



QBE

Insurance
Group

9 December 2008

The Manager
Company Announcements
ASX Limited
Level 6
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

re: SHARE PURCHASE PLAN

We refer to our ASX market announcement of 3 December 2008.

For the market's information, the Chairman's letter, terms and conditions and an application form were mailed to relevant shareholders yesterday. We lodge a sample application form for completeness.

The contact numbers for shareholders to telephone our share registrar, Link Market Services, with any queries are as follows:

Australia: 1800 115 044
New Zealand: 0800 767 556

Yours faithfully,

Duncan Ramsay
Company Secretary

Enc.

QBE INSURANCE GROUP LIMITED
ABN 28 008 485 014

82 Pitt Street
Sydney NSW 2000

Postal Address
GPO Box 82
Sydney NSW 2001

Telephone: (02) 9375 4444
Facsimile: (02) 9231 6104
DX 10171 Sydney Stock Exchange

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QBE INSURANCE GROUP LIMITED

ABN 28 008 485 014

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1800 115 044
From outside Australia: 0800 767 556
Facsimile: (02) 9287 0303
ASX Code: QBE
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

MR A B SAMPLE
1A SAMPLE STREET
SAMPLEVILLE NSW 2000

Record Date: 25 November 2008
Offer Opens: 10 December 2008

SRN/HIN: 19999999999

Offer Closes
5:00pm (Sydney Time): 30 December 2008

SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

This is an offer to eligible holders of QBE Insurance Group Limited (QBE) Shares ("Shareholders") to subscribe for additional Shares in QBE ("Shares") under the Terms and Conditions of the SPP ("Offer").

By completing this Application Form and forwarding it with your payment, you (a) acknowledge that you have read and understood the Terms and Conditions of the SPP and agree to be bound by the constitutions and by-laws of QBE ("Constitution"), (b) apply to subscribe for Shares in accordance with the Terms and Conditions of the SPP, (c) certify that the aggregate application amount of Shares which you have applied for under this SPP (including through joint beneficial holdings), even if you received more than one offer under this SPP, together with Shares issued to you in any similar plan offer by QBE in the 12 months before the allotment date, does not exceed A\$5,000, (d) acknowledge that none of QBE, its advisers and agents has (i) provided you with any financial product or investment advice and (ii) is not under any obligation to provide any such advice, and (e) acknowledge that the information on the SPP has been prepared without taking into account your investment objectives, financial circumstances or particular needs. A reference to 'A\$' in this Application Form, the Terms and Conditions and in the Chairman's letter with which this Application Form was enclosed, is a reference to the lawful currency of Australia.

Please note:

- The Terms and Conditions of the SPP, including on the reverse of this Form, should be read carefully and in their entirety.
- Payments may only be made by BPAY®, cheque or money order in Australian dollars and drawn on an Australian branch of a financial institution. Cash payments will not be accepted.
- Payment by BPAY® or receipt by QBE of this Application Form duly completed, together with the full subscription amount, will constitute acceptance in accordance with the Terms and Conditions of the SPP and the Constitution of QBE by the Shareholder named on this Application Form. QBE may reject an acceptance of this Offer, in its absolute discretion, if payment is not received in accordance with the Terms and Conditions, is incomplete or if the exact amount applied for is not tendered.

Accepting this Offer using BPAY®

- To pay via BPAY® refer to the Biller Code and Reference Number below, and contact your participating financial institution.
- You are not required to return this Application Form.
- By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your payment amount.

Accepting this Offer by cheque or money order

- Cheque or money orders are to be made payable to: 'QBE Insurance Group Limited – SPP Account' and crossed Not Negotiable.
- The completed Application Form should be detached below and forwarded with your payment to reach QBE's registry by **5:00pm (Sydney Time) on 30 December 2008**. Please allow sufficient time for collection and delivery by postal services as the postal acceptance rule does not apply.
- If located within Australia please forward your Application Form, along with payment, in the reply paid envelope provided. New Zealand Shareholders must forward it to the postal address set out below. Shareholders outside of Australia and New Zealand are not eligible to participate in this Offer.
- Your form cannot be faxed to QBE's registry as payment must be attached to your Application Form.

Mailing Address: QBE Insurance Group Limited C/- Link Market Services Limited, GPO Box 3560, Sydney, NSW 2001, Australia

Hand Delivery Address: QBE Insurance Group Limited C/- Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000 *(Please do not use this address for express post mailing)*

This Offer is non-renounceable – No signature is required

If you require further information on how to complete this Application Form please contact Link Market Services Limited on 1800 115 044 toll free within Australia, or 0800 767 556 toll free in New Zealand.

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Please detach this tear-off slip and return with your cheque or money order



QBE INSURANCE GROUP LIMITED

ABN 28 008 485 014

19999999999



Biller Code: 46169

Ref: 2266100018472103

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
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I/We wish to purchase QBE Shares with an aggregate subscription price of (tick one box only):

A\$500 OR
 A\$1,000 OR
 A\$2,000 OR
 A\$3,000 OR
 A\$4,000 OR
 A\$5,000

Payment Details (if paying by cheque or money order):

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

Make your cheque or money order payable to "QBE Insurance Group Limited – SPP Account"

(must correspond with amount ticked above)

Contact Details: Contact Name (PRINT)

Telephone Number – Business Hours

00056+000000001847210+000000000+2065+69

FREQUENTLY ASKED QUESTIONS

How much can you invest?

You may apply to invest in new Shares having a purchase value of A\$500, A\$1,000, A\$2,000, A\$3,000, A\$4,000 or A\$5,000.

If you receive more than one offer from QBE, for example because of separate holdings under separate Share accounts or because you are a joint holder of Shares, the maximum you may apply to invest under this Offer as a sole and joint holder of new Shares is A\$5,000. QBE reserves the right to reject any application where this has not been complied with.

If the total value of applications for Shares under the SPP is more than QBE wishes to raise, it may, in its discretion undertake a scaleback to the extent and in the manner that it sees fit.

How will we determine the Issue Price?

The Issue Price for each Share the subject of this Offer will be the lower of either \$20.50 or the volume weighted average price at which QBE Shares trade between 22 and 30 December 2008 (inclusive) rounded down to the nearest cent.

The market price of QBE Shares may change between the Closing Date and the date that the new QBE Shares are allotted to you. QBE does not make any assurance that Shares in QBE will trade at or above the Issue Price following the allotment date. Shareholders should seek their own financial advice in relation to this Offer and participation in the SPP.

No fraction of new Shares will be issued. Fractions of new Shares calculated at the date of issue will be rounded up or down to the nearest whole new Share.

Who is eligible to apply under this Offer?

Participation in the SPP is open to Shareholders registered on QBE's Share register as at 5:00pm on 25 November 2008 ("the Record Date") and have an address specified in the register as being in Australia or New Zealand. The Offer to each eligible Shareholder is made on the same terms and conditions. The Offer is non-renounceable. If a trustee or nominee is expressly noted on the register of members as holding Shares on account of another person (a 'beneficiary'), the beneficiary is taken to be the registered holder of the Shares and any application or certification by the trustee or nominee is taken to be an application and certification by the beneficiary for the purposes of (amongst others) paragraph c(v) of ASIC Class Order 02/832.

Can I transfer my Offer to a third party?

The Offer is non-renounceable, so you cannot transfer your right to participate in the SPP to a third party.

Do you have to pay any costs?

QBE will not charge brokerage, commission or other transaction costs to the issue of new Shares under the SPP.

What will be the Issue Date?

The new Shares will be issued on 16 January 2009 or as soon as possible after that date. QBE's registry, Link Market Services Limited, will send you a holding statement as soon as practicable after the Issue Date.

What rights will the new Shares carry?

New Shares will rank equally in all respects with existing Shares.

How do you apply for new Shares under the SPP?

To apply for new Shares under this Offer, you must:

- Carefully read the Terms and Conditions
- On the Application Form on the back of this page:
 - ✓ Tick the box beside the amount you wish to purchase; either A\$500, A\$1,000, A\$2,000, A\$3,000, A\$4,000 or A\$5,000.
 - ✓ Complete the cheque details section. Or, if paying via BPAY[®], see details on reverse side.
 - ✓ Write your daytime telephone number – just in case we have any questions.
 - ✓ You DON'T need to sign the Application Form.
- **BPAY[®] Option** – Contact your participating institution and make the payment via BPAY[®]. Do not return this Application Form if you elect the BPAY[®] Option.
- **Cheque and Money Order Option** – Write out your cheque or get your money order made payable to "QBE Insurance Group Limited – SPP Account". Send the Application Form and your cheque using the reply-paid envelope provided: Alternatively, please mail or deliver to the address below.

By Postal Mail

QBE Insurance Group Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Or hand delivered to

QBE Insurance Group Limited
C/- Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Make sure you send your Application Form and cheque allowing enough time for mail delivery, so Link Market Services Limited receive them no later than 5:00pm (Sydney time) on 30 December 2008. QBE reserves the right not to process any Application Forms and cheques received after the Closing Date.

Can QBE change the Offer?

QBE retains the right to vary the date the Offer closes, the date new Shares are allotted and the date holding statements are dispatched to Shareholders. Any variation of date will be notified to the Australian Securities Exchange. QBE may change or terminate the SPP at any time prior to the Issue Date and will advise the Australian Securities Exchange in the event that this occurs. Any omission to give notice of changes to, or termination of, the SPP, or the non-receipt of any such notice, will not invalidate the change or termination. If the SPP is withdrawn, all application monies will be refunded. No interest will be paid on any refunded application monies.

In addition to any rights of QBE to reject applications as set out in these Terms and Conditions, QBE also reserves the right to allocate fewer, or no, QBE Shares than an eligible Shareholder applies for under the SPP if QBE believes that the allotment of those Shares would contravene any of the ASX Listing Rules or the *Corporations Act 2001* (Cth). In any such case, excess application monies will be returned to the relevant applicant(s). No interest will be paid on application monies so returned.

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a Shareholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your Shareholding and if some or all of the information is not collected then it might not be possible to administer your Shareholding. Your personal information may be disclosed to the entity in which you hold Shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this Application Form. Our privacy policy is available on our website (www.linkmarketservices.com.au).