



29 September 2011

Department of the Senate
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CANBERRA ACT 2600

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Dear Sir

**Re: Consumer Credit and Corporations Legislation Amendment (Enhancements) Bill
2011 – Chairman’s proxy voting**

QBE welcomes the opportunity to make a submission on voting at annual general meetings of public companies (“Proposed Amendment”).

We support the Proposed Amendment to permit the Chairman to lawfully vote undirected proxies on the resolution to adopt the remuneration report.

Such a proposal will end the current confusion on this topic.

In particular, the remuneration report is readily available to shareholders. If a shareholder is not happy with it, that shareholder can easily lodge a proxy either against it or abstaining from voting.

The notice of meeting usually indicates the Chairman’s intention is to vote undirected proxies in favour of the remuneration report. The Proposed Amendment deals with where the shareholder does not direct the proxy and expressly authorises the Chairman to exercise the proxy vote. In that situation, we believe it is better for the Chairman to be permitted to decide “for”, “against” or even “abstain” based on the discussion at the meeting or otherwise. The Chairman of course has a director’s duty to act in the best interests of shareholders.

It is of course common for shareholders to appoint the Chairman rather than another person as their proxy.

We request the Proposed Amendment is effective by 31 January 2012. We have a 31 December year end like some other ASX listed companies. We plan to send out our notice of annual general meeting by early March 2012. Board review and printing will occur during February 2012. Our 2012 AGM is scheduled for early April 2012.

Please contact either Peter Smiles on 02 9375 4322 or me if you have any questions on this letter.

Yours faithfully

Duncan Ramsay
General Counsel and Company Secretary
Group Executive