

SUNCORP GROUP LIMITED
ABN 66 145 290 124

Non-Executive Directors' Share Plan Rules

1	PURPOSE	1
2	DEFINITIONS	1
3	OPERATION OF THE PLAN	3
4	HOW THE PLAN WORKS	3
5	LIMITATIONS OF THE SIZE OF THE PLAN	4
6	RIGHTS OF PARTICIPANTS TO SHARES	4
7	RESTRICTIONS IN DEALING WITH SHARES	5
8	DISTRIBUTIONS AND OTHER BENEFITS	6
9	FORFEITURE	6
10	AUTHORISED DEDUCTIONS	7
11	VOTING RIGHTS	7
12	VARIATION OF RULES	7
13	TERMINATION AND SUSPENSION OF THE PLAN	7
14	RELATIONSHIP OF THE COMPANY, THE PLAN COMPANY AND PARTICIPANTS	8
15	NOTICES	8
16	GOVERNING LAW	8
17	ADMINISTRATION OF THE PLAN	9
18	GENERAL	9
19	BREACH OF THE RULES BY A PARTICIPANT	9
	FIRST SCHEDULE – BASIS OF PARTICIPATION	10
	SECOND SCHEDULE - THE RELEVANT REQUIREMENTS	12

PLAN RULES

1 PURPOSE

- 1.1 The Suncorp Group Limited Non Executive Directors' Share Plan provides Non Executive Directors with the opportunity to acquire an ownership interest in the Company.
- 1.2 The manner in which Non Executive Directors will be invited to participate in the Plan is set out in the First Schedule to these Rules.
- 1.3 The Plan was adopted by Suncorp-Metway Limited in November 2001.
- 1.4 The Plan was adopted by the Company on 7 January 2011 in the form amended, substituting the Company for Suncorp-Metway Limited.

2 DEFINITIONS

- 2.1 In these Rules, the following terms have these meanings unless the contrary intention appears:

"ASX" means ASX Limited ACN 008 624 691 or the Australian Securities Exchange operated by it as the context requires.

"Associated Company" means in relation to the Company a body corporate which is related to the Company in the terms of Section 50 of the Corporations Act 2001 (Cth).

"Board" means all or some of the directors of the Company acting as a board as constituted from time to time.

"Company" means Suncorp Group Limited ABN 66 145 290 124.

"Director" means a director of the Company or any Associated Company.

"Eligible Non Executive Director" means a Director who is not an Employee and who has held office as a Director for at least twelve (12) months or such lesser period as determined by the Board and who has been invited by the Board to participate in this Plan.

"Employee" means a permanent full -time or part-time employee of the Company or an Associated Company.

"Forfeited Shares" means Shares forfeited pursuant to Rule 9.

"Group" means the Company and all Associated Companies.

"Listing Rules" means the official listing rules of the ASX.

"Notice of Withdrawal of Shares" means a duly completed and executed request for permission to withdraw some or all of his/her Shares from the Plan submitted by a Participant to the Plan Company, in respect of Shares previously notified by the Plan Company as having been allocated to that Participant. Such Notice of Withdrawal of Shares must specify the number of Shares to be withdrawn and be submitted on the form approved by the Board.

“Participant” means an Eligible Non-Executive Director who accepts an offer to participate in the Plan, agrees to be bound by these Rules and holds Shares under the Plan.

“Plan” means the Suncorp Group Limited Non Executive Directors’ Share Plan established and operated in accordance with these Rules.

“Plan Company” means the company selected by the Board to be the Plan Company.

“Relevant Requirements” means the performance, vesting and/or other criteria (if any) which are determined by the Board and specified in the Offer to the Eligible Non Executive Director and which are required to be met before Shares to which such offer relates may be withdrawn from the Plan by the Participant, as reduced (if at all) or waived in whole or in part at any time by the Board and notified to the Participant.

“Rules” means the rules governing the operation of this Plan set out in this instrument, as amended from time to time.

“Shares” means fully paid ordinary shares in the capital of the Company which rank equally with and have the same rights as other fully paid ordinary shares in the capital of the Company which are listed for quotation on ASX and includes securities on issue or to be issued which have been offered to existing shareholders of the Company and/or members of the public, which provide rights to convert to or acquire fully paid ordinary shares in the capital of the Company.

“Security Interest” means a mortgage, charge, pledge, lien or other encumbrance of any nature.

“Special Circumstances” means death or other circumstances determined by the Board.

2.2 Interpretation

In these Rules, unless the contrary intention appears:

- (a) reference to any legislation or any provision of any legislation includes any modification or re-enactment of the legislation or any legislative provisions substituted for, and all legislation and statutory instruments and regulations issued under, the legislation;
- (b) words denoting the singular include the plural and vice versa;
- (c) words denoting a gender include the other genders;
- (d) words denoting an individual or persons include bodies corporate and trusts and vice versa;

- (e) headings are for convenience only and do not affect the interpretation of these Rules;
- (f) reference to a clause or paragraph is a reference to a clause or paragraph of these Rules, or the corresponding Rule or Rules of this Plan as amended from time to time;
- (g) reference to any document or agreement includes reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (h) where any word or phrase is given a definite meaning in these Rules, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (i) a reference to a person includes a reference to the person's legal personal representatives, executors, administrators and successors, a firm or a body corporate.

3 OPERATION OF THE PLAN

- 3.1 The Plan must be operated in accordance with these Rules which bind the Company, each Associated Company, the Plan Company and each Participant.
- 3.2 The Plan is administered by the Plan Company. The directors of the Plan Company must not be directors of the Company. The Plan Company must not be a subsidiary of the Company within the meaning of the Corporations Act 2001.
- 3.3 Subject to these Rules, the Listing Rules and any law to the contrary, the Plan Company must follow any direction given to it by the Board as to the operation of the Plan.
- 3.4 The Company or any Associated Company must pay all the expenses, costs and charges incurred by the Plan Company in operating the Plan which are not otherwise funded by Participants or from other funds held by the Plan Company under these Rules for the purposes of the Plan.

4 HOW THE PLAN WORKS

- 4.1 The Board may from time to time in its absolute discretion and in accordance with the First Schedule of these Rules offer an Eligible Non Executive Director participation in the Plan. By accepting that offer, such Eligible Non Executive Director will on the acquisition of the Shares become a Participant.
- 4.2 The Company or any Associated Company may pay to the Plan Company contributions funded from pre-tax remuneration of a Participant to fund the acquisition of Shares for the purposes of the Plan.
- 4.3 The Plan Company must use such contributions to acquire Shares in the ordinary course of trading on the ASX for Participants as directed from time to time by the Board. Under no circumstances may the Plan Company repay to the Company or any Associated Company any amount received as contributions for the acquisition of Shares.

- 4.4 Pending the acquisition of Shares, the Plan Company may invest moneys in short term deposits or otherwise apply moneys for the purposes of the Plan.
- 4.5 A Participant's rights and obligations under the Plan are conditional on Shares being registered in the Participant's name. Prior to having Shares registered in his or her name a Participant has no right or interest in any Shares or other property acquired for the purposes of the Plan or otherwise held by the Plan Company.
- 4.6 Shares acquired under the Plan are to be registered in the name of the relevant Participant.
- 4.7 Participants cannot receive fractions of Shares. Any Shares remaining after the allocation of whole Shares are treated as Forfeited Shares and any funds remaining after the acquisition of whole Shares are to be treated as the proceeds of sale of Forfeited Shares.
- 4.8 The Plan Company must notify each Participant in writing when Shares are acquired and registered in the name of that Employee under the Plan.

5 LIMITATIONS OF THE SIZE OF THE PLAN

- 5.1 Shares held under the Plan by or on behalf of Participants will not exceed 5% of the total number of Shares in the Company on issue from time to time.

6 RIGHTS OF PARTICIPANTS TO SHARES

- 6.1 Shares acquired in the name of a Participant will be held by the Participant subject to these Rules and subject to and pending satisfaction of any Relevant Requirements applicable to such Shares.
- 6.2 The Plan Company will retain possession of any Shares and any certificates that may be issued whilst such Shares remain subject to the Rules and pending satisfaction of any Relevant Requirements.
- 6.3 After the expiration or the satisfaction of the Relevant Requirements (if any), and if the Shares have not been forfeited under Rule 9, a Participant may:
 - (a) continue to hold his or her Shares subject to the restrictions of the Plan;
or
 - (b) decide to hold his or her Shares outside the Plan by submitting a Notice of Withdrawal of Shares to the Plan Company and such Notice is required to be approved by the Board before possession of Shares provided under Rule 6.2 will be relinquished.
- 6.4 Where a Notice of Withdrawal of Shares has been submitted by a Participant, the Board must notify the Company or the Associated Company accordingly and, subject to Rules 7 and 9, approval for Withdrawal of Shares will only be given by the Board where the Board has determined that approval is appropriate, and if the Shares are subject to any Relevant Requirements, such Relevant Requirements have been satisfied, or by virtue of any of Rules 6.5 to 6.10 inclusive, are not required to be satisfied.
- 6.5 Notwithstanding Rule 6.1 but subject always to Rules 7 and 9, a Participant (or his legal personal representative or person administering his estate) may at any time submit a Notice of Withdrawal of Shares held by him or her if that Participant ceases to be a Non Executive Director because of Special Circumstances.

- 6.6 Notwithstanding Rule 6.1 but subject always to Rules 7 and 9, if offers are made for Shares pursuant to a takeover scheme or takeover announcement (as those terms are defined in the Corporations Act 2001) then (subject to the Corporations Act 2001 and the Listing Rules) the Board must give written notice of the takeover offer to Participants so that they may lodge with the Plan Company a Notice of Withdrawal of Shares.
- 6.7 Notwithstanding Rule 6.1 but subject to Rules 7 and 9, if under Part 5.1 of the Corporations Act 2001, the Court sanctions a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies then (subject to the Corporations Act 2001 and the Listing Rules) the Board must give written notice of such sanction to Participants so that they may lodge with the Plan Company a Notice of Withdrawal of Shares.
- 6.8 Notwithstanding Rule 6.1 but subject to Rules 7 and 9, where the Board determines that there are circumstances which have occurred or are likely to occur which will result in significant changes to the structure or control of the Company which may adversely affect the rights of or value of benefits to Participants, the Board must give written notice of such determination and henceforth allow each Participant to lodge with the Plan Company a Notice of Withdrawal of Shares.
- 6.9 Notwithstanding Rule 6.1 but subject always to Rules 7 and 9, if any Shares are subject to compulsory acquisition under any law, the Board must give written notice of the compulsory acquisition to Participants so that they may lodge with the Plan Company a Notice of Withdrawal of Shares.
- 6.10 Notwithstanding Rule 6.1 but subject always to Rules 7 and 9, if notice is duly given to members of the proposed resolution for the voluntary winding up of the Company then (subject to the Corporations Act 2001 and the Listing Rules) the Board must give written notice of the proposed resolution to Participants so that they may lodge with the Plan Company a Notice of Withdrawal of Shares.
- 6.11 Notwithstanding Rule 6.3, a Participant must not lodge a Notice of Withdrawal of Shares with the Plan Company, if this would breach insider trading provisions of the Corporations Act 2001.

7 RESTRICTIONS IN DEALING WITH SHARES

- 7.1 A Participant may not dispose of or grant a Security Interest over any Shares (whether or not such Shares are subject to the Relevant Requirements) without submitting a Notice of Withdrawal of Shares and such Notice having been approved by the Board.

The Company and the Plan Company are entitled to enter into such arrangements they consider necessary to enforce the restriction on disposal of Shares described in Rule 7.1 and Participants will be bound by such arrangements.

- 7.2 The Company or an Associated Company may inform the Board of any debts or monies which are owing by or are payable by a Participant and request the Board to delay or withhold the actioning of any Notice of Withdrawal of Shares submitted by the Participant until satisfactory arrangements have been made for the repayment of the amounts owing by the Participant.

- 7.3 A Participant may agree with the Plan Company and the Company to repay debts owing or monies payable to the Company or any Associated Company on his or her behalf from the proceeds of disposal of Shares.

8 DISTRIBUTIONS AND OTHER BENEFITS

- 8.1 A Participant is entitled to receive any dividend or other distribution made in respect of Shares registered in his or her name and held under the Plan. This applies notwithstanding that the Shares remain subject to the Relevant Requirements and the provisions of Rule 6.1 but does not apply if the Shares are forfeited under Rule 9.
- 8.2 In respect of Shares which are subject to the Relevant Requirements, the Board may decide whether Participants can participate in any pro rata issues of Shares made by the issuer of the Shares (and whether fully or partly in any such issues) or sell renounceable rights. Shares which are not subject to the Relevant Requirements will be entitled to participate in such rights issues of Shares or to sell such renounceable rights without the approval of the Board.
- 8.3 The Plan Company may use any dividend, bonus issue and other benefit received in connection with Forfeited Shares which are held by the Plan Company under Rule 9 for any purpose relevant to the Plan or apply them in accordance with the directions of the Board provided that no payment of benefits may be made to the Company or any Associated Company.

9 FORFEITURE

- 9.1 A Participant (and any person claiming through him or her) will forfeit any right or interest in any Shares or other entitlements under the Plan to the Plan Company if:
- (a) he or she ceases to be a Non Executive Director at a time when the Shares acquired by the Eligible Non Executive Director under the Plan remain subject to any Relevant Requirements and the Board directs that such Shares are to be forfeited; or
 - (b) the Eligible Non Executive Director has in the opinion of the Board committed any act of fraud, defalcation or gross misconduct in relation to the affairs of the Company or any Associated Company (whether or not charged with an offence) or has done an act which in the opinion of the Board brought the Company or an Associated Company into disrepute and the Board has determined that such Shares or other entitlements will be forfeited.
- 9.2 At the time of acceptance of the invitation to participate in the Plan, a Participant must grant a power of attorney to the Company Secretary of the Plan Company in the form required by the Plan Company authorising the attorney to dispose of, or otherwise deal with, any Shares required to be forfeited under Rule 9.1.
- 9.3 By notice in writing, the Board may require in its absolute discretion that the Plan Company transfer any Forfeited Shares (or the proceeds of sale of such Shares) to:
- (a) one or more other Participants or Eligible Non Executive Directors in accordance with the Rules of the Plan; or

- (b) the trustees for the time being of any Superannuation Fund as determined by the Board (“Trustee”),

subject to any conditions specified by the Board.

- 9.4 The Plan Company must hold Forfeited Shares for the purposes of the Plan until it receives a notice from the Board under Rule 9.3.
- 9.5 Under no circumstances may the Plan Company pay the proceeds of sale of any Forfeited Shares or transfer the Forfeited Shares to the Company or any Associated Company.

10 AUTHORISED DEDUCTIONS

Before making any payment, or allocating any Shares, to a Participant or to the Trustee under Rule 9.4, or any Withdrawal of Shares under Rule 6, the Plan Company is authorised to deduct:

- (a) all outgoings and expenses it incurs in buying, selling and otherwise dealing with Shares for Participants; and
- (b) any tax (including stamp duty) which, in the opinion of the directors of the Plan Company, is or would be payable by the Plan Company in connection with the operation of the Plan;
- (c) any other amounts that in the opinion of the directors of the Plan Company it is fair to deduct.

11 VOTING RIGHTS

- 11.1 Subject to the Listing Rules and the terms of issue of the relevant Shares, a Participant may exercise any voting rights attaching to the Shares registered in his or her name, or may appoint a proxy to represent and vote for him or her, at any meeting of the members of the Company.
- 11.2 The Plan Company may not exercise any voting rights attaching to any Shares registered in the name of the Participant, but may act in the capacity of proxy if appointed to do so by the Participant.

12 VARIATION OF RULES

- 12.1 Subject to the Listing Rules, the Company may add to or vary any of these Rules, or waive or vary the application of any of these Rules in relation to any Participant, at any time by resolution of the Board.
- 12.2 If an addition or variation under Rule 12.1 reduces the rights of Participants in respect of Shares held by them prior to the date of announcement under the Plan, the Board must obtain the written consent of three quarters of the Participants affected by such addition or variation.

13 TERMINATION AND SUSPENSION OF THE PLAN

- 13.1 The Company may terminate or suspend the operation of the Plan at anytime by resolution of the Board.
- 13.2 Where the Plan is terminated or suspended, the Board must decide how Shares then held by Participants under the Plan which remain subject to any

Relevant Requirements are to be dealt with and must give such other directions to the Plan Company regarding the operation of the Plan as the Plan Company may request. Shares which are not subject to any Relevant Requirements are capable of being withdrawn by the Participant entitled to the same, subject to the provisions of Rules 7 and 9.

- 13.3 Upon termination of the Plan, any Shares remaining in the Plan after determinations under Rule 13.2 must be sold by the Plan Company and any amount held by the Plan Company for the purposes of the Plan (less authorised deductions under the provisions of Rule 9) must be paid to the Trustee as part of the property of the Superannuation Fund referred to in Rule 9.3.

14 RELATIONSHIP OF THE COMPANY, THE PLAN COMPANY AND PARTICIPANTS

- 14.1 The Plan Company acts as principal in the operation of the Plan and not as an agent of the Company or, subject to Rule 14.2, of Participants.
- 14.2 The Plan Company may act as agent for Participants in the sale of Shares.
- 14.3 The Plan Company is not a trustee for the Company or for Participants and has no responsibility or liability to the Participants or to the Company other than as set out in these Rules.
- 14.4 These Rules:
- (a) do not confer on any Participant the right to continue as a Non Executive Director of the Company or any Associated Company; and
 - (b) do not affect any rights which the Company or an Associated Company may have to terminate the directorship of the Non Executive Director; and
 - (c) may not be used to increase damages in any action brought against the Company or an Associated Company in respect of any such termination.

15 NOTICES

Any notice or direction given under these Rules is validly given if it is handed to the person concerned or sent by ordinary prepaid post to the person's last known address or given in such manner as the Board from time to time determines.

16 GOVERNING LAW

This Plan and the rights of the Participant under the terms and conditions of the Plan are governed by the laws of the State of Queensland.

17 ADMINISTRATION OF THE PLAN

- 17.1 The Plan will be administered by the Board in accordance with these Rules. The Board may make regulations for the operation of the Plan which are consistent with these Rules.
- 17.2 Where the Rules provided for a determination, decision, approval or opinion of the Board, such determination, decision, approval or opinion of the Board may be made in its absolute discretion.
- 17.3 Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in the interests or for the benefit of the Company, and the Board is not, in exercising any such power or discretion under any fiduciary or other obligation to any other person.
- 17.4 The determination, decision, approval or opinion of the Board as to the interpretation, effect or application of these Rules will be final.
- 17.5 The Board may delegate such functions and powers as it may consider appropriate, for the efficient administration of the Plan, to a plan committee made up of a person or persons capable of performing those functions and exercising those powers.
- 17.6 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 these Rules.

18 GENERAL

- 18.1 Notwithstanding any provisions of these Rules, no Shares may be issued, assigned or dealt with if to do so would contravene the Corporations Act 2001, the Listing Rules, the Financial Sector (Shareholdings) Act or any other applicable laws.

19 BREACH OF THE RULES BY A PARTICIPANT

- 19.1 If a Participant breaches any of his or her obligations under these Rules then the Company or an Associated Company may set-off the value of any benefit derived by that Participant and any loss incurred by the Company or Associated Company as a result of such breach against any amounts payable by the Company or Associated Company to that Participant unless prohibited by statute from doing so.
- 19.2 For the purposes of Rule 19.1, if a Participant sells Shares in breach of Rule 7, or contests any forfeiture of Shares which occurs under Rule 9, the value of the benefit to the Participant as a result of such breach is the amount received by the Participant from such sale, or the market value of the said Shares sold or contested at the time they are sold or required to be forfeited, whichever is the greater. For the purposes of this Rule, the market value of the said Shares will be the average weighted sale price of all Shares sold by such Participant or if there are no sales of Shares on such date then on the last date on which Shares are sold on the ASX prior to the date of forfeiture or breach.

FIRST SCHEDULE – BASIS OF PARTICIPATION

BASIS OF PARTICIPATION

The Company may offer Eligible Non Executive Directors the opportunity from time to time to acquire Shares under the Plan:

The Tax Deferred Scheme

1. General Share Offer

Eligible Non Executive Directors may be offered the opportunity to acquire Shares as part of or out of their remuneration.

Shares acquired under this offer will be subject to the Relevant Requirements (if any) and will be subject to Plan Rules Numbers 1 to 19.

The minimum limit of Shares to be acquired by any Eligible Non Executive Employee under this scheme in any financial period ending on 30 June following the date of Offer must be from contributions of not less than \$1,000 made in aggregate and contributed monthly during the said financial period.

Where a Non Executive Director has previously accepted an invitation to participate in the Suncorp Group Limited Non Executive Directors Share Plan, yet wishes to have additional contributions made to this Plan, this may be permitted provided an offer to participate is issued to that Non Executive Director.

2. Encumbrance on Shares

A Participant may not grant any Security Interest over his or her Shares acquired and held under the Plan (whether or not such Shares are subject to the Relevant Requirements).

3. Power of Attorney

A Participant must complete and appoint the Company Secretary of the Plan Company to act as a limited power of attorney to execute documents and security transfers as required in respect of Shares acquired under the Plan, including to assist in administration of the Plan if and when the Participant ceases to be a Non Executive Director and the Shares are required to be withdrawn from the Plan.

The Participant may request the said Company Secretary to effect a sale of Shares on the ASX or off market and to remit the net proceeds of sale to the Participant after the withdrawal of such Shares from the Plan.

4. Withdrawal of Shares

If a Participant ceases to be a Non Executive Director, the Board will be entitled to withdraw the Participant's Shares from the Plan.

SECOND SCHEDULE - THE RELEVANT REQUIREMENTS

THE RELEVANT REQUIREMENTS RELATING TO THE OFFER DATED:

To

The Board has determined that the following Relevant Requirements are to apply to this offer:

- (a) *[Insert the Performance criteria (if any) relating to the offer]*
- (b) *[Insert Vesting criteria (if any) relating to the offer]*
- (c) *[insert Other criteria (if any)]*

OR

There are no Relevant Requirements applying to this offer.