



15 March 2013

The Manager
Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

QBE INSURANCE GROUP LIMITED
ABN 28 008 485 014

Head Office
82 Pitt Street
Sydney NSW 2000

Postal Address
GPO Box 82
Sydney NSW 2001

Telephone: (02) 9375 4444
Facsimile: (02) 9235 3166
DX 10171 Sydney Stock Exchange

Dear Sir/Madam

Re: CHANGE OF DIRECTOR'S INTEREST NOTICE

Attached for announcement to the market, please find an Appendix 3Y - Change of Director's Interest Notice for John Neal. Mr Neal's QBE shareholding increased following the transfer of ordinary shares on vesting of conditional rights awarded under the 2009 Deferred Compensation Plan.

We apologise for notifying ASX today, rather than by Monday, 11 March 2013. QBE takes its disclosure obligations seriously and we regret this lateness.

The Appendix 3Y involves:

- the vesting of unlisted conditional rights already disclosed on Mr Neal's Appendix 3Y disclosure on 27 September 2012;
- the lapse of 32,066 options for Mr Neal referred to on page 163 of the 2012 annual report (lodged with ASX on 26 February 2013); and
- the lapse of 30,000 conditional rights for Mr Neal referred to on page 99 of the 2012 annual report and pages 2 and 5 of the 2013 notice of annual general meeting lodged with the ASX on 26 February 2013.

We provide the following information:

1. It was an administrative error. There was no fault by Mr Neal.
2. We have written arrangements with our Directors, including a share trading policy last updated March 2013. The Directors are aware of their obligations to notify us based on similar prior notices.
3. The current arrangements with Directors are adequate. QBE will tighten internal procedures after this failure. We have complied with ASX Listing Rule 3.19A.2 many times. We are sorry we did not do so on this occasion.

Yours faithfully

A handwritten signature in black ink that reads 'D Ramsay'.

Duncan Ramsay
Company Secretary

Encl.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	QBE INSURANCE GROUP LIMITED
ABN	28 008 485 014

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	John David Neal
Date of last notice	27 September 2012

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	N/A
Date of change	4 March 2013
No. of securities held prior to change	138,095 ordinary shares 136,763 unlisted options 257,249 unlisted conditional rights 26,089 unlisted conditional rights (accrued notional bonus shares)
Class	Ordinary Shares Unlisted conditional rights Unlisted options
Number acquired	28,939 ordinary shares
Number disposed	28,939 unlisted conditional rights (vested) 30,954 unlisted conditional rights (lapsed) 32,066 unlisted options (lapsed)

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	N/A
No. of securities held after change	138,095 ordinary shares John D Neal 28,939 ordinary shares John Neal 104,697 unlisted options 203,658 unlisted conditional rights 19,787 unlisted conditional rights (accrued notional bonus shares)
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Transfer of 28,939 conditional rights in respect of rights vesting under the 2009 Deferred Compensation Plan. The lapse of 30,954 appointment performance incentive rights due to the minimum ROE target for 2012 not being achieved. The lapse of 32,066 unexercised options granted in 2007 at a price of \$32.68.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No.
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

+ See chapter 19 for defined terms.