

Notice to shareholders

ZURICH INSURANCE COMPANY SOUTH AFRICA LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1965/006764/06)

Share code: ZSA

ISIN: ZAE0000094496

("Zurich" or "the Company")

Notice is hereby given that the forty-fourth Annual General Meeting of shareholders of Zurich will be held at the offices of the Company, Zurich House, The Braes, 193 Bryanston Drive, Bryanston, on Wednesday, 17 June 2009 at 10:00 to consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions in the manner required by the Companies Act No 61 of 1973 ("the Act"), as amended, and subject to the Listings Requirements:

ORDINARY BUSINESS

1. Adoption of annual financial statements

"THAT the audited annual financial statements of the Company and the Group for the year ended 31 December 2008, together with the report of the auditors thereon, be considered and adopted."

2. Election of Directors

- 2.1 "THAT Ms DD Mokgatle, an Independent Non-Executive Director, who retires in terms of the Company's Articles of Association ("the Articles") and being eligible has therefore offered herself for re-election as an Independent Non-Executive Director, be re-elected."

Details of an Independent Non-Executive Director up for re-election:

Ms DD Mokgatle BProc, LLB, HDip (Tax Law) (52)

1978 to 1993 – Various positions in a legal capacity

1993 to 1994 – Chief Legal Advisor: Eskom

1994 to 1995 – Corporate Consultant: Legal – Eskom

1995 to 1996 – Senior General Manager: Growth and Development – Eskom

1996 to 2003 – Executive Director: Eskom

2003 to 2005 – Chief Executive Officer: Spoornet

2005 to date – Director of various companies

2007 to date – Appointed Independent Non-Executive Director: Zurich SA

2008 to date – Appointed Independent Non-Executive Director and Chairman: Zurich Life SA

- 2.2 "THAT Mr JPM Deiss, a Non-Executive Director, who retires in terms of the Company's Articles and being eligible has therefore offered himself for re-election as a Non-Executive Director, be re-elected."

Details of a Non-Executive Director up for re-election:

Mr JPM Deiss Lic Rer Pol, Dr Rer Pol Habilitation, Dr HC (63)

1999 to 2002 – Head of the Swiss Federal Department of Foreign Affairs

1999 to 2006 – Federal Councillor: Swiss Federal Government

2002 to 2006 – Head of the Swiss Federal Department of Economic Affairs

2004 to 2004 – President of the Swiss Confederation

2007 to date – Director: Emmi AG

2007 to date – Appointed Non-Executive Director: Zurich SA

2008 to date – Director: Zurich Insurance Public Limited Company (ZIP) Ireland

- 2.3 "THAT Ms MN Mbekeni, a Non-Executive Director, who retires in terms of the Company's Articles and being eligible has therefore offered herself for re-election as a Non-Executive Director, be re-elected."

Details of a Non-Executive Director up for re-election:

Ms MN Mbekeni BA (Law), LLB (41)

1996 to 1998 – Executive Officer: Transnet

2000 to 2005 – General Manager: Corporate Services, Rand Water

2003 to date – Director and Chairman: SAWIMIH

2005 to date – Director: Smollan Holdings

2005 to 2006 – Chief Executive Officer: NEPAD Business Foundation

2006 to 2006 – Chief Corporate Officer: Cell C

2006 to 2008 – Managing Director: Princess Holdings

2008 to date – Group Executive: Legal Services, SA Post Office

2007 to date – Appointed Independent Non-Executive Director: Zurich SA

2008 to date – Appointed Independent Non-Executive Director: Zurich Life SA

- 2.4 "THAT Mr CJ Cron, a Non-Executive Director, who retires in terms of the Company's Articles and being eligible has therefore offered himself for re-election as a Non-Executive Director, be re-elected."

Details of a Non-Executive Director up for re-election:

Mr CJ Cron BA (Economics), MBA (56)

2001 to 2002 – Vice-President International: Insurance Services Office

2002 to 2004 – Independent Consultant: Zurich America Insurance Company

2005 to 2006 – Chief Financial Officer International: Zurich Financial Services

2006 to 2009 – Chief Operating Officer International: Zurich Financial Services

2006 to date – Director: Zurich Asia Holdings Limited

2007 to date – Director: Zurich Latin America Corporation

2007 to date – Appointed Non-Executive Director: Zurich SA

2009 to date – Executive Vice-President Special Operations: Zurich Financial Services

3. Approval of appointment or reappointment of the Audit Committee

"THAT the reappointment of the Audit Committee as reflected on page 28 of this annual report, to which this notice forms part, be approved."

4. Approval of reappointment of auditors

"THAT the reappointment of PricewaterhouseCoopers Inc. as auditors of the Company and Sakhile Masuku as the designated auditor until the next Annual General Meeting be approved."

5. Approval of auditors' remuneration

"THAT the Directors be and are hereby authorised to fix and pay the auditors' remuneration for the year ended 31 December 2008."

SPECIAL BUSINESS

Shareholders will be requested to consider and, if deemed fit, to pass the following resolutions with or without amendments.

Notice to shareholders continued

ORDINARY RESOLUTION NUMBER 1

Place unissued shares under the control of the Directors

"THAT the entire authorised but unissued ordinary share capital of the Company be and is hereby placed under the control of the Directors of the Company until the forthcoming Annual General Meeting and that they be and are hereby authorised and empowered to allot, issue and otherwise dispose of such shares on such terms and conditions and at such times as they may deem fit, subject to the provisions of the Companies Act (Act 61 of 1973), as amended ("the Act"), the Company's Articles and the JSE Limited ("JSE") Listings Requirements, when applicable."

ORDINARY RESOLUTION NUMBER 2

Issue unissued shares in the Company for cash

"THAT the Directors of the Company be authorised by way of a General Authority to allot and issue unissued shares in the Company for cash as and when they in their discretion deem fit, subject to Companies Act, the Company's Articles and the JSE Listings Requirements, when applicable, and the following limitations, namely:

- that this authority shall not extend beyond 15 (fifteen) months from the date of this meeting or the date of the next Annual General Meeting, whichever is the earlier date;
- that the issue shall be to public shareholders, as defined in the JSE Listings Requirements and not to related parties;
- that a paid press release, giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one year, 5% (five percent) or more of the number of ordinary shares issued prior to the issue;
- that issues in the aggregate in any financial year shall not exceed 8% (eight percent) of the number of ordinary shares of the Company's issued share capital, including instruments, which are convertible into ordinary shares. The number of shares, which may be issued for cash shall be based on the number of shares of the relevant class in issue at the date of application, aggregated (where applicable) with any shares in the relevant class that may be issued in future arising from the conversion of options/convertible securities, less any shares of the relevant class issued, or to be issued in future arising from options/convertible securities, by the Company during the current financial year, provided that any shares of the relevant class to be issued for cash pursuant to a rights issue (which has been announced and is irrevocable and fully underwritten) or acquisition (concluded and final terms announced) may be included as though they were shares of the relevant class in issue at the date of application;
- that, in determining the price at which an issue for shares will be made in terms of this authority, the maximum discount permitted be 10% (ten percent) of the weighted average traded price of the shares in question over the 30 (thirty) business days prior to the date that the price of the issue is determined or agreed to by the Company's Directors and the party subscribing for the shares;
- that the equity securities which are the subject of the issue for cash must be of a class already in issue, or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue; and
- any other requirements the JSE may have."

In terms of the Listings Requirements of the JSE 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the Annual General Meeting must be cast in favour of this ordinary resolution number 2 for it to be approved.

ORDINARY RESOLUTION NUMBER 3

Approval of Non-Executive Directors' fees

"THAT the Company hereby approves, as a general approval, the proposed fee increases, set out below, payable to Non-Executive Directors for their services as Directors on the Board and on the Board committees for the period commencing 1 January 2009, as recommended by the Remuneration Committee and the Board, subject to approval by the shareholders at the Annual General Meeting."

Proposed Directors' fees with effect from 1 January 2009

Type of fee		Existing fees (R)	Proposed fees (R)
Zurich SA Board	Chairman	250,000 pa	262,500 pa
	Non-Executive Directors	102,000 pa	107,100 pa
Audit Committee	Chairman	152,000 pa	174,800 pa
	Non-Executive Directors	76,000 pa	87,200 pa
ALMIC	Chairman	100,000 pa	174,800 pa
	Non-Executive Directors	50,000 pa	87,200 pa
Other Board committees	Chairman	100,000 pa	105,000 pa
	Non-Executive Directors	50,000 pa	52,500 pa
Zurich Life Board	Chairman	100,000 pa	105,000 pa
	Non-Executive Directors	50,000 pa	52,500 pa

- ALMIC fees increased to be on a par with the increased audit fees due to level of responsibility and time required with this appointment.

SPECIAL RESOLUTION NUMBER 1

Authority to repurchase shares

"THAT the Company hereby approves, as a general approval contemplated in section 85 to 89 of the Act, the acquisition by the Company of its own shares, or of shares in its holding company or to permit a subsidiary of the Company to purchase shares in the Company, upon such terms and conditions and in such amounts as the directors of the Company may decide, but subject to the provisions of the Articles, the Companies Act and the JSE Listings Requirements from time to time, subject to the following limitations:

- that this General Authority shall not extend beyond 15 (fifteen) months from the date of this meeting or the date of the next Annual General Meeting, whichever is the earlier date;
- that any such repurchase be implemented through the order book operated by the JSE and done without prior understanding or arrangement between the Company and the counterparty;
- that a paid press release giving such details as may be required in terms of the Listings Requirements of the JSE be published when the Company or its subsidiaries have cumulatively repurchased 3% (three percent) of the initial number of shares in issue and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter;
- that the general repurchase may not in the aggregate in any one financial year exceed 20% (twenty percent) of the number of shares in the Company's issued share capital at the time this authority is given provided that the acquisition of shares by a subsidiary of the Company may not exceed 10% (ten percent) of the number of issued shares of the Company if such shares are to be held as treasury stock;

Notice to shareholders continued

- that, in determining the price at which shares may be repurchased in terms of this General Authority, the maximum premium permitted be 10% (ten percent) above the weighted average traded price of the shares as determined over the 5 (five) business days immediately preceding the date of the repurchase of such ordinary shares by the Company;
- that the Company or its subsidiary is not repurchasing securities during a prohibited period as defined in the JSE Listings Requirements, unless it has in place a repurchase programme where the dates and quantities of the securities to be traded during the relevant period are not fixed (not subject to variation) and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;
- the Company only appoints one agent to effect any repurchase(s) on its behalf;
- the sponsor to the Company provides a letter on the adequacy of working capital in terms of section 2.12 of the JSE Listings Requirements prior to any repurchases being implemented on the open market of the JSE;
- that the Company may only undertake a repurchase of securities if, after such repurchase, it complies with the JSE Listings Requirements concerning shareholder spread requirements; and
- that such repurchase shall be subject to the Act and the applicable provisions of the Listings Requirements of the JSE.”

The Directors undertake that, for a period of 12 (twelve) months following the date of the general repurchase, they will not undertake any such repurchases unless:

- the Company and the Group will, after payment for such maximum repurchase, be able to repay its debts in the ordinary course of business;
- the Company's and the Group's assets, fairly valued according to International Financial Reporting Standards and on a basis consistent with the last financial year of the Company will, after such payment, exceed the Company's and the Group's liabilities;
- the Company's and the Group's share capital and reserves will, after such payment, be adequate for ordinary business purposes; and
- the Company and the Group will, after such payment, have sufficient working capital available for ordinary business purposes.

Reason and effect

The reason for and the effect of Special Resolution number 1 is to grant the Directors a General Authority, up to and including the date of the following Annual General Meeting of the Company, to approve the Company's purchase of shares in itself, or of shares in its holding company, or to permit a subsidiary of the Company to purchase shares in the Company, subject to the limitations set out above.

Intention

The Board has no immediate intention to use this authority to repurchase Company shares. However, the Board is of the opinion that this authority should be in place should it become appropriate to undertake a share repurchase in the future.

The JSE Listings Requirements require the following disclosures, some of which are elsewhere in the annual report of which this notice forms part as set out below:

- Directors and management – pages 22 to 24;
- Major shareholders of Zurich – pages 126 to 127;
- Directors' interests in securities – page 38; and
- Share capital of the Company – page 111.

Litigation statement

The Directors are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 (twelve) months, a material effect on the Group's financial position.

Directors' responsibility statement

The Directors collectively and individually accept full responsibility for the accuracy of the information pertaining to this resolution and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the JSE Listings Requirements.

Material change

Other than the facts and developments reported on in the annual report, there have been no material changes in the financial position of Zurich and its subsidiaries since the date of signature of the audit report and the date of this notice.

VOTING AND PROXIES

Shareholders who have not dematerialised their shares or who have dematerialised their shares with “own name” registration are entitled to attend and vote at the meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person so appointed need not be a member. Proxy forms must be forwarded to reach the Company's Transfer Secretaries, Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001, South Africa, or posted to the Transfer Secretaries at PO Box 61051, Marshalltown, 2107, to be received by no later than 10:00 on Monday, 15 June 2009. Proxy forms should only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares with “own name” registration.

On a show of hands, every member of the Company present in person or represented by proxy shall have one vote only. On a poll, every member of the Company shall have one vote for every share held in the Company by such member.

Shareholders who have dematerialised their shares, other than those members who have dematerialised their shares with “own name” registration, should contact their Central Securities Depository Participant or broker in the manner and time stipulated in their agreement:

- to furnish them with their voting instructions; and
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

By order of the Board

TA Pitman

Company Secretary

13 May 2009

Registered office

Zurich House
The Braes
193 Bryanston Drive
Bryanston

Transfer secretaries

Computershare Investor Services (Pty) Limited
70 Marshall Street
Johannesburg 2001
South Africa

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