

Minutes of Annual General Meeting of Insurance Australia Group Limited

**Held at the Wesley Theatre, Wesley Conference Centre,
220 Pitt Street, Sydney on
Tuesday, 10 November 2009, at 10.00am.**

Present

Messrs J Strong (Chairman) and M Wilkins (Chief Executive Officer), Ms Y Allen, Mr P Colebatch, Ms A Hynes, B Schwartz, P Twyman together with those shareholders whose names appear on the attendance register.

Apology

Mr H Fletcher

In Attendance

Mr G Revell, Group Company Secretary, Mr B Greig, Partner, KPMG, Mr M Cripps, Group General Counsel, Mr W Mrongovius, Returning Officer, Computershare Investor Services Pty Limited, Mr O Bampfield, Computershare Investor Services Pty Limited, and other advisers, Group Executives and employees of the Company.

Opening and Quorum

The Chairman opened the meeting and declared the quorum requirements satisfied.

The Chairman informed shareholders that it was proposed to use online voting technology to record shareholder, proxy holder and corporate representative votes cast in relation to the resolutions to be put at today's meeting.

Chairman's Address

The Chairman delivered his address providing an overview of the Company's Financial Performance, Capital Management strategy, Dividend policy, Board and Executive remuneration, Board succession and renewal plans and the outlook for the year ending June 2010.

The Chairman announced the Board's decision to appoint Mr Brian Schwartz as Deputy Chairman and that it was intended that Mr Schwartz will become the Chairman of the Company when Mr Strong retires at the end of the current financial year.

Address by the Chief Executive Officer

The Managing Director and Chief Executive Officer, Mr Wilkins delivered an address to the meeting that provided a detailed review of the Company's financial and operating performance for the 2009, financial year, and the factors that

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impacted performance in this year, details of and progress against the Company's revised strategy and outlook for the 2010 year.

Procedural Matters

The Chairman informed the meeting that there were five items of business before the Annual General Meeting, as set out in the Notice of Meeting. These were:

1. the re-election of two directors, Yasmin Allen and Phillip Colebatch;
2. refresh capacity to issue ordinary shares following the institutional placement of 150,000,000 ordinary shares completed in February 2009;
3. the adoption of the remuneration report as required by the Corporations Act 2001. The remuneration report was set out on pages 18 to 35 of the 2009 Annual Report; and
4. the allocation of deferred short term incentives in the form of Deferred Award Rights and long term incentives in the form of Executive Performance Rights to Michael Wilkins, Managing Director and Chief Executive Officer.

The Chairman informed the meeting of the procedures to be followed for the meeting.

Opening of the Polls

The Chairman informed the meeting that polls on all Resolutions would close at the end of the meeting.

The Chairman directed that the polls be opened on Resolutions 1 – 5.

Minutes of Previous Annual General Meeting

The Chairman informed the meeting that the minutes of the last Annual General Meeting of Shareholders held on 11 November 2008 had been approved and signed by him as the Chairman of that meeting in accordance with section 251A of the Corporations Act and were available for inspection by shareholders.

Notice of Meeting

The Chairman informed the meeting that the Notice of Meeting convening the Annual General Meeting had been sent to shareholders and that they also had the opportunity to view the Notice on the Company's website. As there were no objections, the Chairman confirmed that the Notice of Meeting was taken as read.

Receipt of the Financial Statements and Reports

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The Chairman tabled the Company's Financial Statements for the year ended 30 June 2009, the Directors' Statement and Report and the Auditor's Report on the financial statements.

The Chairman noted that the purpose of this item was to provide an opportunity for shareholders to ask questions and comment in relation to the performance, prospects, operating capability and management of the Company, as well as the Company's Financial Statements and Reports.

The Chairman noted that shareholders were able to submit written questions of the Auditor before today's meeting. He advised that a question was received however the question concerned matters that did not relate to either the content of the audit report or the conduct of the audit of the financial statements. He further noted that a response had been provided to the shareholder.

The Chairman advised the meeting that Mr Brian Greig, Partner of KPMG, the Company's auditors, was present at the meeting and that Mr Greig was available to respond to questions relevant to the content of the audit report or the conduct of the audit of the financial statements.

There were no questions of the auditor from the meeting.

The Chairman invited questions and comments from shareholders. The Chairman, Managing Director and senior executives of the Company responded to questions from the meeting.

Conduct of discussion and polls

The Chairman informed the meeting that polls on all Resolutions would close at the end of the meeting and that he would not ask for a show of hands but direct that the meeting move straight to a poll for each Resolution.

The Chairman informed the meeting that once the polls closed and the counting completed, a report on the results would be announced to the Australian Securities Exchange as soon as possible. The results would also be placed on the Company's website and posted at the Company's registered office by Wednesday, 11 November 2009.

Demonstration of keypad voting technology

Mr Bampfield addressed the meeting and conducted a demonstration of the keypad voting technology.

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The Chairman moved to the first item of business before the meeting.

Ordinary Business:

Resolution 1 – Re-election of a Director, Ms Y Allen

The following resolution was put to the shareholders as an ordinary resolution:

Ms Yasmin Allen, a Director retiring by rotation in accordance with the Company's Constitution, offers herself for re-election.

Ms Allen addressed the meeting.

The Chairman invited questions and comments from shareholders. The Chairman responded to questions from the meeting.

The Chairman directed that preliminary voting results on Resolution 1 be displayed to the meeting.

The Chairman directed that the poll on Resolutions 1 be closed.

Resolution 2 – Re-election of a Director, Mr P Colebatch

The following resolution was put to the shareholders as an ordinary resolution:

Mr Phillip Colebatch, a Director retiring by rotation in accordance with the Company's Constitution, offers himself for re-election.

Mr Colebatch addressed the meeting.

The Chairman invited questions and comments from shareholders. The Chairman responded to questions from the meeting.

The Chairman directed that preliminary voting results on Resolution 2 be displayed to the meeting.

The Chairman directed that the poll on Resolution 2 be closed.

Resolution 3 – Approve the issue of shares by IAG

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The following resolution was put to the shareholders as an ordinary resolution:

“That for the purposes of ASX Listing Rule 7.4, approve the issue of shares by IAG as and on the basis described in the Explanatory Notes accompanying the 2009 Notice of Meeting.”

The Chairman invited questions and comments from shareholders.

The Chairman directed that preliminary voting results on Resolution 3 be displayed to the meeting.

The Chairman directed that the poll on Resolution 3 be closed.

Resolution 4 – Adoption of Remuneration Report

The following resolution was put to the shareholders as an ordinary resolution:

“That the Company’s Remuneration Report for the financial year ended 30 June 2009 be adopted”.

The Chairman invited questions and comments from shareholders.

The Chairman directed that preliminary voting results on Resolution 4 be displayed to the meeting.

The Chairman directed that the poll on Resolution 4 be closed.

Resolution 5 – Approve allocation of DARs and EPRs to the Managing Director and Chief Executive Officer of the Company, Mr Wilkins

The following resolution was put to the shareholders as an ordinary resolution:

“That approval is given to allocate to the Managing Director and Chief Executive Officer of the Company, Mr Wilkins:

- (a) Deferred Award Rights; and
- (b) Executive Performance Rights for the financial years ending 30 June 2010, 2011 and 2012 as and on the basis described in the Explanatory Notes accompanying the 2009 Notice of Meeting and in accordance with the Deferred Award Rights terms and the Executive Performance Rights terms.”

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The Chairman invited questions and comments from shareholders. The Chairman, directors and senior executives responded to questions from the meeting.

The Chairman directed that preliminary voting results on Resolution 5 be displayed to the meeting.

The Chairman directed that the poll on Resolution 5 be closed.

Closure

The Chairman declared the Annual General Meeting closed with the exception of the determination and the announcement of the results of the polls.

The Chairman thanked shareholders for attending the meeting and for contributing to the discussion of the business before the meeting.

The meeting closed at 1.15pm.

Confirmed:

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Chairman