed shall be the Exempt Employee Share Plan ("**Plan**").

3. TERMS OF INVITATION TO ELIGIBLE EMPLOYEES

- 3.1 The Company may from time to time invite all the members of any class or classes of Eligible Employees to participate in the Plan in respect of an Acquisition for not more than each Eligible Employee's Share Entitlement calculated as at the date upon which that Acquisition will be effected.
- 3.2 The Company may from time to time fix the multiples of Shares and/or the minimum number of Shares that may be Acquired for each Eligible Employee pursuant to any such invitation.
- 3.3 The invitation under clause 3.1 shall be in writing (which shall include any such invitation made in electronic form if the content of the invitation is readily accessible by Eligible Employees, including (but not limited to) any such invitation made by way of electronic mail correspondence or by publication on any intranet or similar electronic system operated by the Company and/or by the relevant Subsidiary, as the case may be) and shall specify the following:
 - (a) The date of the invitation.
 - (b) The number of Shares being offered to the Eligible Employee or the formula for determining that number.
 - (c) The multiples and/or minimum number of Shares which may be the subject of the relevant Acquisition where the Company has fixed a minimum.
 - (d) The Total Consideration.
 - (e) The date upon which the relevant Acquisition will be effected.
 - (f) A time and date not earlier than 14 days after the date (or such other period as the Company may nominate in any such invitation) upon which the invitation is despatched to the Eligible Employee within which the invitation may be accepted either as to the whole of (or, if the Company so nominates in respect

of all Eligible Employees in such invitations, part of) the number of Shares the subject of the invitation (which shall in no event exceed the Eligible Employee's Share Entitlement).

- (g) That applications must be in writing signed by the Eligible Employee or by a person authorised by the Eligible Employee or transmitted by Eligible Employees by electronic mail or any other electronic form (including (but not limited to) transmission via an intranet or internet website), in such manner and form as the Company may approve and be received by or on behalf of the Company by the date specified by the Company.
- (h) That the invitation is made pursuant to the Plan and that all acceptances are subject to the provisions of this deed.
- (i) That pursuant to the provisions of the Plan the Shares will be transferred or issued to or allocated by the Trustee and the share certificates (or other evidence of title) for such Shares will be issued to or held by the Trustee as trustee of the Plan.
- (j) Whether the Total Consideration must be paid to the Trustee on the date of Acquisition in cash or by deduction from the Eligible Employee's regular remuneration and, if not, that any balance of the Total Consideration unpaid from time to time will be a loan to the Eligible Employee by the Company or any Subsidiary (whichever shall be the employer of the Eligible Employee) free of interest and other charges. The method of repayment of such advance shall be by regular, equal instalments by deductions from the Eligible Employee's regular remuneration or where the Employee is not receiving regular remuneration, or where deductions from remuneration are either prohibited by law or involve practical difficulty, by automatic bank payment or other method satisfactory to the Company. Instalments shall be repaid at intervals of not more than one month over a period of not less than three years nor more than five years as determined by the Company for all Employees for the purposes of that invitation, provided that the Employee shall be entitled to repay all or any part of any loan prior to the due date(s) for such repayment.
- (k) Any other conditions or information which the Company may wish to include in the invitation, provided that such conditions shall comply with and shall not be inconsistent with any of the requirements of the Sections.

3.4 Upon the date specified by the Company in the invitation for the Acquisition:

- (a) the Company will advance or procure the advance of the Total Consideration in respect of each Eligible Employee to the Trustee such advance to be applied on his or her behalf in effecting the Acquisition; and
- (b) Suncorp will authorise the Acquisition and/or where necessary issue the said Shares to the Trustee;

and the Trustee and/or the Company and/or Suncorp will execute and do all such transfers, applications and other documents, acts and things as may be necessary from time to time for the foregoing purposes.

3.5 Where it is a requirement that any loan made under the Plan to any Employee shall be of a minimum amount, that minimum amount shall not exceed \$624 or such higher amount as may from time to time be permitted under the Sections. No invitation need be sent to any Eligible Employee whose Share Entitlement is less than such minimum amount the subject of the said requirement (if any).

- 3.6 In the case where more than one loan made to an Eligible Employee under this deed remains outstanding and any payment by the Eligible Employee on account of such loans is insufficient to meet the repayments which have become due and payable then, unless the Eligible Employee shall when making payment specify the application of such payment, the Company shall apply such payment in or towards meeting repayments outstanding for the longest period and in the case of repayments outstanding for the same period then in or towards meeting such repayments as the Company may determine.
- 3.7 The Company shall have a discretion as to whether to accept any acceptances received after the closing date specified in the invitation.

4. OBLIGATIONS OF ELIGIBLE EMPLOYEES

- 4.1 By accepting any invitation under clause 3 an Eligible Employee shall be bound to repay the amount of any loan advanced in terms of the invitation in the manner therein specified and shall have agreed to be bound by all the provisions of this deed.

5. TRUSTEESHIP

- 5.1 The Trustee shall from time to time at the direction of the Company acquire Shares by subscription, purchase or otherwise to be held by the Trustee or its nominee(s) for the purposes of the Plan and/or for the benefit of Eligible Employees under the Plan.
- 5.2 The Trustee acknowledges and confirms that it will stand possessed of all Shares transferred or issued to or held by it under this deed upon the trusts and with the powers contained in this deed.
- 5.3 During the Restrictive Period the Trustee shall hold the Shares Acquired in respect of an Eligible Employee on trust for such Eligible Employee under the Plan and during such period:
- (a) The Employee shall have no power to mortgage, pledge, grant a lien over, assign, charge or otherwise encumber or in any other way deal with, alienate or dispose of all or any of such Shares or any right or interest therein.
 - (b) All dividends, distributions and other moneys (including without limitation the proceeds of sale of any rights or benefits not taken up pursuant to clauses 5.3(d) to (j)) payable in respect of such Shares shall be paid to such Employee and shall not be appropriated in or towards repayment of any moneys owing by the Employee under the Plan. The Trustee shall authorise Suncorp to make payment of such dividends and other benefits direct to the Employee. Shares held by the Trustee on trust for an Employee will not participate in any dividend reinvestment plan operated by Suncorp.
 - (c) In the event of any additional fully paid Shares being issued to the Trustee by virtue of its holding of Shares for an Employee such additional Shares shall be retained by the Trustee upon the same trusts and subject to the same restrictions as the Employee's Shares to which the entitlement to such additional Shares attached.
 - (d) The Trustee will send a notice to an Employee of any Share Rights which accrue to any Employee's Shares.

- (e) Within 7 days of receiving the notice referred to in clause 5.3(d), the Employee may provide the Trustee with either:
 - (i) written instructions in the form (if any) prescribed by the Company to sell some or all of the Share Rights to the extent permitted by law; or
 - (ii)
 - (aa) written instructions in the form (if any) prescribed by the Company to acquire, to the extent permitted by law, some or all of the shares or securities in Suncorp to which the Share Rights relate; and
 - (bb) payment of an amount equal to the cost of accepting the Share Rights entitlement plus, if the Trustee so requires, such additional amount as the Trustee estimates (and notifies to the Employee) to be the cost of transferring the shares or securities to the Employee.
- (f) If the Employee does not give a notice under clause 5.3(e), the Trustee shall be entitled to sell the Share Rights.
- (g) Subject to clause 5.3(h), if the Trustee sells the Share Rights in accordance with clause 5.3(e) or clause 5.3(f), the Trustee must distribute the proceeds of the sale (after deduction of the costs of sale incurred by the Trustee, including any applicable taxes) to the Employee.
- (h) If the Trustee acquires, on behalf of the Employee, a specified number of shares or securities pursuant to the Share Rights in accordance with clause 5.3(e)(ii), the Trustee shall transfer those shares or securities to the Employee. The Trustee may make it a condition of transfer that the Employee pays the costs of transfer.
- (i) Where the Trustee sells the Share Rights (regardless of whether instructed by the Employee) the Trustee:
 - (i) has no obligation to maximise the sale price of the Share Rights;
 - (ii) may aggregate Share Rights to be sold in blocks of Share Rights; and
 - (iii) in relation to its obligation to pay the proceeds of sale to the Employee, may attribute a sale price to each Share Right sold equal to the aggregate price for each Share Right sold in a block of Share Rights.
- (j) In the event of the Trustee being entitled to any further rights or benefits, other than those rights referred to in clauses 5.3(c) to 5.3(i), by virtue of its holding the Employee's Shares for any Eligible Employee then the Trustee shall sell such rights and benefits and the net proceeds may at the Company's absolute discretion be paid to the Employee provided that, if the Company and the Employee both direct the Trustee in writing to the contrary and the Employee pays to the Trustee all moneys necessary to enable the Trustee to take up such rights or benefits without there being any further liability on the Trustee in respect of unpaid capital or otherwise howsoever, such rights and benefits or anything (including further Shares) received or receivable by the Trustee by

virtue of taking up such right and/or benefit shall in the absolute discretion of the Company either:

- (i) be held by the Trustee as an accretion to the Employee's Shares upon the same terms and conditions as the Employee's Shares are held by the Trustee hereunder; or
- (ii) be and become the beneficial property of the Employee absolutely and shall be transferred to him or her or at his or her direction.

5.4 At the end of the Restrictive Period the Trustee shall hold the Employee's Shares upon the following trusts:

- (a) In the case where the Restrictive Period ends otherwise than on the cessation of the employment of an Employee for any reason (including death) and otherwise than by notice of termination under the proviso to the definition of the Restrictive Period, such Employee's Shares shall be transferred to the Employee by the Trustee when the Trustee receives a Notice of Withdrawal completed by or on behalf of the Employee or, at the option of the Employee (as specified in a Notice of Withdrawal completed by or on behalf of the Employee and received by the Trustee) and upon the provision of sufficient moneys by way of advances to the Trustee under clause 9.1, shall be purchased by the Trustee from the Employee at the Market Price at the date of purchase by the Trustee, subject in either case to repayment of all loans outstanding in respect of those Employee's Shares;
- (b) In any case where the Restrictive Period ends on the cessation of an Employee's employment due to the death of the Employee, such Employee's Shares shall be transferred to the trustee(s) or administrator(s) of that deceased Employee's estate when the Trustee receives a Notice of Withdrawal completed by such trustee(s) or administrator(s) or, at the option of such trustee(s) or administrator(s) (as specified in a Notice of Withdrawal completed by or on behalf of such trustee(s) or administrator(s) and received by the Trustee) and upon the provision of sufficient moneys by way of advances to the Trustee under clause 9.1, shall be purchased by the Trustee at the Market Price at the date of the purchase by the Trustee, subject in either case to repayment of all loans outstanding in respect of such Shares;
- (c) In any case where the Restrictive Period ends on the cessation of an Employee's employment due to an accident to, or the sickness or redundancy or retirement at "normal retiring age" (as defined for the purposes of the Sections) of, the Employee, such Employee's Shares shall be transferred to the Employee when the Trustee receives a Notice of Withdrawal completed by or on behalf of the Employee or, at the option of the Employee (as specified in a Notice of Withdrawal completed by or on behalf of the Employee and received by the Trustee) and upon the provision of sufficient moneys by way of advances to the Trustee under clause 9.1, shall be purchased by the Trustee at the Market Price at the date of the purchase by the Trustee, subject in each case to repayment of all loans outstanding in respect of such Shares;
- (d) In any case where the Restrictive Period ends on the cessation of employment of an Employee in any circumstances other than circumstances to which subparagraphs (b) or (c) of this clause 5.4 apply or in the case where the Restrictive Period is terminated by notice pursuant to the proviso to the definition of the Restrictive Period, the Trustee shall not transfer such Employee's Shares to the Employee but, upon the provision of sufficient moneys by way of advances to the Trustee under clause 9.1, shall purchase

such Employee's Shares from the Employee at the Market Price at the date that the Restrictive Period ends, subject to the repayment of all loans outstanding in respect of such Shares;

provided that for the purposes of this clause 5.4 in no case shall the purchase price payable by the Trustee for any Employee's Shares exceed the Total Consideration for such Shares and provided further that, after the end of the Restrictive Period, an Employee may submit a Notice of Withdrawal to the Trustee to withdraw or sell some or all of the Employee's Shares.

5.5 Where the Trustee is satisfied that any Employee's continued participation in the Plan on the terms then in force has resulted or would result in serious hardship the Trustee shall with the consent of the Employee have a discretion:

- (a) to vary the terms of the repayment of any loan made to the Employee under the Plan; or
- (b) to terminate the Restrictive Period in respect of all Shares Acquired by the Trustee for that Employee in which case the Restrictive Period in respect of those Employee's Shares shall be deemed to have come to an end in the circumstances specified in clause 5.4(d).

5.6 Where the Trustee purchases any Shares from an Employee under the earlier provisions of this clause 5 it shall deduct from the purchase price and repay any loan or any part thereof which is outstanding in respect of the Total Consideration for those Shares and to the extent that the purchase price is insufficient to fully satisfy the loan, the balance of the loan outstanding shall remain as a debt payable by the Employee.

5.7 In the event of any takeover, plan of arrangement, amalgamation or reconstruction (together called "**takeover**") being proposed which affects more than fifty percent (50%) of the Shares for the time being of Suncorp then the Trustee shall have the power in its absolute discretion to accept or accede to any such takeover in respect of all or any Shares held by it upon the trusts contained herein and:

- (a) If in consequence of any such takeover it is intended that shares or other securities in another company are to be issued in lieu of Shares, then the Trustee may with the consent of the Company elect to transfer or assign the Shares held by it upon the trusts contained herein in accordance with any such takeover and to receive in satisfaction shares or other securities in such other company; and/or
- (b) If in consequence of any such takeover it is intended that cash be paid for the Shares, then the Trustee may with the consent of the Company elect to transfer or assign the Shares held by it on the trusts contained herein in accordance with any such takeover and to receive in satisfaction cash; and

in the event of shares or other securities or cash ("**Takeover Consideration**") being so received by the Trustee then the Takeover Consideration shall thereafter be held by the Trustee upon the trusts and with the powers and in accordance with the provisions contained herein in all respects and for the balance of the Restrictive Period. If the Takeover Consideration is shares or other securities then those shares or other securities shall be held by the Trustee as if they were Employee's Shares. If the Takeover Consideration is cash ("**Cash Consideration**") then the following provisions shall also apply:

- (c) The Trustee shall not be obliged to invest any Cash Consideration;

- (d) The Trustee may in its absolute discretion invest any Cash Consideration in an interest-bearing account or other interest bearing investment on such terms and in such manner as it shall see fit.
- (e) Any amounts derived by the Trustee in respect of any Cash Consideration so invested shall be held by the Trustee upon the trusts and with the powers and in accordance with the provisions contained herein in all respects and for the balance of the Restrictive Period.

5.8 Without limiting the discretion of the Trustee under clause 5.7, in the event of an offer being made by a third party which affects not more than 50% of the Shares for the time being of Suncorp the Trustee shall not be obliged to take any action in response to the offer in respect of the Employees.

5.9 The Trustee must not hold fractions of Shares for the benefit of an Employee.

6. TERMINATION OR SUSPENSION OF THE PLAN

6.1 The Plan will terminate and be wound up as provided by law or upon the first to occur of the following events provided that the Plan cannot be terminated if any Shares held under the Plan are subject to restrictions on disposal described in section 5 of this deed:

- (a) an order being made or an effective resolution being passed for the winding up of Suncorp or the Company (other than for the purpose of amalgamation or reconstruction);
- (b) a person becoming entitled to compulsorily acquire all the Shares;
- (c) the passing of a resolution to cancel or buy-back all Shares pursuant to a scheme of arrangement, reduction of capital, share buy-back or otherwise;
- (d) the Board determining that the Plan be wound up;
- (e) the day before the 80th anniversary of the date of this trust deed.

6.2 Where the Plan is terminated the balance of the capital of the Trust to which no Employee is entitled must be applied by the Trustee at the direction of the Board.

6.3 The Board may suspend the operation of the Plan at any time by resolution of the Board.

6.4 Where the Plan is terminated or suspended, the Board must give such directions to the Trustee regarding the operation of the Plan as the Trustee may reasonably request.

7. STATUS OF SURPLUS SHARES HELD BY THE TRUSTEE

7.1 Any Shares from time to time held by the Trustee under the provisions of this deed which are not then being held for an Employee ("**Surplus Shares**") may either be retained by the Trustee to satisfy acceptances by Eligible Employees of subsequent invitations made by the Company under clause 3 or, with the consent of the Company, may be sold (in which event the provisions of clauses 7.2 and 8.1 shall take effect accordingly) or shall be transferred for such consideration and on such terms and conditions as the Company shall direct to the trustee or trustees for the time being of another plan for the acquisition of Shares in the capital of Suncorp (or, if applicable, its

holding company) to be held by those trustees for the benefit of employees (as defined by the Company) of the Company, its holding company or any Subsidiary.

- 7.2 The Trustee shall apply moneys received from the sale of any Surplus Shares in the following way:
- (a) moneys received to the extent of any indebtedness by the Trustee to the Company or a Subsidiary in respect of those Surplus Shares including interest (if any) to the date of repayment shall be repaid by the Trustee; and
 - (b) moneys received in excess of such indebtedness by the Trustee in respect of those Surplus Shares shall be dealt with under clause 8.1.
- 7.3 Where the Trustee is entitled to any dividends, distributions and other cash benefits ("**entitlement**") in respect of any Surplus Shares held by it pending their allocation or sale under this clause an amount equal to the entitlement shall be paid by the Trustee to the Company or as directed by the Company on such basis as the Company and the Trustee shall from time to time agree or, if no such agreement is made, on the basis set out in clause 8.1.
- 7.4 Any additional fully paid Shares in Suncorp issued to the Trustee by virtue of its holding of Surplus Shares shall be retained by the Trustee upon the same terms and conditions as the Surplus Shares from which the entitlement to such additional Shares arose and sub-clauses 5.9, 7.1 and 7.2 of this clause shall apply accordingly.

8. SURPLUS FUNDS

- 8.1 Except as otherwise provided elsewhere in this deed in the event that the Trustee shall become possessed of any surplus funds under the provisions of this deed, whether by reason of any sale of Shares at a price greater than the price paid for them by the Trustee or otherwise, the Trustee shall (unless the Company otherwise directs) pay such moneys to the Company to repay any advances made by the Company or by Subsidiaries under clause 9.1 or otherwise under this deed and to defray the cost to the Company of establishing and operating the Plan under this deed and in complying with section 9 of this deed, and if any surplus moneys still remain, shall pay such moneys to the trustee of a superannuation fund nominated by the Board.
- 8.2 No Employee or former Employee has any right or claim to any part of any Surplus Shares or surplus funds held by the Trustee under the provisions of this deed.

9. ADVANCES TO THE TRUSTEE AND FURTHER OBLIGATIONS OF THE COMPANY

- 9.1 The Company will advance or procure the advance to the Trustee by Subsidiaries by which Eligible Employees are employed of such moneys as may from time to time be required by the Trustee and as may be lawfully provided to Acquire or hold Shares in accordance with, and to purchase Shares from Employees under, the provisions of this deed. All moneys so advanced shall carry interest at such rate (if any) and shall be repayable on such terms and conditions as may from time to time be determined by the Company by notice in writing to the Trustee.
- 9.2 All brokerage and other costs, charges and expenses incurred by the Trustee in or about the performance of its duties under or in connection with this deed and the Plan shall, unless otherwise specifically provided for herein or otherwise agreed between the Trustee and the Company, be paid by the Company.

- 9.3 In addition to its other obligations hereunder the Company shall provide such accounting, management and other services and information as the Trustee may reasonably require from time to time in connection with its duties hereunder.

10. VOTING

- 10.1 The Company will make arrangements with the person charged with maintaining the Suncorp share register and the Plan manager from time to time to have the notices (including the Suncorp Annual Report, except where the Employee has elected not to receive Annual Reports), or copies of them, that are sent to the registered holders of Shares, sent to the Employees as well, so far as is practicable, relevant and lawful.
- 10.2 The Trustee will ascertain the voting intentions of the Employees in respect of the Employee's Shares, on all matters to be voted on at any meeting of members of Suncorp, given by written notice to the Trustee not less than 72 hours prior to the relevant meeting.
- 10.3 An Employee may direct the exercise of any voting rights attaching to their Employee's Shares by directing the Trustee to vote the Employee's Shares at any meeting of members of Suncorp.
- 10.4 The Trustee must not vote in respect of any Employee's Shares which are subject to the Plan on any resolution where voting occurs by a show of hands.
- 10.5 In respect of voting occurring by poll, the Trustee must exercise the voting rights attached to any Employee's Shares in accordance with the instructions of the relevant Employee given under clause 10.3.
- 10.6 In respect of voting occurring by poll, the Trustee must abstain from exercising any voting rights attaching to any Employee's Shares in respect of which it has not received instructions in accordance with clause 10.3.
- 10.7 Neither the Company, Suncorp, nor the Trustee will be liable for the accidental omission to give notice of any meeting or confirmation or the non-receipt of that notice and confirmation by any Employee nor will that invalidate or breach the provisions of clause 10.1 or 10.2.
- 10.8 An Employee will not have any claim against the Trustees, Suncorp or the Company as a result of the exercise by the Trustee, Suncorp, or the Company of a power, discretion or determination under section 10.

11. EVIDENCE OF TITLE

- 11.1 The Trustee shall be entitled to exclusive possession of the evidence of title for all Shares held by the Trustee under this deed.

12. THE TRUSTEE

- 12.1 The Trustee shall manage and administer the Plan in accordance with this deed, any procedures determined by the Board or agreed to between the Board and the Trustee, provided that no such procedures shall be inconsistent with the Sections or any provision of this deed.

- 12.2 A body corporate appointed as Trustee shall act as sole Trustee, provided that a natural person may be appointed as Trustee but then the number of Trustees of the Plan shall be not less than three.
- 12.3 A Trustee may at any time retire from the trusts of this deed by giving written notice to Suncorp.
- 12.4 A Trustee may at any time be removed from office by Suncorp giving not less than 60 days' written notice of removal to the Trustee, provided that, where (in Suncorp's opinion, acting reasonably) the removal results directly or indirectly from the Trustee's negligence, dishonesty, fraud, wilful default or breach of trust, written notice of removal may be given by Suncorp with immediate effect.
- 12.5 The power of appointment of a new or additional Trustee shall be vested in Suncorp and may be exercised by Suncorp giving written notice to the Trustee of any such appointment.
- 12.6 Any Trustee and any director or officer of any Trustee who is an Employee may exercise his or her powers and execute his or her duties as a Trustee, director or officer notwithstanding that he or she is an Employee.
- 12.7 No decision of, or exercise of a power of discretion by, a Trustee or a director or officer of a Trustee for the time being hereof shall be invalidated or questioned on the ground that any such Trustee, director or officer had a direct or other personal interest in the mode or result of such decision or the exercise of such power or discretion.
- 12.8 Where there is more than one Trustee, the following shall apply:
- (a) Subject to this clause 12.8, the Trustees shall meet, adjourn and regulate their proceedings as they think fit.
 - (b) Suncorp shall appoint one Trustee as chairperson of the Trustees and may revoke that appointment from time to time and appoint another trustee in his or her place by written notice to the Trustees.
 - (c) Any trustee may at any time convene a meeting of the Trustees by giving not less than seven days oral or written notice to each Trustee whom he or she believes to be in New Zealand.
 - (d) A majority of the Trustees shall form a quorum. A meeting of the Trustees at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in the Trustees generally by this deed.
 - (e) Questions arising at any meeting of the Trustees shall be decided by a majority of votes. In the event of an equality of votes the chairman for the time being of the Trustees shall have a second or casting vote.
 - (f) A resolution in writing signed by all the Trustees shall be effective as a resolution passed at a duly convened meeting of the Trustees.
- 12.9 The Board and the Trustees may delegate part or all of the Plan management and administration by seeking or appointing appropriate service providers under section 16 of this deed.

- 12.10 The Trustee will follow any direction given to it by the Board as to the appropriate operation of the Plan, provided such direction is not inconsistent with or in breach of any of the Sections or the provisions of this deed.
- 12.11 The Company shall pay such remuneration to the Trustee for managing and administering the Plan as may be agreed between the Company and the Trustee from time to time.

13. LIABILITY AND INDEMNITIES

- 13.1 No Trustee or former trustee or any director or officer of any Trustee or former trustee under this deed shall in any way be personally liable for the failure of any Employee to pay any amounts due in respect of any Shares held on trust for such Employee under this deed.
- 13.2 Without limiting the rights of indemnity given by law to trustees, Suncorp hereby covenants with the Trustee that it will indemnify and keep indemnified the Trustee:
- (a) in respect of all liabilities, costs and expenses incurred by the Trustee in the execution or purported execution of the Trust or any of the powers, authorities or discretions vested in the Trustee; and
 - (b) from and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted to be done;

other than a liability, cost, expense, action, proceeding, claim or demand arising out of the Trustee's negligence, dishonesty, fraud, wilful default or breach of trust.

- 13.3 Neither the Company, any Subsidiary nor any director, officer, former director or former officer of the Company or any Subsidiary shall be liable for any loss suffered by any Employee participating in the Plan including, in the case of the Company or any Subsidiary, loss attributable to the dishonesty or wilful default of any such director, officer, former director or former officer of the Company or of any Subsidiary. No Trustee shall be bound to take any proceedings against the Company or a Subsidiary or any director, officer, former director or former officer of the Company or a Subsidiary in respect of any loss suffered by any Employee participating in the Plan.

14. PROFESSIONAL TRUSTEE'S REMUNERATION

- 14.1 Any Trustee engaged in any profession, business or trade may act in that capacity in connection with the affairs of the Plan, and shall be entitled to charge the Company and be paid all reasonable and proper charges by the Company for all services rendered, business transacted, responsibility involved, time expended and all acts done by that Trustee or by any firm or entity of which that Trustee is a member, employee or associate in connection with the affairs of the Plan, including acts which a trustee, not being in that particular profession, business or trade could have done personally.

15. EXERCISE OF POWERS OF DIRECTORS OF THE COMPANY AND A CORPORATE TRUSTEE

- 15.1 Any action, decision or discretion available to any corporate Trustee hereof or the Company may be taken, made or exercised by any duly constituted committee of the directors of such Trustee or the Company.

16. MANAGEMENT OF THE PLAN

- 16.1 The Board may form policy and make regulations for the operation of the Plan which are consistent with this deed and with the Sections, and may delegate necessary functions to an appropriate service provider capable of performing those functions and implementing those policies.
- 16.2 Where this deed provides for or requires a determination, decision, approval or opinion, such determination, decision, approval or opinion will be made by the Trustee after consultation with the Board.
- 16.3 The determination, decision, approval or opinion of the Trustee or the Board as to the interpretation, effect or application of this deed in accordance with clause 16.2 will be final.
- 16.4 Subject to this deed, the Trustee has all powers in respect of the Plan that it is possible to confer on a trustee and as though it were the absolute owner of the assets of the Trust and acting in its personal capacity.
- 16.5 The Trustee may authorise any person to act as its delegate (in the case of a joint appointment, jointly and severally) to hold title to any assets of the Trust, perform any act or exercise any discretion within the Trustee's power.
- 16.6 The Trustee and the Board may take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under this deed.

17. VARIATIONS

- 17.1 The Trustee may with the consent of the Company (and shall if so requested by the Company), but subject to any necessary consent or agreement of the Commissioner of Inland Revenue, by deed vary all or any of the provisions of this deed or all or any of the rights or obligations of Employees or any of them under the Plan provided that no such variation shall be made if it would adversely affect the rights of any Employee in respect of Employee's Shares held by the Trustee for that Employee or would be inconsistent with the requirements in the Sections.

18. NOTICES

- 18.1 Any invitation by the Company under clause 3 and any other notice given by the Company or the Trustee in connection with the Plan shall be deemed to be validly given if sent by email, post or delivered to the last known address of the person or company to whom the notice is to be given and shall be deemed to have been given not later than the time at which the notice would have been delivered in the ordinary course of post.

19. APPLICABLE LAW

- 19.1 This deed shall be governed and interpreted in all respects according to the laws of New Zealand, the Courts of which country shall have non-exclusive jurisdiction in all matters and disputes pertaining to its trusts and provisions and pertaining to any agreement as between the Company, the Trustee and any Employee or any of them envisaged by this deed, and otherwise for all purposes.

20. CONNECTION WITH OTHER PLANS

- 20.1 Suncorp and the Company are not restricted to using the Plan as the only method of providing incentive rewards to Employees. The Board may approve other incentive schemes.
- 20.2 Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by Suncorp or the Company unless the terms of that other scheme provide otherwise and provided that Employees do not exceed their respective Share Entitlement.

21. RELATIONSHIP OF COMPANY, TRUSTEE AND EMPLOYEES

- 21.1 The Plan:
- (a) does not confer on any Employee the right to continue as an Employee;
 - (b) does not affect any rights which the Company or Subsidiary may have to terminate the employment of an Employee; and
 - (c) may not be used to increase damage in any action brought against Suncorp, the Company or a subsidiary in respect of any termination of employment as an Employee.
- 21.2 The Trustee must not accept any contribution of money or money's worth from an Eligible Employee, as opposed to contributions by the Company, except (for the avoidance of doubt) where the Total Consideration in respect of an Acquisition is to be paid in cash or by deduction on the date of Acquisition (as contemplated by clause 3.1(j)).
- 21.3 The Employees will not have day to day control or any other control over the operation of the Plan irrespective of any rights they may have as an Eligible Employee under the Plan in respect of whom an Acquisition is to be made.

22. INCONSISTENCY

- 22.1 To the extent there is an inconsistency between a provision in this deed and a provision in any employee booklet (including any online materials) used to explain the operation of the Plan to Employees, the provisions in this deed will prevail.

23. COUNTERPARTS

- 23.1 This deed may be executed in any number of counterparts, all of which shall together constitute one and the same instrument, and any of the parties hereto may execute this deed by signing any such counterpart. The parties may sign a counterpart copy of this deed by photocopying a facsimile of this deed and signing that photocopy. The transmission by facsimile by a party to the other parties of the signed counterpart copy of this deed shall be deemed proof of signature of the original and the signed facsimile so transmitted shall be deemed an original.

SIGNED AS A DEED**SUNCORP GROUP HOLDINGS (NZ)
LIMITED** by:_____
Signature of director_____
Signature of director_____
Name of director_____
Name of director**SUNCORP-METWAY LIMITED** by:_____
Signature of director_____
Signature of director_____
Name of director_____
Name of director**CRS NOMINEES LIMITED** as Trustee by:_____
Signature of director_____
Signature of director_____
Name of director_____
Name of director