NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES OF AMERICA OR OTHERWISE OTHER THAN TO PERSONS TO WHOM IT CAN LAWFULLY BE DISTRIBUTED—THIS OFFERING IS AVAILABLE ONLY TO ADDRESSEES OUTSIDE OF THE UNITED STATES, SUBJECT TO CERTAIN RESTRICTIONS.

IMPORTANT: You must read the following before continuing. The following disclaimer applies to the attached listing prospectus (the "**Listing Prospectus**") accessed via internet or otherwise received as a result of such access and you are therefore advised to read this disclaimer page carefully before reading, accessing or making any other use of the attached Listing Prospectus. In accessing the attached Listing Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. IN PARTICULAR, ANY SECURITIES TO BE ISSUED HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION. YOU ARE NOT AUTHORIZED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE ATTACHED LISTING PROSPECTUS, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH LISTING PROSPECTUS IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED LISTING PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA OR APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: By accessing the attached document you reconfirm your representation to Zurich Insurance Company Ltd (the "**Issuer**") and Credit Suisse AG (the "**Sole Lead Manager**") that (1) you are outside the United States of America, as defined in Regulation S under the U.S. Securities Act, not acting on behalf of a person within the United States of America and, to the extent you purchase the securities described in the attached Listing Prospectus, you will be doing so in compliance with Regulation S under the U.S. Securities Act, that (2) the electronic mail (or e-mail) address to which the attached Listing Prospectus has been delivered is not located in the United States of America, its territories and possessions, any State of the United States or the District of Columbia (where "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), and that (3) you consent to delivery of the attached Listing Prospectus and any amendments or supplements thereto by electronic transmission. The attached Listing Prospectus has been made available to you in electronic form.

You are reminded that documents transmitted via electronic means may be altered or changed during the process of transmission and consequently none of the Issuer, the Sole Lead Manager and their respective affiliates, directors, officers, employees, representatives and agents or any other person controlling the Issuer, the Sole Lead Manager or any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the Listing Prospectus distributed to you in electronic format and the hard copy version. If permitted by law, we will provide a hard copy version to you upon your request.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. No action has been or will be taken in any jurisdiction by the Sole Lead Manager or the Issuer that would or is intended to, permit a public offering of the securities, or possession or distribution of the Listing Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the securities, in any country or jurisdiction where action for that purpose is required. If a jurisdiction requires that the offering be made by a licensed broker or dealer, where the Sole Lead Manager or any affiliate of the Sole Lead Manager is such a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Sole Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction.

For other sales restrictions, see "*Selling Restrictions*" in the Listing Prospectus. You are reminded that you have accessed the attached Listing Prospectus on the basis that you are a person into whose possession this Listing Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver this Listing Prospectus, electronically or otherwise, to any other person. If you have gained access to this Listing Prospectus contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein. If you receive this Listing Prospectus by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "reply" function on your e-mail software, will be ignored or rejected. If you receive this Listing Prospectus by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Zurich Insurance Company Ltd

(incorporated with limited liability in Switzerland)

CHF 250,000,000 0.100 per cent. Notes due 27 August 2032

(the "**Notes**")

The Notes are issued under the USD18,000,000,000 Euro Medium Term Note Programme (the "Programme") established by Zurich Insurance Company Ltd (the "Issuer") and are rated "A1" by Moody's Investors Service Ltd. and "A+" by S&P Global Ratings Europe Limited. Full information on the Notes is only available on the basis of the combination of the base prospectus for the Programme dated 22 May 2019 included herein as Annex A (the "Base Prospectus", which expression shall include the prospectus supplement dated 14 February 2020 included herein as Annex B), the pricing supplement applicable to the Notes set forth on page 10 herein (the "Pricing Supplement") and the terms and conditions of the Notes set forth on page 32 of the Base Prospectus (the "Conditions") and any other information contained in this listing prospectus (the "Listing Prospectus").

Issuer:	Zurich Insurance Company Ltd, Mythenquai 2, CH-8002 Zurich, Switzerland
Interest Rate:	0.100 per cent. p.a., payable annually in arrear on 27 August, for the first time on 27 August 2020. The first Interest period is a short interest period of 180 days. Interest on the Notes will be calculated on the basis of a 30/360 day count fraction.
Issue Price:	The Sole Lead Manager (as defined below) has purchased the Notes at the price of 100.436 per cent. of the aggregate nominal amount of the Notes (before commissions and expenses).
Placement Price:	According to demand
Issue Date:	27 February 2020
Maturity Date:	27 August 2032, redemption at par
Early Redemption:	The Issuer may redeem the Notes (in whole but not in part) at par on the Optional Redemption Date being any Business Day from (and including) 27 May 2032 to (but excluding) the Maturity Date in accordance with section 19(i) seq. of the Pricing Supplement. In addition, the Issuer may redeem the Notes prior to the Optional Redemption Date at any time (at par) if eighty (80) per cent. or more of the aggregate principal amount have been redeemed or purchased and cancelled at the time of giving notice of redemption (clean-up redemption) as per section 19(iii) seq. of the Pricing Supplement.
Reopening of the Issue:	The Issuer reserves the right to reopen the issue according to the Conditions.
Denomination:	CHF 5,000 and integral multiples thereof
Form of the Notes:	The Notes will be issued in bearer form and will be represented by a permanent global note (the "**Permanent Global SIS Note**"). Holders do not have the right to effect or demand the conversion of the Permanent Global SIS Note into, or delivery of, Notes in definitive or uncertificated form.
Assurances:	Pari passu clause and cross default clause, each in accordance with the Conditions
Trading and Listing:	The Notes have been provisionally admitted to trading on the SIX Swiss Exchange with effect from 26 February 2020 and application will be made for the Notes to be admitted to trading and listed on the SIX Swiss Exchange. Last trading day is expected to be 25 August 2032.
Selling Restrictions:	In particular United States of America, European Economic Area, United Kingdom, Ireland, Japan, Australia, Singapore and general selling restrictions (for details see page 2 of this Listing Prospectus and pages 187 to 191 of the Base Prospectus).
Governing Law and Jurisdiction:	The Notes and all contractual documentation are governed by and shall be construed in accordance with English law. Place of jurisdiction shall be the courts of England; an additional place of jurisdiction shall be the courts of the City of Zurich, venue Zurich 1, Switzerland.

Credit Suisse

Swiss Security Number: 52515837 ISIN: CH0525158371 Common Code: 212484253

Listing Prospectus dated 26 February 2020

This Listing Prospectus has been prepared in connection with the offering and listing of the Notes in Switzerland only. The Notes will not be admitted to trading on a regulated market in the European Economic Area and will be listed solely on the SIX Swiss Exchange. The Notes must not be offered or sold within the European Economic Area in circumstances where a prospectus is required to be published under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and neither the Issuer, nor the Sole Lead Manager have authorised, nor do they authorise, the making of any offer of the Notes in circumstances in which an obligation arises for the Issuer or the Sole Lead Manager to publish a prospectus within the meaning of the Prospectus Regulation for such offer. This Listing Prospectus has not been reviewed or approved by any competent authority in any Member State of the European Economic Area and does not constitute a prospectus within the meaning of the Prospectus Regulation.

Selling Restrictions

In particular United States of America, European Economic Area, United Kingdom, Ireland, Japan, Australia, Singapore and general selling restrictions. For further information and the full text, which is solely relevant, please refer to section "Subscription and Sale" on pages 187 to 191 of the Base Prospectus.

The Sole Lead Manager has agreed that it will comply with all applicable laws and regulations in force in any country or jurisdiction in which it purchases, offers, sells or delivers the Notes or possesses or distributes any offering material in relation to the Notes and will obtain any consent, approval or permission required by it for the subscription, offer, sale or delivery by it of Notes or possession or distribution of such offering material under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such subscription, offer or sale.

Neither the Issuer nor the Sole Lead Manager represents that the Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Table of Contents

Selling Restrictions 2

General Information 4

Information on the Notes 5

Information on the Issuer 6

Information on the Trustee 8

Responsibility Statement 9

Pricing Supplement 10

Base Prospectus dated 22 May 2019 . . . . . Annex A

Prospectus Supplement dated 14 February 2020 . . . . . Annex B

News Release dated 13 February 2020 of Zurich Insurance Group Ltd . . . . . Annex C

General Information

Notice to Investors

This Listing Prospectus shall be read and construed on the basis that (i) the annexes to this Listing Prospectus and (ii) the documents incorporated by reference in this Listing Prospectus shall be deemed to be incorporated in, and to form part of, this Listing Prospectus.

The Notes are issued under the Programme of the Issuer. The specific terms of the Notes are set out in the Pricing Supplement on page 10 herein and must be read in conjunction with the Conditions contained in the Base Prospectus, provided that the Base Prospectus shall be deemed to be modified or superseded to the extent a statement herein modifies or supersedes a statement in the Base Prospectus. Investors are advised to familiarise themselves with the entire content of this Listing Prospectus and the Base Prospectus.

The financial institution involved in the issuance and offering of the Notes is a bank, which directly or indirectly has participated, or may participate, in financing transactions and/or other banking business with the Issuer, which are not disclosed herein.

Except as otherwise stated in this Listing Prospectus, terms defined in the Base Prospectus shall have the same meaning when used in this Listing Prospectus.

Prospectus

In accordance with article 109 of the Swiss Financial Services Ordinance, this Listing Prospectus has been prepared in compliance with articles 652a and 1156 of the Swiss Code of Obligations, as such articles were in effect immediately prior to the entry into effect of the Swiss Financial Services Act (the "**FinSA**"; *Bundesgesetz über die Finanzdienstleistungen*), and the listing rules of the SIX Swiss Exchange in their version dated 8 November 2019 and in force as of 1 January 2020 (the "**Listing Rules**"). Consequently, the Listing Prospectus has not been and will not be reviewed or approved by a Swiss review body pursuant to article 51 of the FinSA and will not comply with the disclosure requirements applicable to a prospectus approved by such a review body under the FinSA.

Information on Risk Factors

For risks associated with an investment in the Notes, please refer to the section entitled "*Risk Factors*" set forth in the Base Prospectus.

Documents Incorporated by Reference

The following documents shall be deemed to be incorporated by reference in, and form an integral part of, this Listing Prospectus:

- the documents identified in the Base Prospectus under "*Information Incorporated by Reference*" in relation to "ZIC" or "the ZIC Group" on pages 21 and 22 of the Base Prospectus; and
- the consolidated financial statements of Zurich Insurance Group Ltd for the year ended 31 December 2019.

Availability of Documents

Copies of this Listing Prospectus and of the documents incorporated by reference herein are available free of charge from Credit Suisse AG, Uetlibergstrasse 231, CH-8070 Zurich, Switzerland, or may be obtained by telephone (+41 44 333 31 60), fax (+41 44 333 57 79) or e-mail to newissues.fixedincome@credit-suisse.com.

Information on the Notes

Terms and Conditions of the Notes

The specific terms and conditions of the Notes, which will be attached to or incorporated by reference into the Permanent Global SIS Note representing the Notes and which will be endorsed upon each definitive Note, are as set out in the Pricing Supplement and must be read in conjunction with the terms and conditions of the Notes (the "**Terms and Conditions**" or the "**Conditions**") contained in the Base Prospectus.

The Programme, the Notes and any non-contractual obligations arising out of or in connection with them are governed by English law. Place of jurisdiction shall be England; for the benefit of the holders of the Notes additional place of jurisdiction shall be the courts of the City of Zurich, venue Zurich 1, Switzerland.

Authorisation

Pursuant to the resolutions of the board of directors of the Issuer dated 12 December 2019 and a subscription agreement dated 26 February 2020 between the Issuer and Credit Suisse AG (the "**Sole Lead Manager**"), the Issuer has decided to issue the Notes in an aggregate amount of CHF 250,000,000 on 27 February 2020.

Use of Proceeds

The net proceeds from the issue of the Notes, amounting to CHF 250,510,000, will be applied by the Issuer for refinancing existing debt or its general corporate purposes. The Sole Lead Manager shall have no responsibility for, nor be obliged to concern itself with, the use of such net proceeds.

Clearing

The Notes have been accepted for clearance through SIX SIS Ltd.

Paying Agent

For the purpose of these Notes, the Issuer has, under a supplemental agency agreement dated 26 February 2020, appointed Credit Suisse AG as principal Swiss paying agent in Switzerland (the "**Principal Swiss Paying Agent**").

Listing on SIX Swiss Exchange

Application will be made for the admission to trading and the listing of the Notes on the SIX Swiss Exchange.

Representative

In accordance with Article 58a of the listing rules of the SIX Swiss Exchange the Issuer has appointed Credit Suisse AG as its representative to file the application for the admission to trading and the listing with the SIX Swiss Exchange.

Notices

So long as the Notes are listed on the SIX Swiss Exchange and so long as the rules of the SIX Swiss Exchange so require, all notices in respect of the Notes will be validly given through Credit Suisse AG by means of electronic publication on the following internet website of the SIX Swiss Exchange: https://www.six-group.com/exchanges/news/official_notices/.

Information on the Issuer

Preliminary Remark

In addition to the information given below, please refer in particular to (i) pages 139 to 151 of the Base Prospectus attached as Annex A hereto and (ii) the Zurich Insurance Group Ltd financial statements incorporated by reference herein.

Articles of Association

The corporate purpose of the Issuer, pursuant to article 4 of its articles of association is set out on page 139 of the Base Prospectus. The articles of association of the Issuer are dated 3 February 2017.

Own Equity Securities

The Issuer holds no own equity securities.

Dividends paid by the Issuer

The Issuer has paid the following dividends in respect of the financial years set out in the table below:

Financial Year	2014	2015	2016	2017	2018
Dividend (CHF mio)	2,500	1,400	2,300	0[(1)]	2,750

(1) In 2017, instead of an ordinary dividend, the Issuer partially repaid to Zurich Insurance Group Ltd an existing subordinated loan in the amount of CHF 2.7 billion as approved by the annual general meeting of the Issuer. Accordingly no dividend was paid by ZIC for the financial year 2017.

Unaudited Consolidated Financial Information of the ZIC Group

The table below show items of unaudited consolidated financial information of the ZIC Group as of 30 June 2019 and 31 December 2018.

Balance Sheet Items	30 June 2019	31 December 2018
(all amounts in USD millions)	(unaudited)	(unaudited)
Total investments	313,135	292,635
Total assets	425,095	396,042
Liabilities for insurance contracts	262,833	249,208
Senior and subordinated debt	13,074	12,111
Total liabilities	390,508	363,992
Total Shareholder's equity	32,316	29,844

The table below show items of unaudited consolidated financial information of the ZIC Group for the six months ended 30 June 2019 and 2018.

Income Statement Items*	1 January 2019 to 30 June 2019	1 January 2018 to 30 June 2018
(all amounts in USD millions)	(unaudited)	(unaudited)
Gross written premiums and policy fees	26,536	27,127
Net written premiums and policy fees	21,750	22,729
Net investment result on Group	3,461	3,141
Net income attributable to the shareholder	1,924	1,779

Court, arbitral and administrative proceedings

Except as disclosed in this Prospectus, the Issuer is not and has not been involved in any court, arbitration, governmental or administrative proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the past 12 months before the date of this Prospectus a significant effect on the financial position or profitability of the Issuer.

No Material Adverse Changes

Except as disclosed in this Prospectus, there has been no material adverse change, nor any event or development involving a prospective material adverse change, in the assets and liabilities, financial position and profits and losses of the Issuer since 31 December 2018, which would materially affect its ability to carry out its obligations under the Notes.

Recent Developments

On 18 February 2020, it was announced that Zurich Holding Company of America, Inc. ("**ZHCA**"), a wholly owned indirect subsidiary of the Issuer, had placed USD 200,000,000 2.30 per cent. senior notes due 2030, with ZHCA's obligations under such notes guaranteed by the Issuer.

Information on the Trustee

Citicorp Trustee Company Limited, 14th Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom acts as trustee (the "**Trustee**") for the holders of the Notes. The amendment and restatement deed dated 22 May 2019 relating to the trust deed dated 29 May 1998 in respect of the Programme, as supplemented pursuant to the twelfth supplemental trust deed dated 26 February 2020 between the Issuer and the Trustee (the "**Trust Deed**") is available for viewing as set forth under section "*Availability of Documents*" herein. The Trust Deed is governed by, and construed in accordance with, English law.

The principal competences (in summary) of the Trustee under the Trust Deed are:

(i) pursuant to clause 2.1 of the Trust Deed, receipt of a copy of the applicable Pricing Supplement in respect of the Notes delivered by the Issuer;

(ii) pursuant to clause 2.2 of the Trust Deed, obtaining the covenant from the Issuer that it will, as and when the Notes become due to be redeemed in accordance with the Terms and Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in the relevant currency in immediately available funds the principal amount or, as appropriate, such other amount specified as being payable in accordance with the Terms and Conditions of the Notes;

(iii) pursuant to clause 9 of the Trust Deed, all moneys received by the Trustee from the Issuer in respect of amounts payable under the Trust Deed for the Notes (including any moneys which represent principal or interest in respect of the Notes or Coupons which have become void under condition 20 of the Terms and Conditions) will be held by the Trustee upon trust to apply them (i) in payment of all costs, charges, expenses and liabilities incurred by the Trustee (including remuneration payable to the Trustee or any Appointee) in carrying out its functions under the Trust Deed in respect of the Notes, (ii) as set out in condition 3 of the Terms and Conditions, in or towards payment *pari passu* and rateably of all principal and interest then due and unpaid in respect of the Notes, and (iii) in payment of the balance (if any) to the Issuer (without prejudice to, or liability in respect of, any question as to how such payment to the Issuer shall be dealt with as between the Issuer and any other person) for itself;

(iv) pursuant to clause 10 of the Trust Deed, the Trustee shall give notice to the holders of the Notes in accordance with condition 19 of the Terms and Conditions of the day fixed for any payment to them under clause 9 of the Trust Deed (see (iii) above). Such payment may be made in accordance with condition of the Terms and Conditions and any payment made shall be a good discharge to the Trustee;

(v) pursuant to clause 11.1 of the Trust Deed, if the amount of the moneys at any time available for the payment of principal and interest in respect of the Notes shall be less than 10 percent of the principal amount of the Notes then outstanding, the Trustee may at its discretion invest such moneys in some or one of the investments authorised;

(vi) granting waivers under the Trust Deed pursuant to clause 18.1 thereof and modifications under the Trust Deed pursuant to Clause 18.2 thereof, without the consent of the holders of the Notes.

The Trustee's powers, authorities or discretions, as well as limitations on its liability, are further elaborated in clauses 14, 15, 16 and 17 of the Trust Deed.

The Trustee may retire at any time on giving not less than three months' prior written notice to the Issuer without giving any reason and without being responsible for any liabilities incurred by reason of such retirement. The holders of the Notes may by Extraordinary Resolution (as defined in the Trust Deed) remove the Trustee. In such events, the Issuer will use its best endeavours to appoint a new Trustee as soon as reasonably practicable thereafter. The retirement or removal of the Trustee shall not become effective until a successor trustee being a Trust Corporation (as defined in the Trust Deed) is appointed.

Responsibility Statement

The Issuer accepts responsibility for the information contained in this Listing Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Listing Prospectus is in accordance with the facts and does not omit anything that would affect the import of such information.

Zurich, 26 February 2020

Zurich Insurance Company Ltd

By:

Authorised Signatory

By:

Authorised Signatory

Pricing Supplement

Pricing Supplement dated 26 February 2020

Zurich Insurance Company Ltd
(Legal Entity Identifier: 81560058C3C0CEB63B79)

Issue of CHF250,000,000 0.100 per cent. Notes due 27 August 2032
under the USD18,000,000,000
Euro Medium Term Note Programme

Part A Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 May 2019 and the supplement to the Base Prospectus dated 14 February 2020 which together constitute a prospectus for purposes of Part IV of the Luxembourg act dated 10 July 2005 relating to prospectuses for securities, as amended (the "**Prospectus Act 2005**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Base Prospectus, as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement, the Base Prospectus, as so supplemented, and the listing prospectus dated 26 February 2020 (the "**Listing Prospectus**") prepared by the Issuer in connection with the listing of the Notes on the SIX Swiss Exchange Ltd (the "**SIX Swiss Exchange**"). The Base Prospectus, the supplement to the Base Prospectus and the Listing Prospectus are available for viewing during normal business hours at Zurich Insurance Company Ltd, Austrasse 46, 8045 Zurich, Switzerland or can be ordered from Credit Suisse AG, Uetlibergstrasse 231, CH-8070 Zurich, Switzerland, by telephone (+41 44 333 49 73), fax (+41 44 333 57 79) or by email to newissues.fixedincome@credit-suisse.com.

1	Issuer:		Zurich Insurance Company Ltd
2	Guarantor:		Not Applicable
3	(i)	Series Number:	53
	(ii)	Tranche Number:	1
4	Specified Currency or Currencies:		Swiss Francs ("**CHF**")
5	Aggregate Nominal Amount of Notes admitted to trading:		
	(i)	Series:	CHF 250,000,000
	(ii)	Tranche:	CHF 250,000,000
6	Issue Price:		100.436 per cent. of the Aggregate Nominal Amount
7	(i)	Specified Denominations:	CHF 5,000 and integral multiples thereof
	(ii)	Calculation Amount:	CHF 5,000
8	(i)	Issue Date:	27 February 2020
	(ii)	Interest Commencement Date:	Issue Date
9	Maturity Date:		27 August 2032
10	Interest Basis:		0.100 per cent. Fixed Rate (*further particulars specified below*)
11	Change of Interest or Redemption/Payment Basis:		Not Applicable

12	Call Options:		Issuer Call (*further particulars specified below*)
13	(i)	Status of the Notes:	Senior
	(ii)	Status of the Guarantee:	Not Applicable
	(iii)	Specified Maximum Amount:	Not Applicable
	(iv)	Date Board approval for issuance of Notes obtained:	12 December 2019
14	Initial Permitted Non-Qualifying Lender[s]:		Not Applicable

Provisions Relating to Interest (if any) Payable

15	Fixed Rate Note and Fixed to Floating Rate Note Provisions:		Applicable
	(i)	Rate of Interest:	0.100 per cent. per annum payable annually
	(ii)	Interest Payment Date(s):	27 August in each year commencing on 27 August 2020 to and including 27 August 2032 For the avoidance of doubt, there will be a short first coupon from (and including) the Interest Commencement Date to (but excluding) 27 August 2020 (the "**Short First Coupon**").
	(iii)	Fixed Coupon Amount:	CHF 5.00 per Calculation Amount other than in respect of the Short First Coupon
	(iv)	Broken Amount(s):	CHF 2.50 per Calculation Amount in respect of the Short First Coupon, payable on the Interest Payment Date falling on 27 August 2020.
	(v)	Fixed Day Count Fraction:	30/360
	(vi)	Determination Dates:	Not Applicable
16	Floating Rate Note and Fixed to Floating Rate Note Provisions:		Not Applicable
17	Fixed Rate Reset Note Provisions:		Not Applicable
18	Zero Coupon Note Provisions		Not Applicable

Provisions Relating to Redemption

19	Call Option:		Applicable
	(i)	Optional Redemption Date:	Any Business Day during the period from (and including) 27 May 2032 to (but excluding) the Maturity Date
	(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	CHF 5,000 per Calculation Amount
	(iii)	Notice period:	Not less than 30 nor more than 60 days
	(iv)	Clean-Up Event Call:	Applicable

(v)	Clean-Up Threshold Percentage:	80 per cent.
(vi)	Clean-Up Redemption Price:	CHF 5,000 per Calculation Amount
(vii)	Early Event Call Period:	As per Condition 7(f)
20	Put Option:	Not applicable
21	Final Redemption Amount of each Note:	CHF 5,000 per Calculation Amount
22	Early Redemption Amount:	CHF 5,000 per Calculation Amount

General Provisions Applicable to the Notes

23	Form of Notes:	The Notes will initially be issued in bearer form and will, upon issue, be represented by a Permanent Global SIS Note substantially in the form scheduled to the twelfth supplemental trust deed dated 26 February 2020 between the Issuer and the Trustee. In order to ensure that the Notes are in registered form under the U.S. Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), neither the Issuer, the Sole Lead Manager, the Trustee, the Holders of the Notes nor any third party shall at any time have the right to effect or demand the conversion of the Permanent Global SIS Note into, or the delivery of, a uncertificated securities (*Wertrechte*) or definitive Notes (*Wertpapiere*), except upon the occurrence of a Definitive Exchange Event. Upon the occurrence of a Definitive Exchange Even, a Permanent Global SIS Note will be exchangeable (free of charge), in whole but not in part, for Notes in definitive bearer form with, where applicable, Coupons attached. "**Definitive Exchange Event**" means either SIS or any successor organisation is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and (a) no successor clearing system acceptable to the Trustee is available; or (b) the book entry system through which the Notes are held ceases to qualify as being in registered form for U.S. tax purposes.
24	New Global Note Form:	No
25	Additional Financial Centres or other special provisions relating to Payment Days for the purpose of Condition 11(f):	Zurich
26	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No
27	Consolidation provisions:	
(i)	Listed Swiss Franc Note:	Yes
(ii)	Identity of Principal Swiss Paying Agent and other Paying Agents:	Credit Suisse AG as Principal Swiss Paying Agent

28	Restricted Note (Condition 15(a) shall apply):	No
29	Meetings of Noteholders:	As per Condition 12(b)(i)
30	Relevant Benchmark(s):	Not Applicable

Responsibility

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: ……	By: ……
Duly authorised	Duly authorised

PART B — OTHER INFORMATION

1 Listing and Admission to Trading

(i)	Listing:	SIX Swiss Exchange In accordance with article 109 of the Swiss Financial Services Ordinance, the Listing Prospectus will be prepared in compliance with articles 652a and 1156 of the Swiss Code of Obligations, as such articles were in effect immediately prior to the entry into effect of the Swiss Financial Services Act (the "**FinSA**"; *Bundesgesetz über die Finanzdienstleistungen*), and the listing rules of the SIX Swiss Exchange in their version dated 8 November 2019 and in force as of 1 January 2020 (the "**Listing Rules**"). Consequently, the Listing Prospectus will not be reviewed or approved by a Swiss review body pursuant to article 51 of the FinSA and will not comply with the disclosure requirements applicable to a prospectus approved by such a review body under the FinSA.
(ii)	Admission to trading:	Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the SIX Swiss Exchange with effect from 26 February 2020. Application for the definitive listing on the SIX Swiss Exchange will be made by the Issuer (or on its behalf) for the Notes as soon as possible thereafter. The last trading day of the Senior Notes will be 2 trading days prior to redemption.
(iii)	Estimate of total expenses related to admission to trading:	CHF 17,500

2 Ratings

Ratings:	The Notes are expected to be rated: S&P: A+ Moody's: A1

3 Interests of Natural and Legal Persons Involved in the Issue

"Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

4 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

(i) Reasons for the offer:	See "Use of Proceeds" wording in the Listing Prospectus
(ii) Estimated net proceeds:	CHF 250,510,000
(iii) Estimated total expenses:	CHF 17,500

5 Operational Information

(i)	ISIN Code:	CH0525158371
(ii)	Common Code:	212484253
(iii)	FISN:	Not Applicable

	(iv)	CFI Code:	Not Applicable
	(v)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	SIX SIS Ltd, Olten, Switzerland Swiss Security Number: 52'515'837
	(vi)	Delivery:	Delivery against payment
	(vii)	Names and addresses of initial Paying Agent(s):	Not Applicable
	(viii)	Names and addresses of additional Paying Agent(s) (if any):	For the purposes of this Series of Notes only, the Issuer will, pursuant to a Supplemental Agency Agreement dated 26 February 2020, appoint Credit Suisse AG (the "**Principal Swiss Paying Agent**") as the Principal Swiss Paying Agent with its registered office located at the following address: Credit Suisse AG Paradeplatz 8 CH-8001 Zurich Switzerland None of the existing Agents appointed under the Amended and Restated Agency Agreement dated 22 May 2019 as amended, supplemented and restated in connection with the Programme will act as paying agents for this Series of Notes and any reference in the Conditions to the "Agent" or the "Paying Agents" shall, so far as the context permits, be construed as references to the Principal Swiss Paying Agent.
	(ix)	Intended to be held in a manner which would allow Eurosystem eligibility:	No. Whilst the designation is specified as "no" at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

Distribution

6	(i)	If syndicated, names of Managers:	Not Applicable
	(ii)	Stabilisation Manager(s) (if any):	Not Applicable
7		If non-syndicated, name of Dealer:	Credit Suisse AG
8		U.S. Selling Restrictions:	TEFRA not applicable
9		Additional selling restrictions:	Regulation S category 2
10		Prohibition of Sales to EEA Retail Investors:	Not Applicable

Swiss federal withholding tax

11

Payments of interest on the Notes (but not repayment of principal) will be subject to Swiss federal withholding tax at a rate of currently 35%. The Issuer is obliged to withhold the Swiss federal withholding tax on any payment of interest in respect of a Note at the current rate of 35%.

The holder of a Note residing in Switzerland who, at the time the payment of interest is due, is the beneficial owner of the payment of interest and who duly reports the gross payment of interest in his or her tax return and, as the case may be, income statement, is entitled to a full refund or a full tax credit for the Swiss federal withholding tax.

A holder of a Note who is not resident in Switzerland may be able to claim a full or partial refund of the Swiss federal withholding tax by virtue of the provisions of an applicable double taxation treaty.

Base Prospectus dated 22 May 2019

(This page has been left blank intentionally.)

2019 BASE PROSPECTUS **22 MAY 2019**

Zurich Insurance Company Ltd

(incorporated with limited liability in Switzerland)

Zurich Finance (Australia) Limited

Zurich Finance (Ireland) DAC

(incorporated with limited liability in Ireland)

Zurich Holding Company of America, Inc.

(incorporated with limited liability in the United States of America)

irrevocably guaranteed, in the case of Notes issued by Zurich Finance (Australia) Limited, Zurich Finance (Ireland) DAC and Zurich Holding Company of America, Inc. by

Zurich Insurance Company Ltd

USD18,000,000,000

Euro Medium Term Note Programme

Under this USD18,000,000,000 Euro Medium Term Note Programme (the "**Programme**"), Zurich Finance (Australia) Limited ("**ZF (Australia)**"), Zurich Finance (Ireland) DAC ("**ZF (Ireland)**"), Zurich Holding Company of America, Inc. ("**ZHCA**") and Zurich Insurance Company Ltd ("**ZIC**", and together with ZF (Australia), ZF (Ireland) and ZHCA, the "**Issuers**" and each, an "**Issuer**") may from time to time (subject to the terms and conditions set out herein) issue (i) Senior Notes, (ii) in relation to ZIC, ZF (Australia) and ZF (Ireland) only, Subordinated Notes and (iii) in relation to ZIC and ZF (Ireland) only, Deeply Subordinated Notes (each as defined below and together the "**Notes**") denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below). Issues of Notes under the Programme by ZF (Australia), ZF (Ireland) and ZHCA will be guaranteed as provided herein as to payments of principal, interest and additional amounts by ZIC (the "**Guarantor**").

"**Deeply Subordinated Notes**" means either (i) ZIC Deeply Subordinated Notes or (ii) Guaranteed Deeply Subordinated Notes.

"**Guaranteed Deeply Subordinated Notes**" means Notes issued by ZF (Ireland) under the Programme pursuant to the Guaranteed Subordinated Notes Conditions (which rank as set out in Condition 3(b) of the Guaranteed Subordinated Notes Conditions and have the benefit of the ZIC Deeply Subordinated Guarantee), as specified in the applicable Pricing Supplement (as defined on page iii).

"**Guaranteed Subordinated Notes**" means Notes issued by ZF (Australia) or ZF (Ireland) under the Programme pursuant to the Guaranteed Subordinated Notes Conditions (which rank as set out in Condition 3(a) of the Guaranteed Subordinated Notes Conditions and have the benefit of the ZIC Subordinated Guarantee), as specified in the applicable Pricing Supplement.

"**Guaranteed Subordinated Notes Conditions**" means the terms and conditions of the Subordinated Notes and Deeply Subordinated Notes where the relevant Issuer is not ZIC.

"**Senior Notes**" means Notes issued by ZIC, ZF (Australia), ZF (Ireland) or ZHCA under the Programme pursuant to the Senior Notes Conditions (which rank as set out in Condition 3 of the Senior Notes Conditions and, in the case of any Senior Notes issued by ZF (Australia), ZF (Ireland) or ZHCA, which have the benefit of the ZIC Senior Guarantee).

"**Senior Notes Conditions**" means the terms and conditions of the Senior Notes.

"**Subordinated Notes**" means either (i) ZIC Subordinated Notes or (ii) Guaranteed Subordinated Notes.

"**ZIC Deeply Subordinated Guarantee**" means the guarantee provided by ZIC in relation to any issue of Deeply Subordinated Notes issued by ZF (Ireland), the form of which is set out herein (see "*Form of ZIC Deeply Subordinated Guarantee*").

"**ZIC Deeply Subordinated Notes**" means Notes issued by ZIC under the Programme pursuant to the ZIC Subordinated Notes Conditions, which rank as set out in Condition 3(b) of the ZIC Subordinated Notes Conditions, as specified in the applicable Pricing Supplement.

"**ZIC Senior Guarantee**" means the guarantee provided by ZIC in relation to any issue of Senior Notes issued by ZF (Australia), ZF (Ireland) or ZHCA, the form of which is set out herein (see "*Form of ZIC Senior Guarantee*").

"**ZIC Subordinated Guarantee**" means the guarantee provided by ZIC in relation to any issue of Subordinated Notes issued by ZF (Australia) or ZF (Ireland), the form of which is set out herein (see "*Form of ZIC Subordinated Guarantee*").

"**ZIC Subordinated Notes**" means Notes issued by ZIC under the Programme pursuant to the ZIC Subordinated Notes Conditions (which rank as set out in Condition 3(a) of the ZIC Subordinated Notes Conditions), as specified in the applicable Pricing Supplement.

"**ZIC Subordinated Notes Conditions**" means the terms and conditions of the Subordinated Notes and Deeply Subordinated Notes issued by ZIC.

The Notes may be issued on a continuous basis to one or more of the Dealers below and any additional Dealer appointed under the Programme from time to time, which appointments may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes. References in this Base Prospectus to the "**relevant Issuer**" shall, in the case of any issue of Notes, be to the Issuer which has agreed to issue such Notes.

This Base Prospectus does not comprise a prospectus or a base prospectus for the purposes of Article 3 or Article 5.4 of Directive 2003/71/EC (as amended or superseded, the "Prospectus Directive"). This Base Prospectus has been prepared solely in order to allow Notes to be offered in circumstances which do not impose an obligation on the Issuers or any Dealer to publish or supplement a prospectus under the Prospectus Directive. No prospectus is required in accordance with the Prospectus Directive in relation to offers of Notes under this Base Prospectus.

This Base Prospectus may only be used for the purposes for which it has been published.

This Base Prospectus constitutes a prospectus for the purposes of Part IV of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, as amended (the "**Prospectus Act 2005**"). Application has been made for the Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange (the "**Official List**") and to trading on the Luxembourg Stock Exchange's Euro MTF Market (the "**Euro MTF Market**"). References in this Base Prospectus to Notes being listed (and all related references) shall mean that such Notes have been admitted to trading on the Euro MTF Market and have been listed on the Official List. The Euro MTF Market is not a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**"). This Base Prospectus has not been approved by and will not be submitted for approval to the *Commission de surveillance du secteur financier* of Luxembourg.

As specified in the applicable Pricing Supplement, an issue of Notes may or may not be listed or admitted to trading, as the case may be, on the Luxembourg Stock Exchange and/or any other stock exchange(s), market(s) or quotation system(s) as may be agreed between the relevant Issuer and the relevant Dealer(s).

With respect to a particular Series (as defined on page iii) of Notes issued in registered form ("**Registered Notes**"), the Registered Notes of each Tranche (as defined on page iii) of such Series will be sold outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"). Such Notes will be represented by a global note in registered form, without interest coupons (a "**Reg. S Global Note**"), which will be registered in the name of Citivic Nominees Limited as nominee for, and will be deposited with Citibank, N.A., as common depositary for, and in respect of interests held

through, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). If a Reg. S Global Note is held under the New Safekeeping Structure (the "**NSS**"), the Reg. S Global Note will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear and Clearstream. Prior to expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue (the "**distribution compliance period**"), beneficial interests in the Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act), and may not be held otherwise than through Euroclear and Clearstream. Registered Notes in individual form will be issued in exchange for interests in the Reg. S Global Note upon compliance with the procedures for exchange as described in "*Description of Notes in Global Form*" below in the limited circumstances described in the applicable Pricing Supplement. Registered Notes in individual registered form from the date of issue may also be sold outside the United States in reliance on Regulation S under the U.S. Securities Act.

Each Tranche of Notes issued in bearer form ("**Bearer Notes**") (other than a Tranche of Listed Swiss Franc Notes, as to which see "*Description of Notes in Global Form*") will initially be represented by a temporary bearer global Note (a "**Temporary Global Note**") or, if so specified in the applicable Pricing Supplement, a permanent Global Note (a "**Permanent Global Note**", together with the Temporary Global Note, the "**Bearer Global Notes**") which if the Bearer Global Notes are not intended to be issued in new global note ("**New Global Note**" or "**NGN**") form, will be deposited on or around the relevant issue date with a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, and if the Bearer Global Notes are intended to be issued in NGN form, will be deposited on or around the relevant issue date with a Common Safekeeper for Euroclear and Clearstream. Beneficial interests in a Temporary Global Note will be exchangeable for either beneficial interests in a Permanent Global Note or Definitive Bearer Notes upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury Regulations and thereafter any Permanent Global Note may be exchanged for Definitive Bearer Notes in the circumstances described in the applicable Pricing Supplement, in each case in accordance with the procedures described in "*Description of Notes in Global Form*" below. All Bearer Notes issued by ZHCA will be issued so as to be in registered form for U.S. federal income tax purposes.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Base Prospectus.

Arranger

Citigroup

Dealers

Citigroup	**Crédit Agricole CIB**	**Credit Suisse**	**Deutsche Bank**
HSBC	**J.P. Morgan**	**UBS Investment Bank**	**Zürcher Kantonalbank**

Each of the Issuers accepts responsibility for the information contained in this Base Prospectus, and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Information contained in this Base Prospectus under the heading "*Zurich Insurance Company Ltd*" has been supplied by ZIC, which accepts responsibility for the accuracy of such information. ZF (Australia), ZF (Ireland) and ZHCA do not accept responsibility for the accuracy of such information, nor have they independently verified any such information.

Information contained in this Base Prospectus under the heading "*Zurich Finance (Australia) Limited*" has been supplied by ZF (Australia), which, together with ZIC, accepts responsibility for the accuracy of such information. ZF (Ireland) and ZHCA do not accept responsibility for the accuracy of such information, nor have they independently verified any such information.

Information contained in this Base Prospectus under the heading "*Zurich Finance (Ireland) DAC*" has been supplied by ZF (Ireland), which, together with ZIC, accepts responsibility for the accuracy of such information. ZF (Australia) and ZHCA do not accept responsibility for the accuracy of such information, nor have they independently verified any such information.

Information contained in this Base Prospectus under the heading "*Zurich Holding Company of America, Inc.*" has been supplied by ZHCA, which, together with ZIC, accepts responsibility for the accuracy of such information. ZF (Australia) and ZF (Ireland) do not accept responsibility for the accuracy of such information, nor have they independently verified any such information.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*" below). This Base Prospectus shall, save as specified herein, be read and construed on the basis that such documents are so incorporated and form part of this Base Prospectus.

Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on different issue dates.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set forth in the pricing supplement (the "**applicable Pricing Supplement**" or "**relevant Pricing Supplement**") which, with respect to Notes to be listed on a stock exchange, will be delivered to the stock exchange on or before the date of issue of the Notes of such Tranche. Notes that will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system may also be issued pursuant to the Programme by any of the Issuers.

No representation, warranty or undertaking, express or implied, is made and to the fullest extent permitted by law the Dealers, the Agents (as defined in the relevant terms and conditions of the Notes (the "**Conditions**")) and the Trustee disclaim all responsibility or liability which they might otherwise have as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by any Issuer in connection with the Programme or the Notes or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of each Issuer under the Programme.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any Issuer, the Trustee, the Agents, or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by any Issuer, the Trustee, the Agents or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer or ZIC (where ZIC is not the relevant Issuer). Neither this Base Prospectus nor any other information supplied in connection with the Programme nor the issue of any Notes constitute an offer by or on behalf of any Issuer, the Trustee, the Agents or any of the Dealers to any person to subscribe for or to purchase any Notes.

The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuers is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers, the Agents and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuers during the life of the Programme. Investors should review, *inter alia*, the most recently published audited annual financial statements and, if published later, the most recently published interim financial statements (if any) of the relevant Issuer and ZIC (where ZIC is not the relevant Issuer) when deciding whether or not to purchase any Notes.

The Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market

assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

BENCHMARK REGULATION: Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Pricing Supplement will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Pricing Supplement (or, if located outside the European Union, recognition, endorsement or equivalence). The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the relevant Issuer does not intend to update the relevant Pricing Supplement to reflect any change in the registration status of the administrator.

If the relevant Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The Notes have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include bearer Notes that are subject to U.S. tax law requirements. Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in accordance with Regulation S under the U.S. Securities Act or pursuant to an exemption from the registration requirements of the U.S. Securities Act (see "*Subscription and Sale*" below) and hedging transactions involving the Notes may not be conducted unless in compliance with the U.S. Securities Act.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Trustee, the Agents and the Dealers do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuers, the Trustee, the Agents or the Dealers which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made in compliance with applicable law. Persons into whose possession this Base Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the EEA, the United Kingdom, Ireland, Japan, Australia and Singapore (see "*Subscription and Sale*" below).

The Programme has been assigned credit ratings by S&P Global Ratings Europe Limited ("**S&P**") of A+ for Senior Notes, A for Subordinated Notes and A for Deeply Subordinated Notes. The Programme has been assigned credit ratings by Moody's Investors Service Ltd. ("**Moody's**") of A1 for Senior Notes, A2 for Subordinated Notes and A3 for Deeply Subordinated Notes. These ratings apply only to Subordinated Notes or Deeply Subordinated Notes in respect of which a Write-Down Event is not specified in the applicable Pricing Supplement as being applicable. Subordinated Notes or Deeply Subordinated Notes in respect of which a Write-Down Event is specified in the applicable Pricing Supplement as being applicable will be assigned an individual rating depending on the nature of the Write-Down Event specified. Both S&P and Moody's are established in the EEA and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). A list of registered and certified rating agencies published by the ESMA in accordance with the CRA Regulation can be found on its website, though this is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. S&P and Moody's are included in this list as at the date of this Base Prospectus.

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Pricing Supplement. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Any investment in any Notes issued by ZF (Ireland) does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland. ZF (Ireland) is not regulated by the Central Bank of Ireland by virtue of the issue of any Notes.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN THE APPLICABLE PRICING SUPPLEMENT MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES OF THE SERIES OF WHICH SUCH TRANCHE FORMS PART AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE PRICING SUPPLEMENT OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

All references in this document to a "**Member State**" are references to a Member State of the EEA, "**U.S. dollars**", "**U.S.$**", "**$**" and "**USD**" refer to the currency of the United States of America, those to "**euro**", "**€**" and "**EUR**" are to the single currency adopted by those states participating in the European Monetary Union from time to time, those to "**Sterling**", "**GBP**" and "**£**" refer to the currency of the United Kingdom, those to "**Swiss Francs**", "**SFr**" and "**CHF**" refer to the currency of Switzerland, those to "**Australian Dollar**", "**AUD**" and "**A$**" refer to the currency of Australia. References in this document to "**Listed Swiss Franc Notes**" are to Notes denominated or payable in Swiss Francs and listed on the SIX Swiss Exchange.

Contents

RISK FACTORS 1
INFORMATION INCORPORATED BY REFERENCE 21
GENERAL DESCRIPTION OF THE PROGRAMME 24
TERMS AND CONDITIONS OF THE SENIOR NOTES 32
TERMS AND CONDITIONS OF THE SUBORDINATED NOTES AND DEEPLY SUBORDINATED NOTES (DIRECTLY ISSUED BY ZURICH INSURANCE COMPANY LTD) 64
TERMS AND CONDITIONS OF THE SUBORDINATED NOTES AND DEEPLY SUBORDINATED NOTES 98
DESCRIPTION OF NOTES IN GLOBAL FORM 133
USE OF PROCEEDS 138
ZURICH INSURANCE COMPANY LTD 139
ZURICH FINANCE (AUSTRALIA) LIMITED 152
ZURICH FINANCE (IRELAND) DAC 153
ZURICH HOLDING COMPANY OF AMERICA, INC. 154
FORM OF ZIC SENIOR GUARANTEE 157
FORM OF ZIC SUBORDINATED GUARANTEE 162
FORM OF ZIC DEEPLY SUBORDINATED GUARANTEE 169
TAXATION 175
SUBSCRIPTION AND SALE 187
FORM OF PRICING SUPPLEMENT OF THE SENIOR NOTES 192
FORM OF PRICING SUPPLEMENT OF THE ZIC SUBORDINATED NOTES AND ZIC DEEPLY SUBORDINATED NOTES 199
FORM OF PRICING SUPPLEMENT OF THE GUARANTEED SUBORDINATED NOTES AND GUARANTEED DEEPLY SUBORDINATED NOTES 206
GENERAL INFORMATION 213

RISK FACTORS

Prospective investors should carefully consider all of the information set forth in this Base Prospectus, the applicable Pricing Supplement and any documents incorporated by reference before deciding to invest in any Notes. Prospective investors should have particular regard to, among other matters, the considerations set out in this Risk Factors section of the Base Prospectus. The following is not intended as, and should not be construed as, an exhaustive list of relevant risk factors. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.

Each of the Issuers and ZIC believe that the following factors may affect their ability to fulfil their respective obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and none of the Issuers nor ZIC are in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below. None of the Issuers or ZIC represent that the statements below regarding the risks of holding any Notes are exhaustive.

FACTORS THAT MAY AFFECT THE ISSUERS' ABILITY TO COMPLY WITH THEIR OBLIGATIONS UNDER OR IN CONNECTION WITH NOTES ISSUED UNDER THE PROGRAMME OR OF ZIC TO COMPLY WITH ITS OBLIGATIONS UNDER ITS GUARANTEE

Reliance of investors on the creditworthiness of the relevant Issuer and ZIC (as applicable)

The Senior Notes and the ZIC Senior Guarantee (as applicable) will constitute direct, unsecured and senior obligations of the relevant Issuer and ZIC (as applicable), respectively. The Senior Notes will rank equally among themselves and equally with all other unsecured and unsubordinated obligations of the relevant Issuer, present and future, save for statutorily preferred exceptions, but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The ZIC Senior Guarantee will rank equally with all ZIC's other outstanding unsecured and unsubordinated obligations, present and future, save for statutorily preferred exceptions, but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

The ZIC Subordinated Notes and the ZIC Subordinated Guarantee (as applicable) will constitute direct, unsecured and subordinated obligations of ZIC and will rank (a) junior to Senior Notes issued by ZIC and to the ZIC Senior Guarantee and (b) equally among themselves and with any other securities or obligations of ZIC, which whether now or in the future rank or are expressed to rank *pari passu* with the claims of the holders of the ZIC Subordinated Notes.

The Guaranteed Subordinated Notes issued by ZF (Australia) or ZF (Ireland) will constitute direct, unsecured and subordinated obligations of the relevant Issuer and rank (a) junior to Senior Notes issued by the relevant Issuer and (b) equally among themselves and with any other securities or obligations of the relevant Issuer, which whether now or in the future rank or are expressed to rank *pari passu* with the claims of the holders of the Guaranteed Subordinated Notes issued by the relevant Issuer.

The ZIC Deeply Subordinated Notes and the ZIC Deeply Subordinated Guarantee (as applicable) will constitute direct, unsecured and subordinated obligations of ZIC and will rank (a) junior to ZIC Subordinated Notes and the ZIC Subordinated Guarantee and (b) equally among themselves and with all other securities or obligations of ZIC, which whether now or in the future rank or are expressed to rank *pari passu* with the claims of the holders of the ZIC Deeply Subordinated Notes and/or the claims of the beneficiaries under the ZIC Deeply Subordinated Guarantee.

The Guaranteed Deeply Subordinated Notes issued by ZF (Ireland) will constitute direct, unsecured and subordinated obligations of ZF (Ireland) and will rank (a) junior to Guaranteed Subordinated Notes issued by ZF (Ireland) and (b) equally among themselves and with any other securities or obligations of ZF (Ireland), which whether now or in the future rank or are expressed to rank *pari passu* with the claims of the holders of the Guaranteed Deeply Subordinated Notes issued by ZF (Ireland).

It should be noted that mandatory provisions of law may operate such that certain other obligations of the relevant Issuer or ZIC must be satisfied in preference to their obligations under the Notes or the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee (as applicable). In particular, ZIC is subject to certain insurance and financial services laws, regulations and policies which include provisions whereby certain assets are tied to obligations towards the policyholders and cannot be used for settlement of obligations to other creditors. This could affect its position under the Notes or the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee (as applicable) either in its capacity as Guarantor or as Issuer (as applicable).

Noteholders are dependent solely on the ability of the relevant Issuer and ZIC to comply with its obligations under the Notes and the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee (as applicable), and do not have the benefit of collateral or other forms of credit support.

Any actual or perceived deterioration in the financial condition, results of operations or cashflow of the relevant Issuer, ZIC or Zurich Insurance Group (as defined below) could have a negative effect on the ability of the relevant Issuer or ZIC, as the case may be, to comply with its obligations under the Notes and the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee (as applicable). In addition, investment in the Notes involves the risk that subsequent changes

in actual or perceived creditworthiness of the relevant Issuer, ZIC or Zurich Insurance Group (as defined below) (as applicable) may adversely affect the market value of the Notes.

Ratings

The financial strength and issuer credit ratings assigned to ZIC and other subsidiaries of Zurich Insurance Group Ltd ("**ZIG**" and, together with its subsidiaries, the "**Zurich Insurance Group**") may be changed, suspended or withdrawn at any time by rating agencies. A downgrade, or the potential for such a downgrade, to the financial strength or issuer credit ratings assigned to ZIC or other Zurich Insurance Group entities may have an adverse effect on their competitive and financial position. Rating agencies look at a range of rating factors. For example, large losses due to natural catastrophes could weaken the financial position of ZIC or other Zurich Insurance Group entities and trigger a downgrade of their respective ratings. The Zurich Insurance Group has issued debt through various entities. Ultimately the credit ratings of these debt issues are linked to the financial strength ratings of ZIC. Changes in credit ratings may affect both the ability to obtain new financing and the cost of financing.

The businesses, earnings and financial condition of ZIC and its operating subsidiaries are subject to the global economic, political and financial market environment and thus vulnerable to any slowdown or potential disruptions

The performance of ZIC and its operating subsidiaries has been and will continue to be influenced by the economic conditions of the countries in which it operates. Although the global financial system is recovering from the difficulties which culminated in the financial crisis of 2008, a new dislocation of the financial system or the economy cannot be ruled out. Such conditions could lead to unprecedented levels of illiquidity, resulting in the development of significant problems for a number of the world's largest countries, corporate and financial institutions many of which are customers and counterparties of ZIC and its operating subsidiaries in the ordinary course of business.

The performance of ZIC and its operating subsidiaries may be affected by economic conditions impacting sovereign states including euro-zone member states. Any resulting increase in sovereign funding requirements may lead to the issue of significant volumes of debt, which may in turn reduce demand for debt issued by financial institutions and corporate borrowers. This could adversely affect the Zurich Insurance Group's access to the debt capital markets and may increase its funding costs, having a negative impact on its earnings and financial condition.

Volatility and disruption of capital and credit markets (including that arising by reason of the financial difficulties experienced by sovereign states described above) could affect ZIC's own invested assets and the availability and cost of credit for financial institutions, including ZIC and its operating subsidiaries, and could continue to impact the credit quality of customers and counterparties. Such conditions, alone or in combination with regulatory changes or actions of other market participants, may cause ZIC and its operating subsidiaries to experience reductions in business activity, increased funding costs and funding pressures, decreased asset values, write-downs and impairment charges, lower profitability, insufficient capital to match regulatory requirements, or the incurrence of losses.

In addition, ZIC and its operating subsidiaries will continue to be exposed to the risk of loss if major counterparty financial and other institutions fail or are otherwise unable to meet their obligations. Their performance may also be affected by future recovery rates on assets and the historical assumptions underlying asset recovery rates, which may no longer be accurate given the unprecedented market disruption and general economic instability. Invested assets can become illiquid resulting in inability to monetise them if needed to meet unexpected liquidity needs. The precise nature of all the risks and uncertainties faced by ZIC and its operating subsidiaries as a result of current economic conditions cannot be predicted and many of these risks are outside their control.

Furthermore, ZIC and its operating subsidiaries may be exposed to increased geopolitical risk and political uncertainty. In particular, the decision by the United Kingdom to leave the European Union, the rise of European nationalist parties and expressions of support for increased protectionism in the United States may be indicative of a trend in favour of anti-globalisation. If such a trend continues to develop, it may adversely affect the global economy, its multilateral institutions and the markets in which ZIC and its operating subsidiaries conduct business, and may also result in an increasingly fragmented system of financial services regulation, all of which may have a material adverse effect on the results of operations and the financial condition of the ZIC Group (as defined below).

The actual or perceived failure or worsening credit risk of counterparties of ZIC or counterparties of ZIC's subsidiaries has adversely affected and could continue to adversely affect ZIC and its subsidiaries

The ability of ZIC and its subsidiaries (collectively the "**ZIC Group**") to engage in routine financial transactions has been and could continue to be adversely affected by the actual or perceived failure or worsening credit of its counterparties, including other financial institutions and corporate borrowers. The ZIC Group has exposure to many different industries and counterparties and routinely executes transactions with counterparties in the financial industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, other insurance companies and other institutional clients. As a result, defaults by, or even the perceived lack of creditworthiness of or concerns about financial services institutions or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by the ZIC Group or by other institutions. Many of these transactions expose the ZIC Group to credit risk in the event of default of the ZIC Group's counterparty or client. In addition, the ZIC Group's credit risk is exacerbated when the collateral it holds cannot be realised or is liquidated at prices not

sufficient to recover the full amount of the loan or derivative exposure that is due to the ZIC Group, which is most likely to occur during periods of illiquidity and depressed asset valuations. Any such losses could have a material adverse effect on the ZIC Group's results of operations and financial condition. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

The ZIC Group's earnings and financial condition have been, and its future earnings and financial condition are, affected by asset valuations resulting from market conditions

Financial markets can be subject to significant stress conditions, where steep falls in perceived or actual asset values have been accompanied by a severe reduction in market liquidity, as exemplified by events affecting asset backed collateralised debt obligations ("**CDOs**"), the U.S. sub-prime residential mortgage market, the leveraged loan market and peripheral euro-zone debt markets. In dislocated markets, hedging and other risk management strategies have proven not to be as effective as they are in normal market conditions due in part to the decreasing credit quality of hedge counterparties, including monoline and other insurance companies and credit derivative product companies. Moreover, market volatility and illiquidity makes it difficult to value certain of the ZIC Group's exposures. Valuations in future periods, reflecting, among other things, then-prevailing market conditions and changes in the credit ratings of certain of the ZIC Group's assets, may result in significant changes in the fair values of the ZIC Group's exposures, even in respect of exposures for which the ZIC Group has previously recorded write-downs. In addition, the value ultimately realised by the ZIC Group may be materially different from the current or estimated fair value. Any of these factors could require the ZIC Group to recognise further significant write-downs or realise increased impairment charges, any of which may adversely affect their capital position, their financial condition and their results of operations.

Factors such as consumer spending, business investment, government oversight, the volatility and strength of the capital markets, and inflation all affect the business and economic environment and, ultimately, the amount and profitability of the ZIC Group's business

In an economic downturn characterised by higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending, the demand for the ZIC Group's financial and insurance products could be adversely affected. In addition, the ZIC Group may experience an elevated incidence of claims and lapses or surrenders of policies. The ZIC Group's policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. Adverse changes in the economy could affect earnings negatively and could have a material adverse effect on its business, results of operations and financial condition. Because insurance assets serve as collateral for policyholder liabilities in most regulated jurisdictions, even limited losses on invested assets can have a severe adverse impact on the value and/or on cash flows available to service liabilities related to issued senior or subordinated debt of the ZIC Group. In addition, regulators or courts may block, confiscate or otherwise influence the status of the ZIC Group's invested assets, impairing their ability to service their obligations.

See also "*Regulatory or legal changes*" below.

ZIC is an operating company and the shareholder of several subsidiaries. A considerable part of its income depends on distributions from its subsidiaries. If distributions from ZIC's subsidiaries are materially impaired, ZIC's ability to make interest or principal payments on the Senior Notes, Subordinated Notes or Deeply Subordinated Notes issued by ZIC or payments under the ZIC Senior Guarantees, ZIC Subordinated Guarantees or ZIC Deeply Subordinated Guarantees given by ZIC for Notes issued by the other Issuers may be adversely affected

ZIC is an operative company and the shareholder of several subsidiaries. A considerable part of its assets consists of shares of stock or other equity interests in or amounts due from subsidiaries. A considerable part of its income is derived from those subsidiaries.

ZIC's insurance subsidiaries may declare and pay dividends only if they are permitted to do so under the insurance regulations of their respective states of domicile. If insurance regulators otherwise determine that a cash distribution would be detrimental to an insurance subsidiary's policyholders or creditors, because of the financial condition of the insurance subsidiary or otherwise, the regulators may block cash distributions that would otherwise be permitted without prior approval. Accordingly, the ability of certain subsidiaries to pay dividends and other distributions and to make loans to ZIC could be restricted.

ZIC's insurance subsidiaries must comply with various laws which may require them to maintain minimum amounts of working capital, surplus and reserves and place restrictions on the amount of dividends that they can distribute. Compliance with these laws will limit the amounts ZIC's regulated subsidiaries can pay as dividends.

Accordingly, restrictions on the ability of ZIC's subsidiaries to pay dividends or to make other cash payments may materially affect ZIC's ability to meet (i) obligations with respect to the Senior Notes, Subordinated Notes or Deeply Subordinated Notes ZIC issues, including the payment of principal and interest and (ii) obligations under the ZIC Senior Guarantees, ZIC Subordinated Guarantees or ZIC Deeply Subordinated Guarantees given by ZIC for Notes issued by the other Issuers.

In addition, as an equity holder, ZIC's ability to participate in any distribution of assets in a winding-up of any subsidiary is subordinate to the claims of creditors of the subsidiary, except to the extent that any claims ZIC may have as a creditor of the subsidiary are judicially recognised.

The ZIC Group has credit exposure arising from OTC derivative contracts

The ZIC Group has credit exposure arising from over-the-counter derivative contracts which are carried at fair value. The fair value of these over-the-counter derivatives, as well as the ZIC Group's exposure to the risk of default by the underlying counterparties, depends on the valuation and the perceived credit risk of the instrument against which protection has been bought.

The ZIC Group relies on third-party vendors for technology and information systems that are critical to its business

The ZIC Group depends significantly on the effective operation of its technology and information systems. A substantial part of its technology and information systems are provided by third-party vendors. Accordingly, if any key vendor were unable to continue to provide its products or services or keep pace with advancements in technology, the ZIC Group may suffer operational impairments which could have a material adverse effect on its business, financial condition or results of operations. In addition, any failure on the part of any key vendor to protect the personal information of the ZIC Group's customers, claimants or employees could interrupt or damage the ZIC Group's operations, harm its reputation, lead to a loss in competitive advantage or to lawsuits or regulatory actions or otherwise have a material adverse effect on its business, financial condition or results of operations.

If the ZIC Group experiences difficulties with data security, its ability to conduct its business could be negatively impacted

The ZIC Group's operations rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Computer viruses, hackers, employee misconduct or other external hazards could expose its data systems to security breaches. As part of its business, the ZIC Group routinely transmits and receives personal, confidential and proprietary information by email and other electronic means. Although the ZIC Group believes that it has effective controls in place to secure transmission capabilities with third-party vendors and others with whom it does business, there always remains a residual risk of a data security incident.

The residual risks, and increased regulatory requirements regarding data security, could potentially expose the ZIC Group to data loss, monetary or reputational damages or significant increased compliance costs. As a result, the ZIC Group's ability to conduct its business might be adversely affected.

Risk of insufficiency of loss reserves

ZIC and its operating subsidiaries maintain loss reserves for their insurance and run-off reinsurance businesses to cover estimated liability for losses and loss adjustment expenses for reported and unreported losses incurred as of the end of each accounting period. Such loss reserves may prove to be inadequate to cover actual losses and benefits experience. Additional losses, including losses arising from changes in the interpretation of legal liability, or the assessment of damages caused by judicial decisions or changes in law, the type of magnitude of which cannot be foreseen, may emerge in the future.

Loss reserves are established such that the provision for losses and benefits represents an amount that is believed to be greater than the mathematically expected amount that will be required to ultimately settle all claims incurred as of the fiscal year-end and interim statements. As such the provision makes allowance for identified sensitivities underlying the reserve estimates. These estimates are based on actuarial and statistical projections, at a given time, of facts and circumstances known at that time and estimates of trends in loss severity and other variable factors, including new concepts of liability or other changes in legal precedents and general economic conditions. Changes in these trends or other variable factors could result in claims in excess of loss reserves.

For some types of losses, most significantly long tail exposures under workers' compensation and general liability contracts, as well as losses related to asbestos and environmental pollution, it has been necessary, and may over time be necessary, to increase estimated ultimate loss and, therefore, the related loss reserves. Consequently, actual losses, benefits and related expenses paid may differ from estimates reflected in the loss reserves in the financial statements of ZIC or its operating subsidiaries.

Any insufficiencies in or need to increase loss reserves maintained by ZIC or its operating subsidiaries for future claims on insurance obligations underwritten by ZIC or its operating subsidiaries could have a material adverse effect on the financial condition, results of operations and cash flows of ZIC or its operating subsidiaries (as applicable).

Life insurance:

Biometric Risks

Assumptions about mortality and morbidity used in pricing products are based on information provided from company and industry statistics and market information. These assumptions relate to the ZIC Group's best estimate of the experience in each year. However a global pandemic, such as avian flu or swine flu, may produce an increase in mortality or morbidity in excess of its assumptions. This will lead to the number of claims being paid being greater than planned. These types of events are considered when assessing and reviewing a variety of financial covers, such as reinsurance.

Life expectancies continue to increase in the world's developed areas. If mortality estimates, including rates of future mortality improvement, prove to understate such rates of improvement, liabilities to policyholders in connection with pensions and annuity products will increase at a rate faster than expected. This may lead to significant unexpected losses.

Surrenders

Surrenders of deferred annuities and life insurance products can result in losses and decreased revenues relating to future profits if surrender levels differ significantly from assumed levels. Surrenders could require the ZIC Group to dispose of assets earlier than planned, possibly at a loss especially if involving early redemption of large illiquid assets. Moreover, surrenders require faster amortisation of the ZIC Group's deferred acquisition costs associated with the original sale of a product, thus reducing its net income.

Options and guarantees

Some life products contain options and guarantees for policyholders, such as guaranteed interest rates and surrender guarantees. These vary by product and country in which they have been written. Adverse financial market movements may result in increases in the value of these guarantees. The long term characteristic of the liabilities, especially for annuity and pension products or back-ended products (where claims are paid later than premiums), represents a potential reinvestment risk for the ZIC Group's life business. Asset liability management follows this risk closely, and financial hedges are introduced when deemed necessary. Similarly, a significant increase in yield curves might encourage financially aware policyholders to lapse their contracts on guaranteed terms, resulting in significant losses from realised capital losses and decreased revenues.

Variable Life Insurance Contracts with Guarantees or Stable Value Protection Features

Certain of the ZIC Group's subsidiaries sell variable life insurance products under which premiums are deposited into underlying funds selected by the policyholder and the policyholder bears the full investment risk associated with such funds. However, certain variable life insurance products have also been sold which contain guarantees or stable value protection features for which ZIC Group subsidiaries have recorded additional policyholder benefits.

Variable life insurance products that contain guarantees arise primarily in the subsidiary Zurich American Life Insurance Company ("**ZALICO**") (formerly known as Kemper Investors Life Insurance Company or KILICO) which in the past wrote variable annuity contracts that provide policyholders with certain guarantees related to minimum death and income benefits. After 2001, ZALICO no longer issued these contracts. The ZIC Group has a dynamic hedging strategy to manage its economic exposure and reduce the volatility associated with this closed book of variable annuity contracts. New life insurance products developed with financial guarantees are subject to review and approval by the ZIC Group-level product approval committee.

Variable life insurance products that contain stable value protection features ("**SVPs**") are designed to amortise on a quarterly basis the investment gains and losses of the investment portfolios underlying these contracts, which are owned by banks (Bank Owned Life Insurance or BOLI) and other companies (Company Owned Life Insurance or COLI). Premiums received from policyholders under these policies are invested in separate account portfolios. Throughout the life of the policies, policyholders are entitled, in addition to mortality cover, to the tax-exempt investment returns of such separate account portfolios. The policies are long duration contracts providing charges and benefits over a policy life that can be greater than 40 years. When SVPs form part of these investment portfolios, they reduce the volatility of the policyholders' investment returns. In the event that a policy is surrendered which has a positive SVP value, the policyholder would be entitled to recover such SVP value as well as the market value of the underlying investments. Certain policy features as well as the applicable tax regulations provide disincentives for surrender. The ZIC Group monitors the risk of surrender on an ongoing basis and considers the likelihood of surrender as an input factor to the model to determine the fair value of the SVPs.

Inability of reinsurers to meet their obligations and unavailability of reinsurance

ZIC and its operating subsidiaries transfer exposure to certain risks to third parties through reinsurance arrangements. The availability, amount and cost of reinsurance depend on general market conditions and may vary significantly. Although periodic reviews of the financial statements and reputations of the relevant reinsurers are conducted, such reinsurers may become financially unable or unwilling to honour their commitments by the time they are called upon to pay amounts due, which may not occur for many years. In addition, reinsurance may prove inadequate to protect against losses or may become unavailable in the future at commercially reasonable rates.

Competition risks

ZIC and its operating subsidiaries participate in a highly competitive market. Developments in this market and increased competition may adversely affect the financial position of ZIC and its operating subsidiaries. Continued consolidation of the insurance industry could lead to market-wide price reductions resulting in pressure on margins. Such competitive pressure may lead to adjustments to policy terms, withdrawal from or reduction of capacity in certain business lines or reduction of prices resulting in decreased margins.

Foreign currency exchange risks

Due to the international nature of their businesses, the ZIC Group is exposed to various currency exchange risks which can affect liquidity, profit and loss, shareholders' equity, capital position and the overall economic enterprise value. ZIC's consolidated financial statements are reported in U.S. Dollars, but its assets, liabilities, income and expenses are denominated in many currencies with significant amounts notably in Euro, Swiss Franc, British Pound, U.S. Dollars and Australian Dollars. Therefore,

fluctuations in exchange rates between currencies have an impact on the consolidated financial condition, results of operations and cash flow from year to year of ZIC.

Regulatory investigations, litigation and settlement risks

The ZIC Group is, and may in the future be, involved in civil litigation and/or regulatory investigations, the outcomes of which cannot be predicted.

The initiation of litigation proceedings and/or regulatory investigations and their outcomes may adversely affect the financial position of the ZIC Group.

For further details see "*Zurich Insurance Company Ltd — Legal, Compliance and Regulatory Developments, Proceedings and Investigations*" below.

Regulatory or legal changes

Insurance laws, regulations and policies currently governing ZIC and its operating subsidiaries may change at any time in ways which may adversely affect their business. Furthermore, it is not possible to predict the timing or form of any future regulatory initiatives. The ZIC Group is subject to applicable government regulation in each of the jurisdictions in which business is conducted, as well as to group supervision in Switzerland (its jurisdiction of incorporation). The insurance industry is affected by political, judicial and other legal developments which have at times in the past resulted in new or expanded scopes of liability.

Satisfaction of increased regulatory requirements could require additional regulatory capital, involve additional expense or otherwise adversely affect ZIC's financial position and that of its operating subsidiaries.

In Switzerland, risk based capital requirements are regulated in accordance with the Swiss Solvency Test (the "**SST**") as set forth in the Ordinance on the Supervision of Private Insurance Companies (the "**Insurance Supervisory Ordinance**", or "**ISO**") (*Verordnung über die Beaufsichtigung von privaten Versicherungsunternehmen — Aufsichtsverordnung, AVO*) of 9 November 2005, as amended from time to time. Swiss insurers are required to hold sufficient risk-bearing capital in order to cover their target capital under the SST since 1 January 2011. Following amendments to the ISO, which came into force on 1 July 2015, Swiss law no longer stipulates a Solvency I capital requirement, unless still required pursuant to a bilateral treaty. The revised ISO furthermore requires supervised entities to conduct their Own Risk and Solvency Assessment ("**ORSA**") and public disclosure requirements. The main purpose of the revision was to enable the European Commission to acknowledge the equivalence of the Swiss solvency provisions with Solvency II (see below).

On 7 September 2016, the Swiss Federal Council instructed the Swiss Federal Department of Finance to prepare a consultation draft for an amendment of the Federal Act on the Supervision of Insurance Companies (the "**Insurance Supervisory Act**", or "**ISA**") (*Bundesgesetz betreffend die Aufsicht über Versicherungsunternehmen – Versicherungsaufsichtsgesetz, VAG*). The amended ISA shall among other things introduce rules regarding the reorganisation of insurance companies and shall contain rules regarding due diligence requirements applicable to insurance companies providing financial services, which were originally envisaged to be covered in the Federal Financial Services Act ("**FFSA**"). Given that neither the amended ISA nor the Swiss Federal Council's dispatch (explanatory report) regarding the amended ISA have been published as at the date of this Base Prospectus, the possible impact of the amended ISA on insurance companies and their businesses cannot be determined.

On 25 November 2009, Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance ("**Solvency II**") was adopted in the European Union. Solvency II came into force on 1 January 2016. Solvency II establishes economic risk-based solvency requirements which supersede Solvency I in their sophistication and risk-sensitiveness. As part of the risk management system, all EU/EEA insurance and reinsurance entities are required to conduct their ORSA, including the assessment of the overall solvency needs reflecting their specific risk profiles. As part of the disclosure provisions, companies have to publicly report their solvency and financial condition. Under Solvency II, the European Commission may, after consultation with the European Insurance and Occupational Pensions Authority ("**EIOPA**"), adopt decisions on equivalence of third-country systems. On 5 June 2015, following advice from EIOPA, the European Commission recognised the Swiss insurance supervision system as equivalent to Solvency II with regards to solvency requirements, group supervision and reinsurance.

In the U.S., new reserving standards are being developed by the U.S. National Association of Insurance Commissioners ("**NAIC**") that would replace current statutory reserving practices for life insurance products and variable annuities with a principles-based approach to valuation of capital and reserves. Although there has been increasing legislative and regulatory activity in the aftermath of the last financial crisis which may adversely impact bank and non-bank financial companies' business and investment activities, the current U.S. administration has signalled an intent to roll back various regulations, including, but not limited to, the Dodd-Frank Act. These efforts may change the federal government's role in insurance regulation. Currently, the U.S. federal government does not directly regulate the business of insurance. However, federal legislation and administrative policies in several other areas can significantly and adversely affect insurance companies. These areas include financial services regulation, securities regulation, pension regulation, privacy, tort reform legislation and taxation. Despite these developments, other initiatives may be brought before the U.S. Congress in the future which seek to regulate the business of insurance at the federal level. The ZIC Group cannot predict whether any such proposals will be made (and, if made, whether such proposals will be adopted) nor can they

predict what impact, if any, such proposals or, if enacted, such laws, could have on the ZIC Group's business, financial condition or results of operations.

Following the reduction in the U.S. federal corporate income tax rate (see "*Tax liabilities of the Zurich Insurance Group may be adversely affected by recent U.S. tax legislation*" below), the NAIC may revise the methodology for calculating the risk-based capital ("**RBC**") ratios of insurance companies and increase the amount of capital and reserves insurance companies are required to hold. If such potential revision of the NAIC's RBC ratio methodology would result in a reduction in the ZIC Group's combined RBC ratio, the ZIC Group's insurance subsidiaries may be required to hold additional capital and reserves. Any reduction in the RBC ratios of the ZIC Group's insurance subsidiaries could adversely affect their financial strength ratings.

In the wake of the last financial crisis a number of reforms of the regulation and supervision of financial institutions and markets have been proposed by regulators, governments, groups thereof (such as the G20) and international standard-setting bodies. These proposals primarily aim at addressing the issue of financial stability and the perceived gaps in the regulatory and supervisory frameworks at that time which might have contributed to the financial crisis, *inter alia*, possible changes in accounting standards (including fair value accounting), management remuneration structures, internal control systems, capital and liquidity requirements, and complexity of groups including their structures. These proposals also seek greater co-operation and co-ordination as well as information exchange between supervisors and other authorities internationally. Improvements to the supervision of internationally active insurance groups is a key objective in this context. While these proposals were initially focused on the banking sector, they have expanded to the insurance sector and several are still under development. Accordingly, the financial consequences for the insurance sector generally (and particularly for the ZIC Group) of the implementation of all or some of such proposals cannot yet be fully determined. Regarding the insurance sector, the International Association of Insurance Supervisors (the "**IAIS**") published its first assessment methodology to identify global systemically important insurers ("**G-SIIs**") in July 2013, as well as policy measures to be applied to such designated insurers. In both 2017 and 2018, the Financial Stability Board decided not to publish an updated list of G-SIIs and to rely on the 2016 list for the application of G-SII policy measures, on which Zurich Insurance Group does not feature. The associated G-SII policy measures include enhanced supervision by the group supervisor, recovery and resolution powers and measures notably including planning, and the application of a higher-loss absorbing capital add-on. More recently the IAIS started working on a framework for systemic risk in the insurance sector that combines elements of the existing entity-based approach with an activities-based approach. It is understood that the IAIS intends to finalise the revised framework by end of 2019. In parallel, the IAIS is pursuing a multi-year project to introduce a common framework for the supervision of internationally active insurance groups (regardless of their status as G-SIIs) which aims to encompass a global insurance capital standard ("**ICS**"). Following a five-year monitoring period from 2020 to 2024 during which solvency under the ICS will be confidentially reported (with no corresponding supervisory measures) to the group-wide supervisors and discussed in the supervisory colleges, implementation is set to start in 2025 subject to IAIS ratification and jurisdictional commitment.

The above proposals, if adopted, could require additional regulatory capital of the ZIC Group, require changes to the way in which the ZIC Group carries on its business, lead to additional expense or otherwise adversely affect ZIC's financial position and that of its operating subsidiaries.

Natural and man-made catastrophe risks

General insurance companies frequently experience losses from catastrophes. Catastrophes may have a material adverse effect on the financial condition, results of operations and cash flows of ZIC and its operating subsidiaries.

Natural catastrophes include, but are not limited to hurricanes, floods, windstorms, tidal waves, earthquakes, tornadoes, fires, severe hail and severe winter weather, and are inherently unpredictable in terms of both their occurrence and severity. Catastrophes can also be man-made, such as terrorist attacks, explosions, fires and oil spills. The incidence and severity of these catastrophes in any given period are inherently unpredictable.

Deferred tax assets and liabilities

Deferred tax assets and liabilities of the ZIC Group are recorded in the tax paying entities throughout the world, which may include several legal entities within each tax jurisdiction. The recoverability of the deferred tax asset of each taxpayer is based on its ability to utilise the deferred tax asset over a reasonable period of time. ZIC or the relevant subsidiary may not be able to fully recover its deferred tax assets in each jurisdiction.

Tax authorities may dispute submitted tax returns of the Zurich Insurance Group, which could adversely affect it

Tax authorities throughout the world who examine submitted tax returns may dispute the basis of computation and propose adjustments which may lead to additional tax charges, interest and/or penalties.

Tax liabilities of the Zurich Insurance Group may be adversely affected by recent U.S. tax legislation

On 22 December 2017, President Trump signed into law H.R. 1, commonly referred to as the Tax Cuts and Jobs Act of 2017 (the "**2017 Tax Reform Act**"). The 2017 Tax Reform Act includes numerous changes in U.S. tax law, including a permanent reduction in the federal corporate income tax rate from 35 per cent. to 21 per cent., which took effect for taxable years beginning on or after

1 January 2018, and the adoption of a partial territorial international tax system which generally eliminates U.S. federal income tax on dividends received from foreign subsidiaries.

The 2017 Tax Reform Act includes changes to the amortization periods for deferred acquisition costs, the computation of insurance tax reserves, the deductibility of certain corporate expenses, and the rules relating to the dividends received deduction that, in their particulars, may not be entirely positive for the Zurich Insurance Group. The 2017 Tax Reform Act also includes new limitations on the net interest expense deduction, changes to the deduction for net operating losses, and adopts a Base Erosion and Anti-Abuse Tax (the "**BEAT**"), that would impose a minimum tax on U.S companies whose tax base is deemed eroded by tax-deductible payments to related parties. Each of these measures could, under certain circumstances, have an adverse impact on the Zurich Insurance Group and certain of its affiliates.

Other proposals that have been under consideration by Congress include elimination of the tax deferral on the accretion of value within certain annuities and life insurance products. These proposals were not enacted as part of the 2017 Tax Reform Act, but, if adopted in the future, such changes would make these products less attractive to prospective purchasers and therefore would be likely to reduce the Zurich Insurance Group's sales of these products.

Future guidance with respect to the 2017 Tax Reform Act, as well as additional Federal and state tax legislation in the United States, could result in higher taxes on insurance companies and adversely affect the value of the investment portfolio of the Zurich Insurance Group.

Adequacy of resources to meet pension obligations

There is a risk that provisions for present and/or future obligations to employees under the ZIC Group's pension plans and other defined post-employment benefits may not be adequate. In assessing the ZIC Group's liability for defined benefit pension plans and other post-employment plans, critical judgments include estimates of mortality rates, rates of employment turnover, disability, early retirement, discount rates, expected long-term rates of return on plan assets, future salary increases, future pension increases, increases in long-term healthcare costs and inflation rates. These assumptions may differ from actual results due to changing economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. These differences may result in variability of the ZIC Group's pension funding requirements and pension income or expense recorded in future years. In addition, pension related regulations are subject to review and change in many countries in which the ZIC Group operates. Further changes to actuarial assumptions or capital requirements in jurisdictions in which the ZIC Group has employees, and other factors such as business restructuring, could adversely affect its ability to meet its pension funding obligations.

Farmers Group, Inc.'s management fees for its services may drop significantly

Farmers Group, Inc. provides non-claims related insurance management services for the Farmers Insurance Exchange, Fire Insurance Exchange and Truck Insurance Exchange (reciprocal insurers domiciled in California, USA) and their subsidiaries (together, the "**Farmers Exchanges**") as their attorney-in-fact. Management fees earned by it are based upon the volume of gross premiums earned by the Farmers Exchanges, whose ability to continue writing insurance is dependent upon, *inter alia,* statutory surplus levels and price competition. Any deterioration in the volume of gross premiums earned by the Farmers Exchanges may therefore affect the level of management fees received by Farmers Group, Inc. for its management services.

RISKS RELATED TO THE SUBORDINATED NOTES AND THE DEEPLY SUBORDINATED NOTES

Set out below is a brief description of certain risks relating to the Subordinated Notes and the Deeply Subordinated Notes generally.

Capitalised terms used but not defined in this section shall have the meaning given to them in the ZIC Subordinated Notes Conditions and the Guaranteed Subordinated Notes Conditions, as applicable.

Restricted remedies for non-payment

In the case of Subordinated Notes or Deeply Subordinated Notes issued by ZIC pursuant to the ZIC Subordinated Notes Conditions

If ZIC fails to make any payment of principal or interest on the ZIC Subordinated Notes or the ZIC Deeply Subordinated Notes when due, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of ZIC in respect of such unpaid principal or interest provided that the Trustee and the Noteholders have no right to claim or enforce an early redemption of the ZIC Subordinated Notes or the ZIC Deeply Subordinated Notes or institute proceedings for the winding up of ZIC. If, except for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reconstruction or voluntary liquidation or dissolution of ZIC, the terms of which shall have previously been approved in writing by the Trustee or by an Extraordinary Resolution of Noteholders (an "**Approved Liquidation**"), a resolution is passed or an order of a court of competent jurisdiction is made that ZIC be wound up or dissolved (any such resolution or order, a "**Liquidation Ruling**") the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to ZIC that the relevant ZIC Subordinated Notes or ZIC Deeply Subordinated Notes are immediately due and repayable at an amount equal to the principal amount of such ZIC Subordinated Note or ZIC Deeply Subordinated Note, together with any accrued but unpaid interest up to, but excluding, the date of repayment (including any Arrears of Interest).

No payment in respect of the ZIC Subordinated Notes or the ZIC Deeply Subordinated Notes may be made by ZIC pursuant to the paragraph above and as further described in Condition 9(c) of the ZIC Subordinated Notes Conditions, nor will the Trustee accept the same, otherwise than during or after the relevant winding-up proceedings. No other remedy against ZIC, other than referred to above is available to the Trustee or the Noteholders for the recovery of amounts owing in respect of the ZIC Subordinated Notes or the ZIC Deeply Subordinated Notes.

Neither the Trustee nor the Noteholders may institute any winding-up proceedings to enforce the obligations of ZIC for payment of any principal or interest (including any Arrears of Interest in respect of the ZIC Subordinated Notes or the ZIC Deeply Subordinated Notes).

In addition the claims of holders of higher ranking claims will first have to be satisfied in any winding-up proceedings before the Noteholders may expect to obtain any recovery in respect of their ZIC Subordinated Notes or ZIC Deeply Subordinated Notes and prior thereto Noteholders will have only limited ability to influence the conduct of such winding-up proceedings (see the risk factor entitled "*The Issuer's obligations under the Subordinated Notes and the Deeply Subordinated Notes are subordinated*" for further details).

In the case of Subordinated Notes or Deeply Subordinated Notes issued by an Issuer other than ZIC pursuant to the Guaranteed Subordinated Notes Conditions

If the relevant Issuer fails to make any payment of principal or interest on the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes when due, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the relevant Issuer in respect of such unpaid principal or interest provided that the Trustee and the Noteholders have no right to claim or enforce an early redemption of, the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes or institute proceedings for the winding up of the relevant Issuer.

If the Guarantor fails to pay (pursuant to the relevant ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee) an amount claimed in accordance with the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the Guarantor in respect of such unpaid amounts provided that the Trustee and the Noteholders have no right to claim any sums in respect of, or enforce an early redemption of, the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes or institute proceedings for the winding up of the Guarantor.

If, except for the purposes of or pursuant to and followed by an Approved Liquidation of the relevant Issuer or, as the case may be, the Guarantor, a Liquidation Ruling is made against the relevant Issuer or the Guarantor and subject to the paragraph below and as further described in Condition 10(c)(ii) of the Guaranteed Subordinated Notes Conditions, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the relevant Issuer and ZIC that the relevant Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes are immediately due and repayable at an amount equal to the principal amount of such Guaranteed Subordinated Note or Guaranteed Deeply Subordinated Note, together with any accrued but unpaid interest up to, but excluding, the date of repayment (including any Arrears of Interest).

Condition 10(c)(ii) of the Guaranteed Subordinated Notes Conditions provides that, if, on or following the date of any such Liquidation Ruling described above, a Solvency Event in relation to the Zurich Insurance Group (a "**Group Solvency Event**") has occurred and is continuing or would occur as a result of the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes becoming due and payable as described above and as further described in Condition 10(c)(i) of the Guaranteed Subordinated Notes Conditions, then the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes shall become due and payable in accordance with Condition 10(c)(i) of the Guaranteed Subordinated Notes Conditions upon such Group Solvency Event ceasing to occur and if such payment would not result in a Group Solvency Event occurring provided that, for the avoidance of doubt, the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes shall in addition become due and payable in the proceedings which implement such Liquidation Ruling at an amount equal to the principal amount of such Guaranteed Subordinated Note or Guaranteed Deeply Subordinated Note, together with any accrued but unpaid interest up to, but excluding, the date of repayment (including any Arrears of Interest) upon any amounts in respect of any Relevant Junior or Pari Passu Securities (as defined in the Guaranteed Subordinated Notes Conditions) becoming due and payable in such proceedings.

No payment in respect of the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes may be made by the relevant Issuer or the Guarantor pursuant to the paragraph above and as further described in Condition 10(c) of the Guaranteed Subordinated Notes Conditions, nor will the Trustee accept the same, otherwise than during or after the relevant winding-up proceedings.

No other remedy against the relevant Issuer or the Guarantor, other than referred to above is available to the Trustee or the Noteholders for the recovery of amounts owing in respect of the Guaranteed Subordinated Notes, the Guaranteed Deeply Subordinated Notes, the applicable ZIC Subordinated Guarantee or the applicable ZIC Deeply Subordinated Guarantee.

Neither the Trustee nor the Noteholders may institute any winding-up proceedings to enforce the obligations of the relevant Issuer or the Guarantor for payment of any principal or interest (including any Arrears of Interest in respect of the Guaranteed Subordinated Notes or the Guaranteed Deeply Subordinated Notes).

In addition, the claims of holders of higher ranking claims will first have to be satisfied in any winding-up proceedings before the Noteholders may expect to obtain any recovery in respect of their Guaranteed Subordinated Notes or Guaranteed Deeply Subordinated Notes and prior thereto Noteholders will have only limited ability to influence the conduct of such winding-up proceedings (see the risk factor entitled "*The Issuer's obligations under the Subordinated Notes and the Deeply Subordinated Notes are subordinated*" for further details).

The Issuer's obligations under the Subordinated Notes and the Deeply Subordinated Notes are subordinated

The ZIC Subordinated Notes will constitute direct, subordinated and unsecured obligations of ZIC and rank *pari passu* and without any preference among themselves. In the event of a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition or other similar proceedings, the payment obligations of ZIC under or arising from the ZIC Subordinated Notes and the Trust Deed shall, in accordance with Condition 3(a) of the ZIC Subordinated Notes Conditions, be subordinated to the claims of all Senior Creditors (as such term is defined in Condition 3(a) of the ZIC Subordinated Notes Conditions) of ZIC but shall rank at least *pari passu* with the claims under the Pari Passu Instruments and prior to the claims under the Junior Instruments (as each such term is defined in Condition 3(a) of the ZIC Subordinated Notes Conditions).

The ZIC Deeply Subordinated Notes are further subordinated to the ZIC Subordinated Notes and will constitute direct, subordinated and unsecured obligations of ZIC and rank *pari passu* and without any preference among themselves. In the event of a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition or other similar proceedings, the payment obligations of ZIC under or arising from the ZIC Deeply Subordinated Notes and the Trust Deed shall, in accordance with Condition 3(b) of the ZIC Subordinated Notes Conditions, be subordinated to the claims of all Senior Creditors (as such term is defined in Condition 3(b) of the ZIC Subordinated Notes Conditions) of ZIC (including holders of ZIC Subordinated Notes) but shall rank at least *pari passu* with the claims under the Pari Passu Instruments and prior to the claims under the Junior Instruments (as each such term is defined in Condition 3(b) of the ZIC Subordinated Notes Conditions).

The Guaranteed Subordinated Notes will constitute direct, subordinated and unsecured obligations of the relevant Issuer and rank *pari passu* and without any preference among themselves. In the event of a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition or other similar proceedings, the payment obligations of the relevant Issuer under or arising from the Guaranteed Subordinated Notes and the Trust Deed shall, in accordance with Condition 3(a) of the Guaranteed Subordinated Notes Conditions, be subordinated to the claims of all Senior Creditors (as such term is defined in Condition 3(a) of the Guaranteed Subordinated Notes Conditions) of the relevant Issuer but shall rank at least *pari passu* with the claims under the Pari Passu Instruments and prior to the claims under the Junior Instruments (as each such term is defined in Condition 3(a) of the Guaranteed Subordinated Notes Conditions).

The Guaranteed Deeply Subordinated Notes are further subordinated to the Guaranteed Subordinated Notes and will constitute direct, subordinated and unsecured obligations of ZF (Ireland) and rank *pari passu* and without any preference among themselves. In the event of a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition or other similar proceedings, the payment obligations of ZF (Ireland) under or arising from the Guaranteed Deeply Subordinated Notes and the Trust Deed shall, in accordance with Condition 3(b) of the Guaranteed Subordinated Notes Conditions, be subordinated to the claims of all Senior Creditors (as such term is defined in Condition 3(b) of the Guaranteed Subordinated Notes Conditions) of ZF (Ireland) (including holders of Guaranteed Subordinated Notes) but shall rank at least *pari passu* with the claims under the Pari Passu Instruments and prior to the claims under the Junior Instruments (as each such term is defined in Condition 3(b) of the Guaranteed Subordinated Notes Conditions).

By virtue of such subordination as described above, payments to a Noteholder will, in the events described in the ZIC Subordinated Notes Conditions and the Guaranteed Subordinated Notes Conditions, as applicable, only be made after all obligations of the relevant Issuer resulting from higher ranking claims have been satisfied. A Noteholder may, therefore, recover less than the holders of unsubordinated or other prior ranking subordinated liabilities of the relevant Issuer and holders of the Deeply Subordinated Notes may recover less than holders of the Subordinated Notes issued by the relevant Issuer.

Furthermore, the ZIC Subordinated Notes Conditions and the Guaranteed Subordinated Notes Conditions will not limit the amount of the liabilities ranking senior to, or *pari passu* with, the relevant Subordinated Notes or Deeply Subordinated Notes, which may be incurred or assumed by the relevant Issuer from time to time, whether before or after the relevant Issue Date. The incurrence of any such other liabilities may reduce the amount (if any) recoverable by Noteholders in the event of winding-up proceedings of the relevant Issuer and/or may increase the likelihood of a deferral of interest payments under the Subordinated Notes or Deeply Subordinated Notes (see the risk factor entitled "*Interest payments on the Subordinated Notes and the Deeply Subordinated Notes may, and in certain circumstances must, be deferred*" for further details).

Subject to applicable law, no Noteholder may set-off any claims in respect of any amount owed to it by the relevant Issuer arising under or in connection with the Subordinated Notes or the Deeply Subordinated Notes and each Noteholder shall, by virtue of being the holder of any such Note, be deemed to have irrevocably waived all such rights of set-off.

Although the Subordinated Notes and the Deeply Subordinated Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a significant risk that an investor in the Subordinated Notes or the Deeply Subordinated Notes will lose all or some of its investment should the relevant Issuer become insolvent.

Interest payments on the Subordinated Notes and the Deeply Subordinated Notes may, and in certain circumstances must, be deferred

If so specified in the applicable Pricing Supplement, the relevant Issuer may elect to defer any interest payment which would otherwise be payable on any Optional Interest Payment Date in accordance with Condition 5(b) of the ZIC Subordinated Notes Conditions or Condition 6(b) of the Guaranteed Subordinated Notes Conditions, provided that, subject to Condition 5(c) of the ZIC Subordinated Notes Conditions or Condition 6(c) of the Guaranteed Subordinated Notes Conditions, if the Relevant Regulator no longer accords the relevant Subordinated Notes or Deeply Subordinated Notes any regulatory capital credit under the Applicable Capital Regulations the relevant Issuer will only be permitted to exercise its option to defer the relevant interest payment on such Optional Interest Payment Date for a period of five years.

It is possible that an Optional Interest Payment Date with respect to Deeply Subordinated Notes may not also constitute an Optional Interest Payment Date with respect to Subordinated Notes issued by the relevant Issuer, given the relative ranking of these instruments. As a result, payments of interest and settlement of Arrears of Interest may become mandatory on Subordinated Notes without also becoming mandatory on Deeply Subordinated Notes issued by the relevant Issuer.

The relevant Issuer will be required to defer any payment of interest which would otherwise be payable on the Subordinated Notes and the Deeply Subordinated Notes on each Solvency Interest Deferral Date (being an Interest Payment Date in respect of which a Solvency Event has occurred and is continuing or would occur if payment of interest were made).

A Solvency Event will be deemed to have occurred as at any date if as at such date (i) ZIC and/or the Zurich Insurance Group does not have appropriate funds to cover (as applicable) its required minimum solvency margin or meet any other required level of own funds regulatory capital (or another applicable term in case of a change in Applicable Regulations) in accordance with Applicable Regulations; or (ii) ZIC and/or ZIG has reasonable grounds for concern that it is unable to pay its debts owed to its creditors as they fall due; or (iii) ZIC and/or the ZIG has reasonable grounds for concern that its Assets do not exceed its Liabilities; or (iv) any other event has occurred which, under the Applicable Regulations, in order for the relevant Notes to continue to qualify as Relevant Capital, would require payment of principal or interest, as applicable, on the relevant Notes to be deferred; or (v) the Relevant Regulator has given notice to ZIC and/or ZIG (in the case of the Zurich Insurance Group) that it has determined that in accordance with the Applicable Regulations at such time, action must be taken in relation to payments on subordinated notes, including the relevant Subordinated Notes or Deeply Subordinated Notes, as applicable.

The deferral of interest as described above will not constitute a default by the relevant Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the relevant Series of Subordinated Notes or Deeply Subordinated Notes or take any enforcement action under such Notes, the Trust Deed, the ZIC Subordinated Guarantee (if applicable) or the ZIC Deeply Subordinated Guarantee (if applicable) for any purpose unless such payment is required in accordance with Condition 5(e) of the ZIC Subordinated Notes Conditions or Condition 6(e) of the Guaranteed Subordinated Notes Conditions. Any interest so deferred shall, for so long as the same remains unpaid, constitute Arrears of Interest.

Other than upon the commencement of winding-up proceedings or a dissolution of the relevant Issuer or, as the case may be, ZIC (except for the purposes of or pursuant to and followed by an Approved Liquidation), any payment of Arrears of Interest shall only be due and payable provided that no Solvency Event has occurred and is continuing on the date such payment would otherwise fall due or would occur as a result of such payment, and, in either such case, the prior written approval of the Relevant Regulator for such payment has been obtained to the extent required at the time. Arrears of Interest and any other amount, payment of which is so deferred, shall not themselves bear interest.

Any actual or anticipated deferral of interest payments will likely have an adverse effect on the market price of the Subordinated Notes or the Deeply Subordinated Notes, as applicable. In addition, as a result of the interest deferral provision of the Subordinated Notes and the Deeply Subordinated Notes, the market price of such Notes may be more volatile than the market prices of other debt securities that are not subject to such deferral of interest and may be more sensitive generally to adverse changes in the relevant Issuer's, ZIC's (where ZIC is not the relevant Issuer), ZIG and the Zurich Insurance Group's financial condition.

Redemption payments under the Subordinated Notes and the Deeply Subordinated Notes must, under certain circumstances, be deferred

The relevant Issuer must defer redemption of any Series of Subordinated Notes or Deeply Subordinated Notes on the relevant Maturity Date (if applicable) pursuant to Condition 6(b) of the ZIC Subordinated Notes Conditions or Condition 7(b) of the Guaranteed Subordinated Notes Conditions in the event that a Solvency Event has occurred and is continuing on the Maturity Date, or would occur as a result of the relevant redemption. Following such deferral the relevant Subordinated Notes or Deeply Subordinated Notes will be redeemed by the relevant Issuer promptly following such Solvency Event ceasing to occur.

The deferral of redemption of the Subordinated Notes or the Deeply Subordinated Notes will not constitute a default by the relevant Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the relevant Subordinated Notes

or Deeply Subordinated Notes or take any enforcement action under the Notes, the ZIC Subordinated Guarantee (if applicable), the ZIC Deeply Subordinated Guarantee (if applicable) or the Trust Deed for any purpose.

Any actual or anticipated deferral of redemption of the relevant Subordinated Notes or Deeply Subordinated Notes will likely have an adverse effect on the market price of the relevant Subordinated Notes or Deeply Subordinated Notes. In addition, as a result of such a redemption deferral provision, including with respect to deferring redemption on the scheduled Maturity Date, the market price of the relevant Subordinated Notes or Deeply Subordinated Notes may be more volatile than market prices of other debt securities without such deferral feature, including securities where redemption on the scheduled maturity date cannot be deferred. Accordingly, such Subordinated Notes and Deeply Subordinated Notes may be more sensitive generally to adverse changes in the financial condition of ZIC, ZIG and/or the Zurich Insurance Group.

The Subordinated Notes and the Deeply Subordinated Notes may be subject to optional redemption by the relevant Issuer including upon the occurrence of certain events

If Call Option is specified in the applicable Pricing Supplement as being applicable, the relevant Issuer may, subject to certain conditions as provided in Condition 6(c) and Condition 8 (if Write-Down Event is specified in the applicable Pricing Supplement as being applicable) of the ZIC Subordinated Notes Conditions and Condition 7(c) and Condition 9 (if Write-Down Event is specified in the applicable Pricing Supplement as being applicable) of the Guaranteed Subordinated Notes Conditions, at its option redeem all, but not some only, of the relevant Subordinated Notes or Deeply Subordinated Notes on any Optional Redemption Date specified in the applicable Pricing Supplement together with any interest accrued to (but excluding) the date fixed for redemption and any Arrears of Interest.

In addition, upon the occurrence of a Tax Event or an Accounting Event, a Regulatory Event, a Rating Agency Event or a Clean-Up Event (if each such event is specified in the applicable Pricing Supplement as being applicable and notice of redemption is given within the Early Event Call Period), the relevant Issuer may, subject to certain conditions as provided in Conditions 6(c) and Condition 8 (if Write-Down Event is specified in the applicable Pricing Supplement as being applicable) of the ZIC Subordinated Notes Conditions and Condition 7(c) and Condition 9 (if Write-Down Event is specified in the applicable Pricing Supplement as being applicable) of the Guaranteed Subordinated Notes Conditions, redeem all, but not some only, of the relevant Subordinated Notes or the Deeply Subordinated Notes (unless otherwise specified in the applicable Pricing Supplement) at any time or, if and for so long as the Subordinated Note or Deeply Subordinated Note is a Floating Rate Note, on any Interest Payment Date. The Subordinated Notes and Deeply Subordinated Notes will be redeemed at their principal amount (in the case of redemption due to taxation), the relevant Special Redemption Price (in the case of redemption due to a Special Event) or, as appropriate, Clean-Up Redemption Price (in the case of redemption due to a Clean-Up Event) specified in the applicable Pricing Supplement, together with any interest accrued to (but excluding) the date of redemption and any Arrears of Interest. The relevant Issuer shall not, however, have the right to redeem the relevant Subordinated Notes or Deeply Subordinated Notes following an Accounting Event, Clean-Up Event and/or a Rating Agency Event if such right of redemption would cause a Regulatory Event.

At the time of any such redemption by the relevant Issuer, prevailing interest rates may be lower than the rate borne by the relevant Series of Subordinated Notes or Deeply Subordinated Notes. If that is the case, a Noteholder may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the relevant Subordinated Notes or Deeply Subordinated Notes and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In addition, the relevant Issuer's ability to redeem the Subordinated Notes or the Deeply Subordinated Notes at its option in certain limited circumstances may affect their market value. In particular, during any period when the relevant Issuer may elect to redeem or is perceived to be able to redeem the relevant Subordinated Notes or Deeply Subordinated Notes, their market value generally will not rise above the redemption price because of the optional redemption feature. This may also be true prior to any redemption period.

There is no redemption at the option of the Noteholders in respect of the Subordinated Notes or the Deeply Subordinated Notes.

The relevant Issuer may vary or substitute the Subordinated Notes and the Deeply Subordinated Notes without Noteholder consent

Following the occurrence of a Tax Event, Accounting Event, Rating Agency Event or Regulatory Event, the relevant Issuer may, at its option and without the consent or approval of the Noteholders (subject as provided in Condition 6 of the ZIC Subordinated Notes Conditions and Condition 7 of the Guaranteed Subordinated Notes Conditions) at any time elect to (i) substitute the relevant Subordinated Notes or Deeply Subordinated Notes for or (ii) vary the terms of such Notes so that they become, in each case, Qualifying Securities.

Whilst Qualifying Securities are required to have terms which are not materially less favourable to Noteholders than the terms of the relevant Subordinated Notes or Deeply Subordinated Notes, there can be no assurance that any proposed substitution or variation will not have a significantly adverse impact on the price of, and/or market for, the relevant Subordinated Notes or Deeply Subordinated Notes or the circumstances of individual Noteholders.

The Subordinated Notes and the Deeply Subordinated Notes may be perpetual

If Maturity Date is specified in the applicable Pricing Supplement as being not applicable, the relevant Issuer is under no obligation to redeem the relevant Subordinated Notes or Deeply Subordinated Notes at any time and the Noteholders of such Subordinated Notes or Deeply Subordinated Notes have no right to call for their redemption. Therefore, prospective investors should be aware that they may be required to bear financial risks of an investment in such Subordinated Notes or Deeply Subordinated Notes for an indefinite period of time and may not recover their investment in the foreseeable future.

The principal amount of the Subordinated Notes or the Deeply Subordinated Notes may be written down to zero

If Write-Down Event is specified in the applicable Pricing Supplement as being applicable, and a Write-Down Event occurs in accordance with Condition 8 of the ZIC Subordinated Notes Conditions or Condition 9 of the Guaranteed Subordinated Notes Conditions, the full principal amount of the relevant Subordinated Notes or Deeply Subordinated Notes and all accrued but unpaid interest (including any Arrears of Interest) will automatically and permanently be reduced to zero and the relevant Subordinated Notes or Deeply Subordinated Notes will be cancelled on the Write-Down Date. Once the principal amount of a Note has been Written-Down, it will not be restored under any circumstances, including where the relevant Write-Down Event ceases to continue.

The occurrence of a Write-Down Event will not constitute a default by the relevant Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the relevant Subordinated Notes or Deeply Subordinated Notes or take any other action under such Subordinated Notes or Deeply Subordinated Notes, the Trust Deed, the ZIC Subordinated Guarantee (if applicable) or the ZIC Deeply Subordinated Guarantee (if applicable). Accordingly, as of the Write-Down Date, Noteholders shall not have any rights against the relevant Issuer or the Guarantor (if applicable) with respect to repayment of the principal amount of the relevant Subordinated Notes or Deeply Subordinated Notes or any part thereof, or the payment of any other amounts arising under or in connection with the relevant Subordinated Notes or Deeply Subordinated Notes.

If the relevant Issuer has elected to redeem the relevant Subordinated Notes or Deeply Subordinated Notes pursuant to Condition 6(d), 6(e) or 6(f) of the ZIC Subordinated Notes Conditions or Condition 7(d), 7(e) or 7(f) of the Guaranteed Subordinated Notes Conditions, but prior to the scheduled redemption date a Write-Down Event occurs, the relevant Subordinated Notes or Deeply Subordinated Notes will not be redeemed but instead will be Written-Down.

A Write-Down Event will occur without the consent of the Noteholders. It is inherently unpredictable and depends on a number of factors. If Write-Down Event is specified in the applicable Pricing Supplement as being applicable, and a Write-Down Event occurs, or is anticipated to occur, investors may lose all or part of their investment in the relevant Subordinated Notes or Deeply Subordinated Notes.

In relation to Guaranteed Subordinated Notes and Guaranteed Deeply Subordinated Notes:

The Guarantor's obligations under the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee are subordinated, payments under the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee must be deferred in certain circumstances and there are restricted remedies for non-payment

Claims in respect of the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee will, in the event of a voluntary or involuntary insolvency, winding up, liquidation, dissolution with liquidation, bankruptcy (*Konkurs*), composition (*Nachlassvertrag*) or other similar proceedings against the Guarantor, rank after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined in Clause 1(1)(a) of the ZIC Subordinated Guarantee or, as appropriate the ZIC Deeply Subordinated Guarantee). As a result, claims in respect of the ZIC Deeply Subordinated Guarantee rank junior to those in respect of the ZIC Subordinated Guarantee.

The Guarantor must defer any payment under the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee if on the date such payment would otherwise fall due either a Solvency Event has occurred and is continuing or would occur on such date as a result of such payment. Any payment so deferred shall only become due and payable following the date on which no Solvency Event is continuing (or would occur on such date as a result of such payment) or, subject to conditions summarised in the paragraph below, in the event of a Liquidation Ruling. The deferral of any such payment in such circumstances will not constitute a default by the Guarantor and will not give the Noteholders or the Trustee any right to accelerate the repayment of the Subordinated Notes or the Deeply Subordinated Notes or take any action under the Trust Deed, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee.

Each of the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee provides that, if the Trustee gives notice that the Subordinated Notes or the Deeply Subordinated Notes, as applicable, are immediately due and repayable in accordance with Condition 10(c) of the Guaranteed Subordinated Notes Conditions as a result of a Liquidation Ruling in respect of the Guarantor, then, if on or following the date of any such Liquidation Ruling, a Group Solvency Event has occurred and is continuing or would occur as a result of the Subordinated Notes or the Deeply Subordinated Notes becoming due and payable in accordance with Condition 10(c)(i) of the Guaranteed Subordinated Notes Conditions, then payment in respect of the Subordinated Notes or the Deeply Subordinated Notes pursuant to the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, as applicable, shall become due and payable upon such Group Solvency Event ceasing to occur and if such payment would not result in a Group Solvency Event occurring provided that, for the avoidance of doubt, such payment in respect of the Subordinated Notes or the Deeply Subordinated Notes shall in addition become due and payable in the proceedings which implement such

Liquidation Ruling upon any amounts in respect of any Relevant Junior or Pari Passu Securities (as defined in the Guaranteed Subordinated Notes Conditions) becoming due and payable in such proceedings.

See also "*Restricted Remedies for non-payment*" above and "*The ZIC Senior Guarantee, the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee are limited to the Specified Maximum Amount*" below.

RISKS RELATED TO THE MARKET GENERALLY

An active trading market may not develop for the Notes

The Notes are a new issue of securities for which there is no trading market and one may never develop. If such a market were to develop, the Notes could trade at prices which may be higher or lower than the initial offering price. Notes issued with specific investment objectives or strategies will have a more limited trading market and may experience more price volatility. Prospective investors should be aware that, at the time they wish to sell their Notes, there may be few or no investors willing to buy the Notes.

Exchange rates and exchange controls

Notes and/or coupon payments can be denominated in, or the payment of which is to be or may be made in or related to the value of, a currency or composite currency and significant risks are entailed if such currency is other than the currency in which the prospective investor's financial activities are denominated. Such risks include the possibility of significant changes in the currency exchange rates and the risk of imposition or modification of foreign exchange controls by the relevant government. Depreciation of the currency in which a Note is denominated would result in a decrease in the effective yield of such Note and, in certain circumstances, could result in a loss to the investor.

Governments have imposed from time to time, and may in the future impose, exchange controls which could affect exchange rates as well as the availability of a specified foreign currency at the time of payment of principal of, and premium, if any, or interest, if any, on a Note.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market and other factors which may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Tax consequences of holding the Notes

Potential investors should consider the tax consequences of investing in the Notes and consult their tax advisers about their own tax situation.

Payment of additional amounts for Swiss withholding taxes may be null and void.

Although the terms of the Notes (other than Notes (except Restricted Notes) issued by ZIC) provide that, in the event of any withholding or deduction on account of Swiss tax being required by Swiss law, the Issuer or the Guarantor, as the case may be, shall, subject to certain exceptions, pay additional amounts interest at a recalculated rate, so that the net amount received by the holders of the Notes shall equal the amount which would have been received by such holder in the absence of such withholding or deduction, such obligation may contravene Swiss legislation and be null and void and not enforceable in Switzerland.

Potential Amendment of the Swiss Withholding Tax Act

In 2015, the Swiss Federal Finance Department, mandated by the Swiss Federal Council, appointed a group of experts to prepare a proposal for a reform of the Swiss withholding tax system. The proposal is expected to, among other things, replace the current debtor-based regime or an information exchange-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Further, on 23 October 2017, the Swiss Federal Economic Affairs and Taxation Committee of the Swiss National Council filed a parliamentary initiative reintroducing the request to replace the current debtor-based regime for a paying agent-based system. The initiative requests, among other things, a paying agent-based system that (i) subjects all interest payments made by paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) provides an exemption from Swiss withholding tax for interest payments to all other persons (including Swiss corporations). On 21 August 2018, the Economic Affairs and Taxation Committee of the Swiss Council of States consented to the parliamentary initiative, and on 13 November 2018, the Swiss Federal Economic Affairs and Taxation Committee of the Swiss National Council resolved to appoint a sub-commission to prepare a preliminary draft for fullfillment of the parliamentary initiative. If any such new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any payment of interest in respect of a Note (or in respect of any payment under the ZIC Senior Guarantee, ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee in respect thereof), neither the Issuer nor the Guarantor nor any paying agent nor any other person would, pursuant to the applicable Conditions, be obliged to pay additional amounts with respect to any Note as a result of the deduction or imposition of such withholding tax.

International Automatic Exchange of Information in Tax Matters

On 15 July 2014, the Organisation for Economic Co-operation and Development approved the Common Reporting Standard (the "**CRS**") designed to create a global standard for the automatic exchange of financial account information ("**AEOI**"). Pursuant to the CRS requirements, financial institutions must identify and report FATCA-like information in respect of specified persons who are resident in the jurisdictions that sign up to and implement the CRS. On 29 October 2014, fifty-one jurisdictions signed the multilateral competent authority agreement ("**MCAA**") that activates the automatic exchange of information in line with the CRS. Since then, further jurisdictions (including Australia) have signed the MCAA and in total over 90 jurisdictions have committed to adopting the CRS. The first information exchanges took place by in September 2017. Other signatories followed with information exchanges in 2018 or will follow at a later date.

The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS. Australia has adopted a wider approach to CRS, under which Australian financial institutions are, in general, required to identify and report to the Australian Taxation Office ("**ATO**") information regarding persons resident in any foreign jurisdiction, regardless of whether that jurisdiction has signed up to and implemented the CRS. However, the ATO may not share that information with a jurisdiction that does not have a CRS competent authority agreement (such as the MCAA) with Australia.

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information in tax matters (the "**AEOI Agreement**"), which applies to all EU member states. Further, Switzerland signed the MCAA, and based on the MCAA, bilateral AEOI agreements with other countries. Based on the AEOI Agreement and the bilateral AEOI agreements and the implementing laws of Switzerland, Switzerland began to collect data in respect of financial assets, including, as the case may be, Notes, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of residents in a EU member state or another treaty state from 2017, or a later date, and began, or will begin, to exchange it from 2018, or a later date, depending, in each case, on the effectiveness of the applicable agreement. Switzerland has signed and will sign further AEOI agreements with further countries. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective can be found on the website of the State Secretariat for International Financial Matters SIF.

In connection with FATCA (as more fully described below under the heading "*FATCA Withholding*"), Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland.

FATCA Withholding

Certain provisions of U.S. tax law (commonly referred to as "**FATCA**") generally impose a withholding tax of 30 per cent. on interest income (including Original Issue Discount ("**OID**")) from debt obligations of U.S. issuers such as ZHCA paid to a foreign financial institution (other than with respect to interest (including OID) that is effectively connected with the conduct of a trade or business within the United States), unless such institution either (i) enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which would include certain account holders that are foreign entities with U.S. owners) or (ii) in the event that an applicable intergovernmental agreement and implementing legislation are adopted, complies with modified requirements including in some cases providing local revenue authorities with similar account holder information. The FATCA provisions also generally impose a withholding tax of 30 per cent. on interest income from such obligations paid to a non-financial foreign entity (other than with respect to interest that is effectively connected with the conduct of a trade or business within the United States) unless such entity provides the withholding agent with a certification that it does not have any substantial U.S. owners or a certification identifying the direct and indirect substantial U.S. owners of the entity or unless certain exceptions apply or they agree to provide certain information to other revenue authorities for transmittal to the IRS.

Recently released proposed Treasury Regulations provide that no FATCA withholding will be required with respect to payments of gross proceeds on the disposition of obligations of a U.S. issuer. The preamble to these proposed Treasury Regulations specifies that taxpayers are permitted to rely on the proposed Treasury Regulations pending finalization.

FATCA provisions also impose a 30 per cent. U.S. withholding tax on certain "pass-thru" payments by foreign financial institutions. Recently released proposed Treasury Regulations provide that the withholding tax will not be imposed on pass-thru payments by foreign financial institutions before the date that is two years after the date of publication in the Federal Register of final regulations defining the term "foreign passthru payment".

Although the application of the FATCA withholding tax to pass-thru payments by foreign financial institutions is still uncertain, as the scope of these rules are still being determined by U.S. tax authorities, it is possible that in some circumstances payments by ZF (Australia), ZF (Ireland) or ZIC on Notes after the date that is two years after the date of publication in the Federal Register of final regulations defining the term "foreign passthru payment" to persons failing to meet certain FATCA reporting or certification requirements may be treated as "pass-thru payments" subject to U.S. withholding tax. Such withholding would apply

to a Note characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued or deemed issued after the date that is six months after the date on which final U.S. Treasury Regulations defining the term "foreign passthru payment" are filed with the Federal Register.

Under the Senior Notes Conditions, the ZIC Subordinated Notes Conditions and the Guaranteed Subordinated Notes Conditions, no Additional Amounts (as such term is defined in Condition 8 of the Senior Notes Conditions, Condition 7 of the ZIC Subordinated Notes Conditions and Condition 8 of the Guaranteed Subordinated Notes Conditions) are due with respect to a tax imposed under the FATCA rules. Holders of Senior Notes, Subordinated Notes and Deeply Subordinated Notes should consult their own tax advisers on how these rules may apply to payments they receive under the Senior Notes, the Subordinated Notes and the Deeply Subordinated Notes.

EU Anti-Tax Avoidance Directives

As part of its anti-tax avoidance package, the European Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the European Council on 12 July 2016 in Council Directive (EU) 2016/1164 (the "**ATAD 1**"). The ATAD 1 must generally be implemented by each Member State by 2019, subject to certain derogations for Member States which have equivalent measures in their domestic law. Ireland has applied for a derogation with respect to the interest limitations rule (see below), meaning that the provisions of the ATAD 1 on interest deductibility may be deferred in the case of Ireland until a later date, potentially to 1 January 2024. No assurance can be given that such a derogation will be granted. On 14 November 2018 the Irish Department of Finance issued a consultation document seeking views on the manner in which Ireland will implement the interest limitation rule. It also suggested that Ireland might introduce the rules earlier than 2024, perhaps as early as Finance Act 2019.

The second Anti-Tax Avoidance Directive (the "**ATAD 2**", and, together with ATAD 1, the "**ATADs**") was adopted as Council Directive (EU) 2017/952 on 29 May 2017. ATAD 2 must be implemented by all EU member states by 1 January 2020, with certain exceptions. When implemented, it is possible that the ATADs may affect the tax treatment of the Issuer's profits and therefore the Issuer's ability to make payments on the Notes. However, in the absence of implementing legislation, the possible implications of the ATADs are to a large extent, unascertainable at this time.

Amongst the measures contained in the ATAD 1 is an interest deductibility limitation rule similar to the recommendation contained in the Base Erosion and Profit Shifting ("**BEPS**") Action 4 proposals. The ATAD 1 provides that interest costs in excess of 30 per cent. of an entity's earnings before interest, tax, depreciation and amortisation, will not be deductible in the year in which it is incurred but would remain available for carrying forward (while Member States also have the option of excluding the first €3,000,000 of interest costs). However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". As the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled on the refinancing of existing debt of the Zurich Insurance Group (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer. There is also a carve-out in the ATAD 1 for financial undertakings, although as drafted the Issuer is not likely to be treated as a financial undertaking.

Irish Withholding Tax on the Notes

It is anticipated that Irish withholding tax should not be imposed on payments of principal or interest on the Notes, as the Notes are anticipated to be 'Quoted Eurobonds' which satisfy the conditions for an exemption from withholding tax to apply (as described in the section "*Taxation—Irish Taxation*" of this Base Prospectus). However there can be no assurance that the law will not change.

Irish Capital Gains Tax

Under current law, a holder of Notes will not be subject to Irish capital gains tax on a disposal of the Notes for so long as the Notes are quoted on a stock exchange unless such holder is resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes are used or held. If the Notes cease to be quoted on a stock exchange, Irish capital gains tax may apply, subject to reliefs and exceptions, on any profit derived from a disposal or deemed disposal of the Notes.

Australian IGA and FATCA withholding

In connection with FATCA (as more fully described on page 15 of this Base Prospectus under the heading "*FATCA Withholding*"), Australia and the United States signed an intergovernmental agreement ("**Australian IGA**") on 28 April 2014. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the Australian IGA ("**Australian IGA Legislation**").

Australian financial institutions which are Reporting Australian Financial Institutions under the Australian IGA must comply with specific due diligence procedures. In general, these procedures seek to identify their account holders and provide the ATO with information on financial accounts (e.g. the Notes) held by U.S. persons and recalcitrant account holders. The ATO is required to provide such information to the IRS. Consequently, holders of the Notes may be requested to provide certain information and

certifications to ZF (Australia) and to any other financial institutions through which payments on the Notes issued by ZF (Australia) are made in order for ZF (Australia) and other such financial institutions to comply with their FATCA obligations.

A Reporting Australian Financial Institution that complies with its obligations under the Australian IGA will not generally be subject to FATCA withholding on amounts it receives, and will not generally be required to deduct FATCA withholding from payments it makes with respect to the Notes, other than in certain prescribed circumstances.

In the event that any amount is required, as a result of FATCA, to be withheld or deducted from a payment on the Notes issued by ZF (Australia), pursuant to the Senior Notes Conditions or the Guaranteed Subordinated Notes Conditions, no additional amounts will be paid by ZF (Australia) as a result of the withholding or deduction.

FATCA is particularly complex legislation. Investors should consult their own tax advisers to determine how FATCA and the Australian IGA may apply to them under the Notes.

Australian insolvency laws

The following paragraph applies to Notes issued by ZF (Australia).

In the event that ZF (Australia) becomes insolvent, insolvency proceedings will be governed by Australian law or the law of another jurisdiction determined in accordance with Australian law. Australian insolvency laws are, and the laws of that other jurisdiction can be expected to be, different from the insolvency laws of other jurisdictions. In particular, the voluntary administration procedure under the Corporations Act 2001 of Australia ("**Corporations Act**"), which provides for the potential re-organisation of an insolvent company, differs significantly from similar provisions under the insolvency laws of other jurisdictions. If ZF (Australia) becomes insolvent, the treatment and ranking of Noteholders and ZF (Australia)'s shareholders under Australian law, and the laws of any other jurisdiction determined in accordance with Australian law, may be different from the treatment and ranking of Noteholders and ZF (Australia)'s shareholders if ZF (Australia) were subject to the bankruptcy laws or the insolvency laws of other jurisdictions.

RISKS RELATED TO THE NOTES GENERALLY

Set out below is a brief description of certain risks relating to the Notes generally:

Notes may not be a suitable investment for all investors

A range of different Notes may be issued under the Programme, including Senior Notes, Subordinated Notes and Deeply Subordinated Notes. A number of these Notes may have features which contain particular risks for potential investors. Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus, the applicable Pricing Supplement or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest can be deferred or written down in the circumstances described in the terms and conditions relating to the Notes, where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Notes and the applicable Pricing Supplement, and be familiar with the behaviour of the financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Notes subject to optional redemption by the relevant Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, or during any period in which there is an actual or perceived increase in the likelihood that the relevant Issuer may elect to redeem the Notes in the future, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The relevant Issuer may redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate as set out in the applicable Pricing Supplement. Such a feature to convert the interest rate may affect the secondary market in, and the market value of, such Notes. If the Notes are converted from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes are converted from a floating rate to a fixed rate, the fixed rate in such circumstances may be lower than then prevailing market rates.

Notes issued at a substantial discount

The market values of securities issued at a substantial discount to their nominal amount tend to fluctuate more in relation to general changes in interest rates than prices do for conventional interest-bearing securities.

Modification, waivers and substitution

Except in the circumstances referred to in the paragraphs below in relation to Notes issued by ZIC, the ZIC Subordinated Notes Conditions, the Guaranteed Subordinated Notes Conditions and the Senior Notes Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who do not attend and vote at the relevant meeting and Noteholders who vote in a manner contrary to the majority.

In relation to Listed Swiss Franc Notes issued by ZIC and other Notes issued by ZIC by way of a public offering within the meaning of Article 1157 of the Swiss Code of Obligations, the provisions of Articles 1157-1186 of the Swiss Code of Obligations will apply to all meetings of Noteholders. These provisions permit defined majorities to bind all Noteholders of the relevant Series of Notes, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

In relation to any Series of Restricted Notes issued by ZIC and held by a sole Noteholder, who is not holding such Notes as a depositary for, or nominee of, Euroclear or Clearstream, the meeting, quorum and voting provisions of Condition 12(b) of the ZIC Subordinated Notes Conditions and the modification provisions of Condition 12(c) of the Guaranteed Subordinated Notes Conditions shall not apply. Instead, only those amendments, waivers or variations of the relevant Notes or the Trust Deed agreed in writing by the sole Noteholder and the parties to the Trust Deed will be made.

The Senior Notes Conditions, the ZIC Subordinated Notes Conditions and the Guaranteed Subordinated Notes Conditions also provide that the Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Trust Deed, the ZIC Subordinated Guarantee (if applicable), the ZIC Deeply Subordinated Guarantee (if applicable) or the Agency Agreement that is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of the Senior Notes Conditions, the ZIC Subordinated Notes Conditions or the Guaranteed Subordinated Notes Conditions and the provisions of the Trust Deed, the ZIC Subordinated Guarantee (if applicable), the ZIC Deeply Subordinated Guarantee (if applicable) or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders.

The relevant Issuer may also at any time, without the consent of the Noteholders substitute any entity in place of the relevant Issuer as the principal debtor under the Senior Notes, the Subordinated Notes or the Deeply Subordinated Notes upon the fulfilment of certain preconditions as set out in Condition 13 of the Senior Notes Conditions, Condition 13 of the ZIC Subordinated Notes Conditions and Condition 14 of the Guaranteed Subordinated Notes Conditions, including, if so required, subject to notification thereof to, and consent therefor from, the Relevant Regulator. There can be no guarantee that any such modification, waiver or substitution will not have an adverse effect on the price of the relevant Senior Notes, Subordinated Notes or Deeply Subordinated Notes resulting in Noteholders losing all or some of their investment in the relevant Notes.

In relation to Senior Notes, Subordinated Notes or Deeply Subordinated Notes issued by an Issuer other than ZIC:

The ZIC Senior Guarantee, the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee are limited to the Specified Maximum Amount

The maximum liability of the Guarantor under any applicable ZIC Senior Guarantee, ZIC Subordinated Guarantee and ZIC Deeply Subordinated Guarantee shall not exceed in aggregate the Specified Maximum Amount as defined in the relevant Guarantee.

Applicable Law

The conditions of the Notes are governed by English law in effect as of the date of this Base Prospectus, save that the provisions relating to subordination in Notes which are Subordinated Notes or Deeply Subordinated Notes will be governed by the law of the jurisdiction of incorporation of the Issuer of such Subordinated Notes or Deeply Subordinated Notes. The ZIC Senior Guarantees, the ZIC Subordinated Guarantees and the ZIC Deeply Subordinated Guarantees are governed by Swiss law and accordingly any dispute arising out of such ZIC Senior Guarantee, ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee, as applicable, between the Guarantor and the Trustee, or the Guarantor and a Holder who is entitled to proceed against the Guarantor, shall fall exclusively within the courts of the City of Zurich, venue Zurich 1.

No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice or the law or administrative practice of the jurisdiction of incorporation of the Issuer or, as the case may be, Swiss law or administrative practice, respectively, after the date of this Base Prospectus.

Denomination (secondary trading)

Although Notes which are admitted to trading on a market in the EEA are required to have a minimum denomination of EUR 100,000 (or where the specified currency is not euro, its equivalent in the specified currency), or an integral multiple of EUR 1,000 (or where the specified currency is not euro, its equivalent in the specified currency) in excess thereof, it is possible that the Notes may be traded in the clearing systems in amounts in excess of EUR 100,000 (or its equivalent) or an integral multiple of EUR 1,000 (or its equivalent) in excess thereof that are not integral multiples of EUR 100,000 (or its equivalent) or an integral multiple of EUR 1,000 (or its equivalent) in excess thereof. In such a case, should definitive Notes be required to be printed, a holder who does not have an integral multiple of EUR 100,000 (or its equivalent) or an integral multiple of EUR 1,000 (or its equivalent) in excess thereof in his account with the relevant clearing system at the relevant time may not receive all of his entitlement in the form of definitive Notes unless and until such time as his holding becomes an integral multiple of EUR 100,000 (or its equivalent) or an integral multiple of EUR 1,000 (or its equivalent) in excess thereof.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"

Reference rates and indices, including interest rate benchmarks, such as the London Interbank Offered Rate ("**LIBOR**") or the Eurozone Interbank Offered Rate ("**EURIBOR**"), which are used to determine the amounts payable under financial instruments or the value of such financial instruments, have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing "benchmarks", with further changes anticipated. These reforms and changes may cause a "benchmark" to perform differently than it has done in the past or to be discontinued. Any change in the performance of a "benchmark" or its discontinuation, could have a material adverse effect on any Notes referencing or linked to such "benchmark". The Benchmark Regulation was published in the Official Journal of the EU on 29 June 2016 and applied from 1 January 2018. The Benchmark Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on any Notes linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark" or (iii) lead to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a "benchmark".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a "benchmark".

Future discontinuance of LIBOR, EURIBOR or any other benchmark may adversely affect the value of Notes which reference LIBOR, EURIBOR or such other benchmark

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates the LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. In a further speech on 12 July 2018, the FCA emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021, which indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past, and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR, EURIBOR or any other benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes, Fixed Rate Reset Notes or Fixed to Floating Rate Notes which reference LIBOR, EURIBOR or such other benchmark will be determined for the relevant period by the fall back provisions applicable to such Notes.

The terms and conditions of the Notes set out in this Base Prospectus provide for certain fallback arrangements for Fixed Rate Reset Notes, Floating Rate Notes and Fixed to Floating Rate Notes in the event that a published benchmark, including an interbank offered rate such as LIBOR, EURIBOR or other relevant reference rates (including, without limitation, mid-swap rates), (including any page on which such benchmark may be published (or any successor service)) becomes unavailable or a Benchmark Event otherwise occurs, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required), all as determined by the Issuer (in consultation with an Independent Adviser). In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate of interest. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the trading market for, liquidity of, value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes, Fixed Rate Reset Notes or Fixed to Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes, Fixed Rate Reset Notes or Fixed to Floating Rate Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes, Fixed Rate Reset Notes or Fixed to Floating Rate Notes.

INFORMATION INCORPORATED BY REFERENCE

The information contained in the following documents, which have been published and are available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu), is incorporated by reference in, and forms part of, this Base Prospectus:

(a) (i) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the ZIC Group in respect of the years ended 2018 and 2017 (the consolidated income statements being set out on page 35 and page 37 respectively, of its 2018 and 2017 annual reports; the consolidated statements of comprehensive income being set out on pages 36 to 37 and 38 to 39 respectively, of its 2018 and 2017 annual reports; the consolidated balance sheets being set out on pages 38 to 39 and 40 to 41 respectively, of its 2018 and 2017 annual reports; the consolidated statements of cash flows being set out on pages 40 to 41 and 42 to 43 respectively, of its 2018 and 2017 annual reports; the consolidated statements of changes in equity being set out on pages 42 to 43 and 44 to 45 respectively, of its 2018 and 2017 annual reports; the notes to the financial statements being set out on pages 44 to 141 and 46 to 141 respectively, of its 2018 and 2017 annual reports; the auditors' report being set out on pages 142 to 147 and 142 to 147 respectively, of its 2018 and 2017 annual reports);

(ii) the audited financial statements (including the auditors' report thereon and notes thereto) of ZIC, as included in the annual report mentioned in (i) above, in respect of the years ended 2018 and 2017 (the income statements being set out on page 151 and 151 respectively, of the 2018 and 2017 annual reports; the balance sheets being set out on pages 152 to 153 and 152 to 153 respectively, of the 2018 and 2017 annual reports; the notes to the financial statements being set out on pages 154 to 168 and 154 to 167 respectively, of the 2018 and 2017 annual reports; and the auditors' report being set out on pages 170 to 175 and 168 to 173 respectively, of the 2018 and 2017 annual reports);

(b) the audited financial statements (including the auditors' report thereon and notes thereto) of ZF (Australia) in respect of the year ended 2018 and the period from 29 March 2017 to 31 December 2017 (the statements of comprehensive income being set out on page 5 and page 5 respectively, of its 2018 and 2017 annual reports; the balance sheet being set out on page 6 and page 6 respectively, of its 2018 and 2017 annual reports; the statements of changes in equity being set out on page 7 and page 7 respectively, of its 2018 and 2017 annual reports; the cash flow statements being set out on page 8 and page 8 respectively, of its 2018 and 2017 annual reports; the notes to the financial statements being set out on pages 9 to 18 and pages 9 to 19 respectively, of its 2018 and 2017 annual reports; and the auditors' report being set out on pages 20 to 21 and pages 21 to 22 respectively, of its 2018 and 2017 annual reports);

(c) the unaudited consolidated financial statements of ZHCA in respect of the years ended 2018 and 2017; the unaudited consolidated balance sheets being set out on page 2 of its 2018 unaudited consolidated financial statements and page 2 of its 2017 unaudited consolidated financial statements; the unaudited consolidated income statements being set out on page 3 of its 2018 unaudited consolidated financial statements and page 3 of its 2017 unaudited consolidated financial statements; and the unaudited consolidated statements of equity being set out on page 4 of its 2018 unaudited consolidated financial statements and page 4 of its 2017 unaudited consolidated financial statements; and

(d) the terms and conditions of the Notes as contained in pages 36 to 125 of the base prospectus dated 22 May 2018 in respect of the Programme.

None of the Issuers is subject to the reporting requirements of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**").

In addition to the above, the following documents published or issued from time to time after the date of this Base Prospectus shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus:

(a) the most recently published (i) audited consolidated financial statements of the ZIC Group, together with the respective auditors' reports thereon and the notes thereto (if applicable); (ii) audited financial statements of ZIC, ZF (Australia) and ZF (Ireland), together with the respective auditors' reports thereon and the notes thereto (if applicable) (in each case with, if applicable, an English translation thereof); (iii) the unaudited annual financial statements of ZHCA; and (iv) in respect of ZHCA only, any quarterly or half-yearly financial statements after the date hereof; and

(b) all supplements or amendments to the Base Prospectus circulated by the Issuers from time to time.

Each Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents containing information incorporated herein by reference. Requests for such documents should be directed to the relevant Issuer or ZIC (where ZIC is not the relevant Issuer) at their respective offices set out at the end of this Base Prospectus. In addition, such documents will be available free of charge from the principal office of the listing agent being Banque Internationale à Luxembourg (the "**Luxembourg Listing Agent**") for Notes listed on the Official List and traded on the Euro MTF Market.

Information	Source
Information incorporated by reference of the ZIC Group	
Consolidated Income Statement for the year ended 31 December 2018	2018 Annual Report page 35
Consolidated Income Statement for the year ended 31 December 2017	2017 Annual Report page 37
Consolidated Statements of Comprehensive Income for the year ended 31 December 2018	2018 Annual Report pages 36-37
Consolidated Statements of Comprehensive Income for the year ended 31 December 2017	2017 Annual Report pages 38-39
Consolidated Balance Sheet as at 31 December 2018	2018 Annual Report pages 38-39
Consolidated Balance Sheet as at 31 December 2017	2017 Annual Report pages 40-41
Consolidated Statement of Cash Flows for the year ended 31 December 2018	2018 Annual Report pages 40-41
Consolidated Statement of Cash Flows for the year ended 31 December 2017	2017 Annual Report pages 42-43
Consolidated Statement of Changes in Equity for the year ended 31 December 2018	2018 Annual Report pages 42-43
Consolidated Statement of Changes in Equity for the year ended 31 December 2017	2017 Annual Report pages 44-45
Notes to the financial statements for the year ended 31 December 2018	2018Annual Report pages 44-141
Notes to the financial statements for the year ended 31 December 2017	2017Annual Report pages 46-141
Auditors' report for the year ended 31 December 2018	2018 Annual Report pages 142-147
Auditors' report for the year ended 31 December 2017	2017 Annual Report pages 142-147
Information incorporated by reference of Zurich Insurance Company Ltd	
Income Statement for the year ended 31 December 2018	2018 Annual Report page 151
Income Statement for the year ended 31 December 2017	2017 Annual Report page 151
Balance Sheet as at 31 December 2018	2018 Annual Report pages 152-153
Balance Sheet as at 31 December 2017	2017Annual Report pages 152-153
Notes to the financial statements for the year ended 31 December 2018	2018 Annual Report pages 154-168
Notes to the financial statements for the year ended 31 December 2017	2017Annual Report pages 154-167
Auditors' report for the year ended 31 December 2018	2018 Annual Report pages 170-175
Auditors' report for the year ended 31 December 2017	2017 Annual Report pages 168-173
Information incorporated by reference of Zurich Finance (Australia) Limited	
Statement of Comprehensive Income for the year ended 31 December 2018	2018 Annual Report page 5
Statement of Comprehensive Income for the period from 29 March 2017 to 31 December 2017	2017 Annual Report page 5
Balance Sheet as at 31 December 2018	2018 Annual Report page 6
Balance Sheet as at 31 December 2017	2017 Annual Report page 6
Statement of Changes in Equity for the year ended 31 December 2018	2018 Annual Report page 7
Statement of Changes in Equity for the period from 29 March 2017 to 31 December 2017	2017 Annual Report page 7
Cash Flow Statement for the year ended 31 December 2018	2018 Annual Report page 8
Cash Flow Statement for the period from 29 March 2017 to 31 December 2017	2017 Annual Report page 8
Notes to the Financial Statements for the year ended 31 December 2018	2018 Annual Report pages 9-18
Notes to the Financial Statements for the period from 29 March 2017 to 31 December 2017	2017 Annual Report pages 9-19
Auditors' Report for the year ended 31 December 2018	2018 Annual Report pages 20-21
Auditors' Report for the period from 29 March 2017 to 31 December 2017	2017 Annual Report pages 21-22

Information	Source
Information incorporated by reference of Zurich Holding Company of America, Inc.	
Unaudited Consolidated Balance Sheet as at 31 December 2018	2018 Unaudited Consolidated Financial Statements page 2
Unaudited Consolidated Balance Sheet as at 31 December 2017	2017 Unaudited Consolidated Financial Statements page 2
Unaudited Consolidated Income Statement for the year ended 31 December 2018	2018 Unaudited Consolidated Financial Statements page 3
Unaudited Consolidated Income Statement for the year ended 31 December 2017	2017 Unaudited Consolidated Financial Statements page 3
Unaudited Consolidated Statements of Equity for the year ended 31 December 2018	2018 Unaudited Consolidated Financial Statements page 4
Unaudited Consolidated Statements of Equity for the year ended 31 December 2017	2017 Unaudited Consolidated Financial Statements page 4

A supplement shall be prepared and submitted for approval by the Luxembourg Stock Exchange each time where there is a significant new factor relating to the information included in this Base Prospectus which is capable of affecting the assessment of the relevant Notes and which arises or is noted between the time when this Base Prospectus is approved by the Luxembourg Stock Exchange and the time when trading on the Euro MTF Market of the relevant Notes begins.

This Base Prospectus applies to issues of Notes made on and after 22 May 2019. If the terms of the Programme are modified in a manner which would make this Base Prospectus, as supplemented, inaccurate or misleading, a new Base Prospectus will be prepared in replacement for this Base Prospectus.

For the purposes of listing on the Luxembourg Stock Exchange, information not listed in the tables above, but included in the documents incorporated by reference, are for information purposes only.

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description does not purport to be complete and is taken from, and is, together with the information under *"Terms and Conditions of the Senior Notes", "Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes" or "Terms and Conditions of the Subordinated Notes"* below qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement and must be read together with the documentation referred to under the heading "*Documents Incorporated by Reference*" which is available for inspection.

Words and expressions defined under "Terms and Conditions of the Senior Notes", "Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes" or "Terms and Conditions of the Subordinated Notes" below or elsewhere in this Base Prospectus have the same meanings in this general description. References herein to the "relevant Conditions" means the Terms and Conditions of the Senior Notes, the Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes or the Terms and Conditions of the Subordinated Notes, as applicable.

Dealers:	Citigroup Global Markets Limited Crédit Agricole Corporate and Investment Bank Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch HSBC Bank plc J.P. Morgan Securities plc UBS AG London Branch Zürcher Kantonalbank Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*").
Agent:	Citibank, N.A., London Branch
Luxembourg Listing Agent:	Banque Internationale à Luxembourg
Size:	USD18,000,000,000 (or its equivalent in other currencies) outstanding at any time. The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Distribution:	Notes may be distributed by way of private placement or public offering and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the relevant Issuer, the relevant Dealer and the Trustee, including, without limitation, Australian Dollars, Canadian Dollars, Czech Koruna, Danish Kroner, Euro, Hong Kong Dollars, Japanese Yen, New Zealand Dollars, Norwegian Krone, Sterling, South African Rand, Swedish Krona, Swiss Francs and United States Dollars (as indicated in the applicable Pricing Supplement, the "**Specified Currency**").
Maturities:	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer(s) and as indicated in the applicable Pricing Supplement, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency. ZIC, ZF (Australia) and ZF (Ireland) may issue Subordinated Notes and ZIC and ZF (Ireland) may issue Deeply Subordinated Notes (subject as aforesaid) without a specified maturity.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the relevant Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the relevant Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the relevant Issuer.

Issue Price: Notes may be issued on a fully paid basis and at an issue price which is at par or at a discount to, or premium over, par.

Form of Notes: Notes will be issued in bearer form or registered form. Each Bearer Global Note (other than a Listed Swiss Franc Note) which is not intended to be issued in NGN form and each Registered Global Note which is not intended to be held under the NSS, each as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with the Common Depositary for Euroclear or Clearstream and each Bearer Global Note (other than a Listed Swiss Franc Note) which is intended to be issued in NGN form and each Registered Global Note which is intended to be held under the NSS, each as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with the Common Safekeeper for Euroclear and Clearstream. Subordinated Notes and Deeply Subordinated Notes will not be issued in NGN form. Listed Swiss Franc Notes will be represented by a Permanent Global SIS Note exchangeable for definitive Notes in the circumstances set out therein and holders of such Notes will not have the right to effect or demand the conversion of the Permanent Global SIS Notes representing such Listed Swiss Franc Notes into, or delivery of, Notes in definitive or uncertificated form. Each Listed Swiss Franc Note which is not intended to be issued in new global note form (a "**Classic Global Note**" or "**CGN**"), as specified in the relevant Pricing Supplement, will be delivered through SIX SIS AG ("**SIS**") or such other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange Ltd. ("**SIX Swiss Exchange**") on or prior to the original issue date of such Tranche, and each Listed Swiss Franc Note which is intended to be issued in NGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a common safekeeper for SIS or such other intermediary. All Bearer Notes issued by ZHCA will be issued so as to be in registered form for U.S. federal income tax purposes. See "*Description of Notes in Global Form*" below.

Fixed Rate Notes: Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement) and on redemption.

Floating Rate Notes: Floating Rate Notes will bear interest at a rate determined:

(i) on the same basis as the floating rates under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement

incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association Inc.); or

(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(iii) on such other basis as may be agreed between the relevant Issuer and the relevant Dealer(s), as indicated in the applicable Pricing Supplement.

The Margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes and specified in the applicable Pricing Supplement.

Fixed Rate Reset Notes: Fixed Rate Notes may have reset provisions pursuant to which the relevant Notes will, in respect of an initial period, bear interest at an initial fixed rate of interest specified in the applicable Pricing Supplement. Thereafter, the fixed rate of interest will be reset on one or more date(s) by reference to (i) a Mid-Market Swap Rate, (ii) a Benchmark Gilt Rate, or (iii) a Reference Bond Rate and for a period equal to the Reset Period, in each case as may be specified in the applicable Pricing Supplement. The margin (if any) in relation to Fixed Rate Reset Notes will be agreed between the Issuer and the relevant Dealer(s) for each Series of Fixed Rate Reset Notes and will be specified in the applicable Pricing Supplement. Interest on Fixed Rate Reset Notes will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement) and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Fixed to Floating Rate Notes: Fixed to Floating Rate Note will bear a fixed rate of interest as may be agreed between the relevant Issuer and the relevant Dealer(s) from (and including) the Interest Commencement Date to (but excluding) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest; and from (and including) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 10(b) of the Senior Notes Conditions and the ZIC Subordinated Notes Conditions and Condition 11(b) of the Guaranteed Subordinated Notes Conditions.

Other provisions in relation to Floating Rate Notes: Floating Rate Notes may also have a maximum interest rate (as indicated in the applicable Pricing Supplement).

Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to issue by the relevant Issuer and the relevant Dealer, will be payable on the Interest Payment Dates specified in, or determined pursuant to, the applicable Pricing Supplement and will be calculated on the relevant Day Count Fraction unless otherwise indicated in the applicable Pricing Supplement.

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Special provisions in relation to interest payable under Subordinated Notes and Deeply Subordinated Notes: Interest shall be payable on Subordinated Notes and Deeply Subordinated Notes on such date or dates as may be agreed with the relevant Dealer (as indicated in the applicable Pricing Supplement), subject to the provisions relating to the deferral of interest payments set out under Condition 5 of the

ZIC Subordinated Notes Conditions and Condition 6 of the Guaranteed Subordinated Notes Conditions.

Redemption of the Senior Notes and Redemption, Substitution and Variation of the Subordinated Notes and Deeply Subordinated Notes:

The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (if applicable) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders (in the case of Senior Notes only) upon giving the notice required by the applicable Pricing Supplement to the Noteholders or the relevant Issuer (in the case of Senior Notes only) as the case may be, on a date or dates specified, and at a price or prices and on such other terms as are indicated in the applicable Pricing Supplement. Pursuant to Condition 6 of the ZIC Subordinated Notes Conditions or Condition 7 of the Guaranteed Subordinated Notes Conditions (as applicable), the relevant Issuer having obtained the prior written consent of the Relevant Regulator and provided that no Solvency Event has occurred or is continuing and such redemption would not itself cause a Solvency Event. Additionally, in the case of a redemption that is within five years of the Issue Date of the first Tranche of such Subordinated Notes or Deeply Subordinated Notes, such redemption would need to be, to the extent then required by the Relevant Regulator in order for the Subordinated Notes or Deeply Subordinated Notes to qualify as at least Future Tier Two Capital under any Future Regulations, funded out of the proceeds of a new issuance of capital instruments of at least the same quality as such Subordinated Notes or Deeply Subordinated Notes. Furthermore, Subordinated Notes and Deeply Subordinated Notes may be redeemed (i) for taxation reasons or (ii) if so specified in the applicable Pricing Supplement, if an Accounting Event, a Rating Agency Event, a Regulatory Event or a Clean-Up Event, has occurred. Upon the occurrence of any of the events described in (i) or, if so specified in the applicable Pricing Supplement, (ii) above, the relevant Issuer may at any time either substitute all (but not some only) of the Subordinated Notes or Deeply Subordinated Notes for, or vary the terms of the Subordinated Notes or Deeply Subordinated Notes so that they remain or, as appropriate, become, Qualifying Securities. Additionally, Senior Notes may be redeemed (i) for taxation reasons or (ii) if so specified in the applicable Pricing Supplement, if a Clean-Up Event has occurred.

The Optional Redemption Amount payable in respect of any Note of the Specified Denomination on any Optional Redemption Date and the Final Redemption Amount payable in respect of any Note of the Specified Denomination on any Maturity Date (subject, in relation to Subordinated Notes or Deeply Subordinated Notes, to the occurrence of a Solvency Event which has occurred and is continuing on the Maturity Date or which would occur as a result of the relevant redemption) will in all circumstances be an amount equal to or greater than the Specified Denomination of such Note.

If Write-Down Event is specified in the applicable Pricing Supplement as being applicable to any series of Subordinated Notes or Deeply Subordinated Notes, such Notes may only be redeemed subject to, and in accordance with, the provisions as set out in Condition 8 of the ZIC Subordinated Notes Conditions or Condition 9 of the Guaranteed Subordinated Notes Conditions.

If a Solvency Event has occurred and is occurring on the Maturity Date, or would occur as a result of the redemption of the relevant Subordinated Notes or Deeply Subordinated Notes, such Subordinated Notes or Deeply Subordinated Notes shall not be redeemed on the Maturity Date, but will be

redeemed by the Issuer following such Solvency Event ceasing to occur, in accordance with Condition 6 of ZIC Subordinated Notes Conditions or Condition 7 of the Guaranteed Subordinated Notes Conditions, as applicable.

Denomination of Notes:

Notes issued under the Programme which may be listed on the Official List and admitted to trading on the Euro MTF Market and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system situated or operating in a Member State may not (a) have a minimum denomination of less than EUR 100,000 (or its equivalent in another currency), or (b) carry the right to acquire shares (or transferable securities equivalent to shares) issued by ZF (Australia), ZF (Ireland), ZHCA, ZIC or by any entity to whose group ZF (Australia), ZF (Ireland), ZHCA or ZIC belong.

Subject thereto, Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer as indicated in the applicable Pricing Supplement save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

If so specified in the applicable Pricing Supplement, so long as the Notes are represented by a Temporary Global Note or Permanent Global Note, the Notes may be tradable only in minimum specified denominations of EUR 100,000 (or equivalent in another currency) and integral multiples of EUR 1,000 (or equivalent in another currency) in excess thereof.

Notes issued under the Programme may have a minimum specified denomination of less than EUR 100,000 if it is the intention that the Notes will not be listed on the Official List and admitted to trading on the Euro MTF Market and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system situated or operating in a Member State.

Write-Down of Notes:

In relation to Subordinated Notes and Deeply Subordinated Notes, in the case where a Write-Down Event is specified in the applicable Pricing Supplement as being applicable, if a Write-Down Event occurs, the relevant Issuer shall effect a Write-Down of the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes, which will not be reversible and such Write-Down will occur without the consent of the holders of the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes *provided that* if an election has been made to redeem the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes pursuant to Condition 6 of the ZIC Subordinated Notes Conditions or Condition 7 of the Guaranteed Subordinated Notes Conditions, as the case may be, prior to the occurrence of the Write-Down Event, but prior to the scheduled redemption date a Write-Down Event occurs, then the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes will not be redeemed and instead will be Written-Down on the Write-Down Date. A Write-Down involves the full nominal amount of the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes being automatically reduced to zero and such Notes being cancelled. While accrued and unpaid interest (together with any outstanding Arrears of Interest, or, as the case may be, outstanding Deferred Interest) up to but excluding the date upon which the Subordinated Notes or, as the case may be, the Deeply

	Subordinated Notes are actually Written-Down will become due and payable, no further amounts in respect of such Notes will be payable.
Taxation:	See Condition 7 of the ZIC Subordinated Notes Conditions, Condition 8 of the Senior Notes Conditions and Condition 8 of the Guaranteed Subordinated Notes Conditions. All payments on Notes issued by each of ZF (Australia), ZF (Ireland) and ZHCA will be made without deduction for or on account of withholding tax imposed by Australia and Switzerland (in the case of Notes issued by ZF (Australia)), Ireland and Switzerland (in the case of Notes issued by ZF (Ireland)) or the United States and Switzerland (in the case of Notes issued by ZHCA), unless such withholding is required by law, intergovernmental agreement, an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") and/or by agreement of the relevant Issuer or the Guarantor. Subject to a number of exceptions set out in Condition 8 of the Senior Notes Conditions, Condition 7 of the ZIC Subordinated Notes Conditions and Condition 8 of the Guaranteed Subordinated Notes Conditions, if such withholding is required, the relevant Issuer will generally be required to pay such additional amounts as will result in the receipt by the Noteholders of such amounts as they would have received had no such withholding been required. All payments on Notes issued by ZIC will be made subject to withholding tax imposed by Switzerland to the extent required by law and/or by agreement of the Issuer or the Guarantor. No additional amounts will be paid by ZIC in respect of any such withholding as set out in Condition 8 of the Senior Notes Conditions, Condition 7 of the ZIC Subordinated Notes Conditions and Condition 8 of the Guaranteed Subordinated Notes Conditions, save in the case of Restricted Notes on which additional amounts will, subject to certain exceptions, be payable as discussed in Condition 8 of the Senior Notes Conditions and Condition 7 of the ZIC Subordinated Notes Conditions.
Negative Pledge:	The terms of the Senior Notes issued by ZF (Australia), ZF (Ireland) and ZHCA will contain a negative pledge provision as further described in Condition 4 of the Senior Notes Conditions.
Cross Default:	In relation to any Senior Notes, the terms of such Senior Notes will contain a cross default provision as further described in Condition 9(c) of the Senior Notes Conditions.
Status of the Notes:	Notes issued under the Programme may be Senior Notes, Subordinated Notes or Deeply Subordinated Notes, each as defined herein, and as specified in the applicable Pricing Supplement. The Senior Notes will constitute direct, unconditional, unsubordinated and, subject to the provision of Condition 4 of the Senior Notes Conditions, unsecured obligations of the relevant Issuer and (subject as aforesaid) will rank as set out in Condition 3 of the Senior Notes Conditions. The ZIC Subordinated Notes and the ZIC Deeply Subordinated Notes will rank as set out in Condition 3(a) and 3(b), respectively, of the ZIC Subordinated Notes Conditions and, in each case, as specified in the applicable Pricing Supplement. The Guaranteed Subordinated Notes and the Guaranteed Deeply Subordinated Notes will rank as set out in Condition 3(a) and 3(b), respectively, of the

Guaranteed Subordinated Notes Conditions, and, in each case, as specified in the applicable Pricing Supplement.

Guarantees by ZIC:

Each Tranche of Senior Notes issued by ZF (Australia), ZF (Ireland) or ZHCA will be unconditionally and irrevocably guaranteed by ZIC (each such guarantee, a "**ZIC Senior Guarantee**"). Each ZIC Senior Guarantee will be governed by Swiss law, will be issued by ZIC on the issue date of the relevant Tranche of Notes and will be limited to its stated maximum amount. The obligations of ZIC under each ZIC Senior Guarantee will be direct, non-accessory, unconditional, unsubordinated and unsecured obligations of ZIC and (subject as aforesaid) will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of ZIC, present and future, save for statutorily preferred exceptions, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. Payment under the relevant ZIC Senior Guarantee shall be made by ZIC within seven days of receipt by it of notice from the Trustee that such payment has become due and remains unpaid. See "*Form of the ZIC Senior Guarantee*" below.

Each Tranche of Guaranteed Subordinated Notes issued by ZF (Australia) or ZF (Ireland) will be unconditionally and irrevocably guaranteed on a subordinated basis by ZIC by way of an unsecured and subordinated guarantee (each such guarantee, a "**ZIC Subordinated Guarantee**"). Each ZIC Subordinated Guarantee will be governed by Swiss law, will be issued by ZIC on the issue date of the relevant Tranche of Notes and will be limited to its stated maximum amount. The obligations of ZIC under each ZIC Subordinated Guarantee will constitute direct, non-accessory, unconditional, subordinated and unsecured obligations of ZIC ranking as set out in Clause 1(1)(a) of the ZIC Subordinated Guarantee. Payment under the relevant ZIC Subordinated Guarantee shall be made by ZIC within seven days of receipt by it of notice from the Trustee that such payment has become due and remains unpaid. See "*Form of the ZIC Subordinated Guarantee*" below.

Each Tranche of Guaranteed Deeply Subordinated Notes issued by ZF (Ireland) will be unconditionally and irrevocably guaranteed on a subordinated basis by ZIC by way of an unsecured and subordinated guarantee (each such guarantee, a "**ZIC Deeply Subordinated Guarantee**"). Each ZIC Deeply Subordinated Guarantee will be governed by Swiss law, will be issued by ZIC on the issue date of the relevant Tranche of Notes and will be limited to its stated maximum amount. The obligations of ZIC under each ZIC Deeply Subordinated Guarantee will constitute direct, non-accessory, unconditional, subordinated and unsecured obligations of ZIC ranking as set out in Clause 1(1)(a) of the ZIC Deeply Subordinated Guarantee. Payment under the relevant ZIC Deeply Subordinated Guarantee shall be made by ZIC within seven days of receipt by it of notice from the Trustee that such payment has become due and remains unpaid. (See "*Form of the ZIC Deeply Subordinated Guarantee*" below).

Prescription:

The Notes and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 23 of the Senior Notes Conditions, Condition 23 of the ZIC Subordinated Notes Conditions and Condition 23 of the Guaranteed Subordinated Notes Conditions) therefor.

Listing and Admission to Trading:

Applications have been made for the Notes to be admitted to trading on the Euro MTF Market (which is not a regulated market pursuant to MiFID II) and

	listed on the Official List of the Luxembourg Stock Exchange for a period of twelve months from the date hereof. The Notes may also be admitted to listing, trading and/or quotation by any other listing authorities, stock exchanges and/or quotation systems (including the SIX Swiss Exchange) as may be agreed between the relevant Issuer and the relevant Dealer in relation to each Series. The applicable Pricing Supplement will state whether or not and, if so, on which stock exchange(s) the Notes are to be listed.
Governing Law:	The Notes (other than the provisions of Condition 3 of the ZIC Subordinated Notes Conditions, which will be governed by, and construed in accordance with, the laws of Switzerland, and Condition 3 of the Guaranteed Subordinated Notes Conditions, which will each be governed by, and construed in accordance with, the laws of the jurisdiction of incorporation of the relevant Issuer) will be governed by, and construed in accordance with, English law. Holders of Listed Swiss Franc Notes should note that, among other things, under the Senior Notes Conditions, under the ZIC Subordinated Notes Conditions and under the Guaranteed Subordinated Notes Conditions, collective representation of investors is possible, albeit without any guarantee that investors' anonymity can be assured. Each ZIC Senior Guarantee, each ZIC Subordinated Guarantee and each ZIC Deeply Subordinated Guarantee will be governed by Swiss law.
Selling Restrictions:	There are selling restrictions in relation to the U.S., the EEA, the United Kingdom, Ireland, Japan, Australia and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "*Subscription and Sale*" below.

TERMS AND CONDITIONS OF THE SENIOR NOTES

The following, save for paragraphs in italics, is the text of the terms and conditions that, subject to completion and amendment and as supplemented in accordance with the provisions of Part A of the applicable Pricing Supplement, shall be applicable to the Senior Notes. As set out below, the terms and conditions are presented in the form that would be endorsed, together with the relevant provisions of Part A of the Pricing Supplement, on (A) Bearer Notes in definitive form (if any) issued in exchange for Global Note(s) or (B) in the case of Registered Notes, Certificates, in each case, representing Senior Notes. Accordingly, references in these terms and conditions to provisions specified in the applicable Pricing Supplement shall be to the provisions set out in the applicable Pricing Supplement. Capitalised terms that are not defined in the Conditions will have the meanings given to them in the applicable Pricing Supplement relating to any Series and/or Tranche of Notes, the absence of any such meaning indicating that such term is not applicable to the Notes of that Series.

This Note is one of a Series (as defined below) of Notes issued by Zurich Finance Australia Limited ("**ZF (Australia)**"), Zurich Finance (Ireland) DAC ("**ZF (Ireland)**"), Zurich Holding Company of America Inc. ("**ZHCA**") or Zurich Insurance Company Ltd ("**ZIC**" and, together with ZF (Australia), ZF (Ireland) and ZHCA, the "**Issuers**" and each an "**Issuer**") constituted by an amended and restated trust deed dated 22 May 2019, as it may be further amended or supplemented in relation to that Series of Notes as at the Issue Date of the Notes specified in the applicable Pricing Supplement (the "**Issue Date**") (the "**Trust Deed**") between the Issuers, ZIC (in its capacity as guarantor, the "**Guarantor**"), Zurich Insurance Group Ltd ("**ZIG**") and Citicorp Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below).

References in the Conditions to (i) "**Notes**" are to Senior Notes of one Series only, not to all Senior Notes that may be issued under the Programme; and (ii) the "**Issuer**" are to the issuer of the Notes specified as such in the applicable Pricing Supplement.

Senior Notes issued by ZF (Australia), ZF (Ireland) and ZHCA will benefit from a ZIC Senior Guarantee (as defined in Condition 5 (*Guarantee*)).

These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates for Registered Notes, Coupons and Talons referred to below. An Agency Agreement dated 22 May 2019 (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") has been entered into in relation to the Notes between, *inter alios*, the Issuers, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". In the case of Listed Swiss Franc Notes, references herein to the "Agency Agreement" shall also extend to the agreement referred to in Condition 11(g) which supplements the Agency Agreement. Copies of the Trust Deed and the Agency Agreement and, if applicable, any ZIC Senior Guarantee are available for inspection during usual business hours and upon reasonable notice at the principal office of the Trustee (presently at Citigroup Centre, Canada Square, London E14 5LB, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders and the holders of the interest coupons (the "**Coupons**") relating to interest-bearing Notes in bearer form and, where applicable, in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") are entitled to the benefit of, are deemed to have notice of, and are bound by, all the provisions of the Trust Deed and, if applicable, the relevant ZIC Senior Guarantee, and are deemed to have notice of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes of a Series which are identical in all respects. "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and to form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates, first payment of interest and/or issue prices.

Capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

1. Form, Denomination and Title

Whether this Note is in bearer or registered form or whether it is a "Listed Swiss Franc Note" is specified in the applicable Pricing Supplement.

This Note is issued either in bearer form (each a "**Bearer Note**") or in registered form (each a "**Registered Note**") in each case in the Specified Denomination(s) shown in the applicable Pricing Supplement.

Each Bearer Note is serially numbered and is issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case reference to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Each Registered Note is represented by a registered certificate (a "**Certificate**") and each Certificate shall represent the entire holding of Registered Notes by the same Noteholder.

In these Conditions, "**Noteholder**" and "**holder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and, except as ordered by a court of competent jurisdiction or as required by law, such holder shall be deemed to be and may be treated as the absolute owner of such Note for all purposes.

Any references in these Conditions to Notes which are in bearer form shall, unless the context otherwise requires, include any related Coupons and Talons. Any references to any holder of Notes which are in bearer form shall, unless the context otherwise requires, include any Couponholders.

Title to the Bearer Notes shall pass by delivery. Title to the Registered Notes shall pass upon registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**") and as further described in Condition 16 (*Transfers of Registered Notes*).

Any Bearer Note issued by ZHCA will be issued in "registered form" for U.S. federal income tax purposes. In order for such Bearer Notes to be issued in "registered form" for U.S. federal income tax purposes, such Notes each will be "effectively immobilized". Under guidance issued by the U.S. Internal Revenue Service ("**IRS**"), a Global Note in bearer form issued by ZHCA is "effectively immobilized" if (1) it is issued to and held by Euroclear or Clearstream, or another clearing organisation as defined in U.S. Treasury Regulation section 1.163-5(c)(2)(i)(B)(4) (or by a custodian or depository acting as an agent of the clearing organisation) for the benefit of purchasers of interests in the obligation under arrangements that prohibit the transfer of the Global Note in bearer form except to a successor clearing organisation subject to the same terms; and (2) beneficial interests in the underlying obligation are transferable only through a book entry system maintained by the clearing organisation (or an agent of the clearing organisation). Under guidance by the IRS, Global Notes in bearer form are also subject to restrictions as to the circumstances under which Bearer Notes in definitive form may be issued. To meet such restrictions, the applicable Pricing Supplement for a Permanent Global Note issued by ZHCA will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for Notes in definitive bearer form with, where applicable, Coupons and Talons attached (i) if an Event of Default (as defined in Condition 9) occurs in respect of any Note or (ii) if Euroclear or Clearstream ceases business permanently and no alternative clearing system satisfactory to the Trustee is available. After the occurrence of one of these circumstances set forth in the applicable Pricing Supplement, such that a holder, or a group of holders acting collectively, has a right to obtain a Notes in definitive bearer form issued by ZHCA, such Note will no longer be in registered form for U.S. federal income tax purposes, regardless of whether any option to obtain a Note in definitive bearer form has actually been exercised.

2. Listed Swiss Franc Notes

This Note is a Listed Swiss Franc Note if it is denominated or payable in Swiss Francs, is in bearer form, is listed on the SIX Swiss Exchange and it is so specified in the applicable Pricing Supplement.

Each Tranche of Listed Swiss Franc Notes will be represented exclusively on issue by a Permanent Global SIS Note in bearer form, which will be deposited with SIX SIS AG, Olten, Switzerland, or such other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange on or prior to the Issue Date of such Series of Notes.

3. Status

The Issuer's obligations in respect of or arising under the Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank *pari passu*, without any preference among themselves save for statutorily preferred exceptions, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4. Negative Pledge

So long as any of the Notes of the relevant Series remains outstanding (as defined in the Trust Deed), the Issuer (except where ZIC is the Issuer) will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest upon the whole or any part of its undertaking, property, assets or revenues present or future to secure any Relevant Debt, or to secure any guarantee of or indemnity in respect of any Relevant Debt, unless, at the same time or prior thereto, the Issuer's obligations under the Notes and the Trust Deed (i) are secured equally and rateably therewith to the satisfaction of the Trustee, or (ii) have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Noteholders of the relevant Series or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders of the relevant Series.

5. Guarantee

Where the Issuer is ZF (Australia), ZF (Ireland) or ZHCA, the payment of principal and interest in respect of the Notes (together with any Additional Amounts payable under Condition 8 (*Taxation*) and all other moneys payable under the Trust Deed) up to the Specified Maximum Amount has been unconditionally and irrevocably guaranteed by the Guarantor pursuant to a guarantee agreement dated the Issue Date, and governed by Swiss law (the "**ZIC Senior Guarantee**").

The ZIC Senior Guarantee provides that the Guarantor will, within seven days of receipt by it of notice from the Trustee confirming that a payment has become due and remains unpaid, make such payment.

The ZIC Senior Guarantee is limited to the Specified Maximum Amount stated in the applicable Pricing Supplement and the ZIC Senior Guarantee. The obligations of the Guarantor under the ZIC Senior Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor.

Claims of Noteholders under the ZIC Senior Guarantee rank and will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, save for statutorily preferred exceptions, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

6. Interest and other Calculations

This Note is a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note, a Fixed to Floating Rate Note, a Zero Coupon Note or a combination of the foregoing (and each as further described below and in Condition 10 (*Interest Determination and Payment Dates*)), depending upon the Interest Basis specified in the applicable Pricing Supplement.

(a) Interest Basis

(i) *Notes other than Zero Coupon Notes*

Each type of Note (other than a Zero Coupon Note) bears interest on its outstanding principal amount, accruing as follows:

(a) Fixed Rate Note:

from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest;

(b) Fixed Rate Reset Note:

(x) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;

(y) from (and including) the First Reset Date to (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the applicable Pricing Supplement, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and

(z) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest;

(c) Floating Rate Note:

from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 10(b); and

(d) Fixed to Floating Rate Note:

(x) from (and including) the Interest Commencement Date to (but excluding) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest; and

(y) from (and including) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 10(b).

Each Note will cease to bear interest from the date for its redemption unless, upon due presentation or surrender thereof, payment of principal is improperly withheld or refused and in such event, interest will continue to accrue as provided in the Trust Deed.

If any Margin is specified in the applicable Pricing Supplement (either (A) generally or (B) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (B), calculated in accordance with Condition 10(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject to Condition 10(c).

Such interest shall be payable in arrear on each Interest Payment Date specified in the applicable Pricing Supplement. The amount of interest payable shall be determined in accordance with Condition 6(b).

(ii) *Zero Coupon Notes*

Where a Note the Interest Basis of which is specified in the applicable Pricing Supplement to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity

Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(b)(i)).

(b) Calculations

Interest is calculated on each Note by reference to the Calculation Amount specified in the applicable Pricing Supplement. The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for calculating such amount) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula).

Where any Interest Period comprises more than one Interest Accrual Period, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated. Where the Specified Denomination comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination specified in the applicable Pricing Supplement.

(c) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount and Clean-Up Redemption Price

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or Reset Determination Date (as applicable), or such other time on such date as the Calculation Agent may be required to calculate any rate or amount:

(i) obtain any quotation or make any determination or calculation;

(ii) determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period;

(iii) calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-Up Redemption Price (as may be provided for in the applicable Pricing Supplement);

(iv) obtain such quotation or make such determination or calculation, as the case may be; and

(v) cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Clean-Up Redemption Price, to be notified to the Trustee, the Issuer, the Guarantor, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in any event no later than (x) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (y) in all other cases, the fourth Business Day after such determination.

Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 10(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee in accordance with these Conditions by way of adjustment) without notice or consent of the Noteholders in the event of an extension or shortening of the Interest Period. If the Notes are not redeemed when due in accordance with Condition 7 (*Redemption, Purchase and Options*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 6 but no publication of the Rate of Interest or the Interest Amount so calculated need be made, unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

7. Redemption, Purchase and Options

(a) Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount specified in the applicable Pricing Supplement.

(b) Early Redemption

(i) Zero Coupon Notes:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(c), Condition 7(d), Condition 7(e) or Condition 7(f) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified in the applicable Pricing Supplement.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the applicable Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(c), Condition 7(d), Condition 7(e) or Condition 7(f) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in subparagraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 6(a)(ii).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the applicable Pricing Supplement.

(ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 7(c), Condition 7(d), Condition 7(e) or Condition 7(f) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*), shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

In respect of any redemption pursuant to Condition 7(c), 7(e) or 7(f), the Issuer shall give not less than 30 nor more than 60 days' prior notice of any redemption to the Trustee, the Issuing and Paying Agent and, in accordance with Condition 19 (*Notices*), the Noteholders (which notice shall be irrevocable). Upon expiry of such notice, the Issuer shall redeem the Notes.

In respect of any redemption pursuant to Condition 7(d), upon the Noteholders giving not less than 30 nor more than 60 days' notice to the Issuer in accordance with Condition 14 (or such other notice period as may be specified in the applicable Pricing Supplement), the Issuer shall, upon expiry of such notice, redeem the Notes.

(c) Redemption at the Option of the Issuer

If Call Option is specified in the applicable Pricing Supplement as being applicable, the Issuer may, at its option, redeem all, but not some only, of the Notes on any Optional Redemption Date specified in the applicable Pricing Supplement. Any such redemption of Notes shall be at their Optional Redemption Amount (which may be the Early Redemption Amount as described in Condition 7(b)) together with any interest accrued to (but excluding) the date fixed for redemption in accordance with these Conditions.

(d) Redemption at the Option of the Noteholders

If a Put Option is specified in the applicable Pricing Supplement as being applicable, the Issuer shall, at the option of the holder of any such Note, redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount (which may be the Early Redemption Amount as described in Condition 7(b)) together with any interest accrued to (but excluding) the date fixed for redemption in accordance with these Conditions.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(e) Redemption Due to Taxation

If, prior to the giving of the relevant notice of redemption a Tax Event has occurred and is continuing, then the Issuer may redeem the Notes in accordance with these Conditions.

Such redemption may be at any time (if and for so long as this Note is not a Floating Rate Note) or on any Interest Payment Date (if and for so long as this Note is a Floating Rate Note).

The Issuer may redeem all, but not some only, of the Notes at their Early Redemption Amount (as described in Condition 7(b)), together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions, provided that no notice of redemption shall be given pursuant to limb (a) in the definition of Tax Event earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, ZIC (where ZIC is not the Issuer) would be obliged to pay Additional Amounts were a payment in respect of the Notes or the ZIC Senior Guarantee then due.

(f) Redemption Due to a Clean-Up Event

If Clean-Up Event Call is specified in the applicable Pricing Supplement as being applicable, the following provisions shall apply.

If a Clean-Up Event occurs and within the Early Event Call Period, the Issuer gives a notice of redemption and if the relevant Clean-Up Event is continuing on the date of such notice, then the Issuer may as further provided below, redeem in accordance with these Conditions all, but not some only, of the Notes.

Such redemption may be at any time or, if and for so long as the Note is a Floating Rate Note, on any Interest Payment Date.

The Notes will be redeemed at the Clean-Up Redemption Price (which may be the Early Redemption Amount as described in Condition 7(b)) specified in the applicable Pricing Supplement, together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions.

(g) Purchases

Subject to Condition 15(b) in the case of Restricted Notes, the Issuer, ZIC (where ZIC is not the Issuer), ZIG and any of their respective Subsidiaries (as such term is defined in the Trust Deed) for the time being may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise and at any price.

(h) Cancellation

All Notes purchased in accordance with Condition 7(g) by or on behalf of the Issuer, ZIC (where ZIC is not the Issuer), ZIG or any of their respective Subsidiaries may (at the option of the Issuer, ZIC, ZIG or the relevant Subsidiary) be held, reissued, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so redeemed or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(i) Trustee Not Obliged to Monitor

The Trustee shall not be under any duty to monitor whether any event or circumstance within this Condition 7 (*Redemption, Purchase and Options*) has happened or exists and will not be responsible to Noteholders for any loss arising from any failure or delay by the Trustee to do so. Unless and until the Trustee has actual knowledge of the occurrence of any event or circumstance within this Condition 7 (*Redemption, Purchase and Options*), it shall be entitled to assume that no such event or circumstance exists.

8. Taxation

(a) Notes issued by ZIC

(i) *Notes other than Restricted Notes*

All payments made by or on behalf of the Issuer in respect of Notes other than Restricted Notes will be made subject to and after deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Switzerland or any political subdivision or any authority thereof or therein having power to tax required to be made by law. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.

(ii) *Restricted Notes*

All payments of principal and interest by or on behalf of ZIC in respect of Restricted Notes shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction or any political subdivision thereof or any authority therein or thereof having power to tax unless such withholding or deduction is required by law and/or by agreement of ZIC. If ZIC or any person acting on its behalf is required by law to make any such withholding or deduction, ZIC will pay such additional amounts ("**Additional Amounts**") as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of such Notes, as the case may be, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any such Note:

(A) presented for payment by or on behalf of a Noteholder which is liable to such taxes, duties, assessments or governmental charges in respect of that Note by reason of it having some connection with the Relevant Jurisdiction other than the mere holding of the Notes;

(B) presented for payment more than 30 days after the Relevant Date except to the extent that the relevant Noteholder would have been entitled to payment of an Additional Amount if it had presented its Note for payment on the 30th day after the Relevant Date, on the assumption, if such is not the case, that such last day is a Business Day;

(C) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments;

(D) if the payment could have been made to the relevant Noteholder without such withholding or deduction if it were a Qualifying Lender, but on that date that Noteholder is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Noteholder under these Conditions in (or in the interpretation, administration, or application of) any law or double taxation treaty, or any published practice or concession of any relevant taxing authority;

(E) if the payment could have been made without such withholding or deduction if the Noteholders had complied with Conditions 15(a) and 15(b) (if Condition 15(a) is specified in the applicable Pricing Supplement to apply); or

(F) any combination of items (A) to (E) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on Restricted Notes by or on behalf of ZIC will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither ZIC nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

(b) Notes issued by ZF (Ireland)

In the case of Notes issued by ZF (Ireland), all payments under the Trust Deed and the Notes will be made without withholding or deduction for or on account of any taxes or duties of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law and/or by agreement of the ZF (Ireland) or the Guarantor, as the case may be. In such event, ZF (Ireland) will pay such additional amounts ("**Additional Amounts**") as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Note presented for payment:

(i) by or on behalf of a Noteholder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with the Republic of Ireland (in the case of ZF (Ireland)) or Switzerland (in the case of payments made by ZIC) other than the mere holding of such Note;

(ii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day;

(iii) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments; or

(iv) any combination of items (i) through (iii) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of ZF (Ireland) will be paid net of any FATCA Withholding. Neither ZF (Ireland) nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

(c) Notes issued by ZF (Australia)

In the case of Notes issued by ZF (Australia), all payments of principal and interest in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by a law or directive.

In the event that ZF (Australia) or any person acting on its behalf is required by law or directive to make any such withholding or deduction, ZF (Australia) will pay such additional amounts ("**Additional Amounts**") as shall be necessary so that, after making the withholding or deduction and further withholdings or deductions applicable to Additional Amounts payable under this paragraph, the Noteholders are entitled to receive (at the time the payment is due) the amounts they would have received if no withholdings or deductions had been required to be made; except that no such Additional Amounts shall be payable in relation to any payment in respect of any Note:

(i) to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of the person having some connection with the Relevant Jurisdiction other than the mere holding of such Note or receipt of payment in respect of such Note;

(ii) presented for payment or in respect of which a claim for payment is made more than 30 days after the Relevant Date except to the extent that the relevant Noteholder would have been entitled to an Additional Amount on presenting the Note, or claiming or making demand, for payment on the last day of the period of 30 days;

(iii) on account of such taxes, duties, assessments or governmental charges which are payable by reason of the Noteholder being an associate of ZF (Australia) for the purposes of section 128F of the Australian Tax Act;

(iv) on account of such taxes, duties, assessments or governmental charges which are required to be deducted or withheld from amounts payable to, or to a third party on behalf of, a Noteholder who could lawfully avoid (but has not so avoided) such deduction or withholding by (1) providing (or procuring that a third party provides) the Noteholder's Australian tax file number ("**TFN**") or Australian Business Number ("**ABN**") or evidence that the holder is not required to provide a TFN and/or ABN to the Issuer or to an applicable revenue authority (with a copy to the Issuer) and/or (2) complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption;

(v) to, or to a third party on behalf of, a Noteholder where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 of Australia or any similar law;

(vi) to the extent that ZF (Australia) is obliged to pay such taxes, duties, assessments or governmental charges in respect of such payment made to, or to a third party on behalf of, a Noteholder as a result of the operation of section 126 of the Australian Tax Act by reason of the Noteholder being an Australian resident or a non-resident that carries on business at or through a permanent establishment in Australia and not having disclosed to ZF (Australia) its name and address;

(vii) in respect of any estate, inheritance, gift, sales, transfer, personal property, or any similar tax, assessment or governmental charge;

(viii) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments;

(ix) to a Noteholder that is not the beneficial owner of such Note to the extent that the beneficial owner thereof would not have been entitled to the payment of an Additional Amount had such beneficial owner been the Noteholder of such Note;

(x) on account of any Australian interest withholding tax imposed as a result of a determination by the Commissioner of Taxation that such tax is payable under the Australian Tax Act, in circumstances where the Noteholder is party

to or participated in a scheme to avoid such tax and where ZF (Australia) was neither a party to nor participated in such scheme;

(xi) in such other circumstances as may be specified in the applicable Pricing Supplement; or

(xii) any combination of items (i) through (xi) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of ZF (Australia) will be paid net of any FATCA Withholding. Neither ZF (Australia) nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

(d) Notes issued by ZHCA

(i) Additional Amounts

In the case of Notes issued by ZHCA, all payments of principal, premium and interest in respect of the Notes issued by ZHCA will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") unless such withholding or deduction is required by law, intergovernmental agreement and/or by agreement described in Section 1471(b) of the Code. In such event, ZHCA will pay such additional amounts ("**Additional Amounts**") as will result in receipt by the Noteholders after such withholding or deduction of such sums as the Noteholders would have received if no such deduction or withholding had been required.

(ii) Exceptions

However, no such Additional Amounts shall be payable as a result of a withholding or deduction on account of any one or more of the following:

(i) any tax, duty, levy, assessment or other governmental charge which would not have been imposed but for (A) the existence of any present or former connection between a Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, a Noteholder, if a Noteholder is an estate, a trust, a partnership, a corporation or another entity) and the U.S. or any political subdivision or territory or possession thereof, including, without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident or treated as a resident thereof or being or having been present or engaged in trade or business therein or having or having had a permanent establishment therein or incorporated therein or otherwise having or having had some connection with the U.S. or such political subdivision, territory or possession other than the mere holding or ownership of a Note; (B) a Noteholder or beneficial owner's present or former status as a controlled foreign corporation related to ZHCA within the meaning of Section 864(d)(4) of the Code; (C) an election by a Noteholder or beneficial owner of a Note, the effect of which is to make payment in respect of the Note subject to United States federal income tax; or (D) a Noteholder or beneficial owner being a bank for U.S. federal income tax purpose whose receipt of interest on a Note is described in Section 881(c)(3)(A) of the Code;

(ii) any tax, duty, levy, assessment or other governmental charge which would not have been so imposed but for presentation by the Noteholder for payment on a date more than 15 days after the Relevant Date;

(iii) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, duty, levy, assessment or other governmental charge;

(iv) any tax, duty, levy, assessment or other governmental charge which would not have been imposed or withheld but for the failure to comply with certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connection with the U.S. or any political subdivision thereof of the Noteholder or beneficial owner of such Note;

(v) any tax, duty, levy, assessment or other governmental charge which is (A) payable otherwise than by withholding from payments of or in respect of principal of or interest on such Note or (B) required to be withheld by a Paying Agent from any such payment, if such payment can be made without such withholding by any other Paying Agent outside the U.S.;

(vi) any tax, duty, levy, assessment or other governmental charge imposed on interest received by a person holding, actually or constructively, 10 per cent. or more of the total combined voting power of all classes of stock of ZHCA;

(vii) any tax, duty, levy, assessment or other governmental charge imposed by reason of payments on a Note being treated as contingent interest described in Section 871(h)(4) of the Code but only to the extent such treatment was disclosed in writing to the Noteholder of the Notes at the time such Noteholder acquired the Notes;

(viii) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for a Noteholder or beneficial owner of one or more of the Notes being subject to backup withholding as of the date of the purchase of the Note;

(ix) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments; or

(x) any combination of items (i) through (ix) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of ZHCA will be paid net of any FATCA Withholding. Neither ZHCA nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

(iii) Treatment of the Notes as indebtedness

By purchasing the Notes issued by ZHCA, each Noteholder agrees, and ZHCA agrees, to treat the Notes as indebtedness of ZHCA for all U.S. federal income tax purposes.

9. Events of Default

The Trustee may at its discretion, and if Noteholder Mandated shall (subject in the case of Condition 9(b), (c), (e), (f), (g), (i) and (j) below, to the Trustee having certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the Noteholders and, in all cases to the Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction), give notice (the "**default notice**") in writing to the Issuer and ZIC (where ZIC is not the Issuer) that the Notes are immediately due and repayable if any of the following events ("**Events of Default**") shall have occurred and be continuing:

(a) there is a failure by the Issuer or ZIC (where ZIC is not the Issuer) to pay principal or interest on any of the Notes when due and such failure continues for a period of fourteen days; or

(b) a default is made by the Issuer or ZIC (where ZIC is not the Issuer) in the performance or observance of any other covenant, condition or provision contained in the Trust Deed or in the Notes and on its part to be performed or observed (other than the covenant to pay principal and interest in respect of any of the Notes) and (except where the Trustee certifies in writing that, in its opinion, such default is not capable of remedy, when no such notice as mentioned below shall be required) such default continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer or ZIC, as the case may be, of notice requiring such default to be remedied; or

(c) if any other indebtedness of the Issuer or ZIC (where ZIC is not the Issuer) for borrowed moneys is declared due and payable prior to the due date for payment thereof by reason of default on the part of the Issuer or ZIC (where ZIC is not the Issuer), or if any such indebtedness is not repaid on the due date for payment thereof (or by the expiry of any applicable grace period), or any guarantee or indemnity in respect of indebtedness for borrowed moneys given by the Issuer or ZIC (where ZIC is not the Issuer) is not honoured when due and called upon or at the expiry of any applicable grace period, save in any such case where the relevant payment liability is being contested in good faith and by appropriate means, provided that no such event as aforesaid shall constitute an Event of Default unless the amount declared due and payable or not paid, either alone or when aggregated with other such amounts then declared due and payable or not paid by the Issuer or ZIC (where ZIC is not the Issuer), shall amount to at least USD300,000,000 or its equivalent in other currencies; or

(d) a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer or ZIC (where ZIC is not the Issuer) be wound up or dissolved or the Issuer or ZIC (where ZIC is not the Issuer) stops payment or ceases business, or disposes (other than in the ordinary course of its business) of the whole or substantially the whole of its assets, otherwise than in any such case for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reconstruction the terms of which shall have previously been approved in writing by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders or as a result of a Permitted Reorganisation; or

(e) an encumbrancer or a person with similar functions appointed for execution (in Switzerland, a *Sachwalter*, *Konkursverwalter or Konkursliquidator*) takes possession or a receiver is appointed of the whole or substantially the whole of the assets or undertaking of the Issuer or ZIC (where ZIC is not the Issuer) or a distress, execution or seizure before judgment is levied or enforced upon or sued out against any substantial part of the property, assets

or revenues of the Issuer or ZIC (where ZIC is not the Issuer) unless discharged, stayed or removed within 60 days thereof (or such longer period as the Trustee may consider appropriate in relation to the jurisdiction concerned) or being contested in good faith and by appropriate means; or

(f) the Issuer or ZIC (where ZIC is not the Issuer) is insolvent or bankrupt or unable to pay its debts as and when they fall due or the Issuer or ZIC (where ZIC is not the Issuer) shall initiate or consent or become subject to proceedings relating to itself under any applicable bankruptcy, liquidation, insolvency, composition, administration, examinership, or insolvency law or make a general assignment for the benefit of, or enter into any composition with, its creditors or enters into a moratorium (*Stundung*); or

(g) proceedings shall have been initiated against the Issuer or ZIC (where ZIC is not the Issuer), under any applicable bankruptcy, composition, administration or insolvency law in respect of a sum claimed in aggregate of at least USD200,000,000 or its equivalent in other currencies unless such proceedings are discharged or stayed within a period of 60 days (or such longer period as the Trustee may consider appropriate in relation to the jurisdiction concerned) or are being contested in good faith and by appropriate means; or

(h) if the Issuer is ZF (Australia), ZF (Ireland) or ZHCA, if the relevant ZIC Senior Guarantee ceases to be, or is claimed by ZIC not to be, in full force and effect; or

(i) where ZIC is not the Issuer, the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by ZIC, unless such cessation is as a result of a Permitted Reorganisation or is previously approved either in writing by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders; or

(j) any event occurs which under applicable laws has an analogous effect to any of the events referred to in paragraphs (d) to (g) above.

At any time after the Notes become due and payable pursuant to this Condition 9 (*Events of Default*), the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed and the Notes, but it need not take any such proceedings unless it shall have been Noteholder Mandated and in either case, until it has been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become Noteholder Mandated to take such action, fails or is unable to do so within 60 days and such failure or inability is continuing.

10. Interest Determination and Payment Dates

(a) Fixed Rate Reset Notes – Fallbacks

If Mid-Swap Rate is specified in the applicable Pricing Supplement and on any Reset Determination Date the Reset Rate Screen Page is not available or the Mid-Swap Rate does not appear on the Reset Rate Screen Page (other than in the circumstances provided for in Condition 10(e)), the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), all as determined by the Calculation Agent.

If only one of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the Reset Period shall be the sum of such Mid-Market Swap Rate Quotation and the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), all as determined by the Calculation Agent. If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 10(a), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

(b) Floating Rate Notes and Fixed to Floating Rate Notes

(i) Interest Payment Dates

Interest shall be payable in arrear on each Interest Payment Date in the case of a Floating Rate Note and on each Interest Payment Date commencing after the Fixed Rate End Date specified in the applicable Pricing Supplement in the case of a Fixed to Floating Rate Note. The amount of interest payable shall be determined in accordance with Condition 6(b). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, "**Interest Payment Date**" shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Specified Period after the preceding Interest Payment Date or, in the case of the first such Interest Payment Date, after the Interest Commencement Date, in the case of a Floating Rate Note, or after the Fixed Rate End Date, in the case of a Fixed to Floating Rate Note.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each such subsequent date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes and Fixed to Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes and, from and including the Fixed Rate End Date, Fixed to Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each relevant Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(y) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below and subject to Condition 10(e), be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) or on the Interest Determination Date in question as

determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(y) If the Relevant Screen Page is not available or if sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(z) If paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be. If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the rate of interest shall be the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) Linear Interpolation

Where Linear Interpolation is specified in the applicable Pricing Supplement as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Pricing Supplement as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Pricing Supplement as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(c) Maximum Rate of Interest and Final Redemption Amount and Rounding

(i) If any Maximum Rate of Interest or Final Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest or any calculated Interest Amount or Final Redemption Amount shall be subject to such maximum.

(ii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(d) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agent(s) and the required number of Reference Banks if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined in the Trust Deed). The Issuer may, with the prior written approval of the Trustee (not to be unreasonably withheld), from time to time replace any Reference Bank with another leading investment, merchant or commercial bank or financial institution. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Clean-Up Redemption Price, as the case may be, or to comply with any other requirement of it hereunder, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(e) Benchmark discontinuation

Notwithstanding the provisions in Condition 10(a) and 10(b), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 10(e) shall apply (with effect from 30 days prior to the first date when such determination is necessary).

(i) Independent Adviser

The Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 10(e)(ii) and, in either case, an Adjustment Spread if any (in accordance with Condition 10(e)(iii)) and any Benchmark Amendments (in accordance with Condition 10(e)).

In making such determination, an Independent Adviser appointed pursuant to this Condition 10(e) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 10(e).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 10(e)(i) prior to the relevant Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest applicable to the next succeeding Interest Accrual Period or Reset Period (as applicable) shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period or Reset Period (as applicable). If there has not been a first Interest Payment Date or Reset Note Reset Date (as applicable), the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Reset Margin or Maximum Rate of Interest (as applicable) is to be applied to the relevant Interest Accrual Period or Reset Period (as applicable) from that which applied to the last preceding Interest Accrual Period or Reset Period (as applicable), the Margin or Reset Margin or Maximum Rate of Interest (as applicable) relating to the relevant Interest Accrual Period or Reset Period (as applicable) shall be substituted in place of the Margin, Reset Margin or Maximum Rate of Interest relating to that last preceding Interest Accrual Period or Reset Period (as applicable). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period or Reset Period (as applicable) only and any subsequent Interest Accrual Periods or Reset Periods (as applicable) are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 10(e)(i).

(ii) ***Successor Rate or Alternative Rate***

If the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that:

(A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the operation of this Condition 10(e)); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the operation of this Condition 10(e)).

(iii) ***Adjustment Spread***

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) ***Benchmark Amendments***

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 10(e) and the Issuer, following consultation with the Independent Adviser and acting in good faith, determines (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 10(e)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Authorised Officers of the Issuer pursuant to Condition 10(e)(v), the Trustee shall (at the direction and expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments to the Trust Deed, the Agency Agreement and/or the Conditions (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or protective provisions afforded to it in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 10(e)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) ***Notices, etc.***

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 10(e) or, if applicable, rate determined in accordance with the final paragraph of Condition 10(e)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 19, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Officers of the Issuer:

(a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate or, if applicable, rate determined in accordance with the final paragraph of Condition 10(e)(i) and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 10(e); and

(b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) ***Survival of Original Reference Rate***

Without prejudice to the obligations of the Issuer under Condition 10(e) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 10(a) and 10(b) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 10(e)(v).

(vii) ***Definitions:***

As used in this Condition 10(e):

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)

(ii) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Issuer determines that no such spread is customarily applied)

(iii) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (if the Issuer determines that no such industry standard is recognised or acknowledged)

(iv) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines in accordance with Condition 10(e)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 10(e)(iv).

"**Benchmark Event**" means:

(1) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(3) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally or in respect of the Notes; or

(5) an official announcement by the supervisor of the administrator of the Original Reference Rate, with effect from a date after 31 December 2021, that the Original Reference Rate is no longer representative of its relevant underlying market; or

(6) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (2), (3) and (4), the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer (at its own expense) under Condition 10(e)(i).

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any relevant component part(s) thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

11. Payments

(a) Appointment of Agents

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and ZIC (where ZIC is not the Issuer) and their respective specified offices are listed below. Subject as provided in the Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and ZIC (where ZIC is not the Issuer) and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer and ZIC (where ZIC is not the Issuer) reserve the right at any time, with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent in Continental Europe, and (vi) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent and Transfer Agent (in relation to Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange.

In addition, the Issuer and ZIC (where ZIC is not the Issuer) shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 11(d).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).

Notwithstanding the foregoing, the Issuer will in respect of any Listed Swiss Franc Notes at all times maintain a Principal Swiss Paying Agent having a specified office in Switzerland and will at no time maintain a Paying Agent having a specified office outside Switzerland, unless permitted by applicable law.

(b) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons (in the case of interest, save as specified in Condition 11(h)(i)), as the case may be, at the specified office of any Paying Agent outside the U.S. (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) by transfer to an account denominated in such currency with, a Bank. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System or, in the case of New Zealand dollars, shall be Auckland.

(c) Registered Notes

(i) Payments of principal in respect of Registered Notes shall be made against surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in sub-paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the Record Date. Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank the details of which are given to the Registrar or any Transfer Agent before the Record Date.

(d) Payments in the U.S.

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the U.S. with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by U.S. law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(e) Payments subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or ZIC (where ZIC is not the Issuer) or its agents) and neither the Issuer nor ZIC (where ZIC is not the Issuer) will be liable to pay any additional amount in respect of taxes or duties of whatever nature imposed or levied by or pursuant to such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders in respect of such payments.

(f) Non-Business Days

If any date for payment in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment. In this paragraph,

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Additional Financial Centres" in the applicable Pricing Supplement and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day.

(g) Payments on Listed Swiss Franc Notes

The receipt in full by the Principal Swiss Paying Agent specified in the applicable Pricing Supplement of each payment of principal and/or interest then due in respect of any Listed Swiss Franc Notes at the time and in the manner specified in the agency agreement appointing the Principal Swiss Paying Agent shall (except to the extent that such payment is avoided or set aside for any reason) satisfy the obligation of the Issuer under such Notes to make such payment on such date and shall (except as aforesaid) release it from all further obligations in respect of such payment.

(h) Special Provisions relating to Coupons and Talons

(i) If the Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Bearer Notes provide that relevant unmatured Coupons shall become void upon the due date for redemption of those Notes and where such Notes are presented for redemption without all unmatured Coupons or any unexchanged Talon relating to such Note, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 20 (*Prescription*)).

12. Meetings of Noteholders, Modification and Waiver

(a) Single Noteholder

In relation to any Series of Restricted Notes held by a Single Noteholder, the meeting, quorum and voting provisions of Condition 12(b) and the modification provisions of Condition 12(c) shall not apply. Instead, only those amendments, waivers or variations of the Notes or the Trust Deed agreed in writing by the Single Noteholder and the parties to the Trust Deed will be made.

A "**Single Noteholder**" means a sole Noteholder, who has certified to the Trustee that it is the sole Noteholder of the Notes of that Series and is not holding such Notes as a depositary for, or nominee of, Euroclear or Clearstream.

(b) Meetings of Noteholders

(i) In relation to Notes issued by ZIC, the provisions of Articles 1157-1186 of the Swiss Code of Obligations will apply to all meetings of holders of Listed Swiss Franc Notes and other Notes issued by ZIC by way of a public offering within the meaning of Article 1157 of the Swiss Code of Obligations and Condition 12(b)(ii) shall not apply at all.

(ii) In relation to any Notes other than those falling within Condition 12(a) or Condition 12(b)(i), the Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Trustee or at the request of Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons holding or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Maximum Rate of Interest is shown in the applicable Pricing Supplement, to reduce any such Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, Early Redemption Amount, the Optional Redemption Amount, Amortised Face Amount or the Clean-Up Redemption Price, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or (viii) to cancel or modify the ZIC Senior Guarantee, in which case the necessary quorum shall be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).

The consent or approval of the Noteholders will not be required for any Benchmark Amendments made pursuant to Condition 10(e).

The Trust Deed provides that a written resolution signed by or on behalf of the Noteholders of not less than 75 per cent. in principal amount of Notes outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

(c) Modification of the Trust Deed or Agency Agreement

The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Trust Deed, the ZIC Senior Guarantee (if applicable) or the Agency Agreement that is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions and the provisions of the Trust Deed, the ZIC Senior Guarantee (if applicable) or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 19 (*Notices*) as soon as practicable.

In addition, the Trustee shall be obliged to effect such modification to the Trust Deed, the Agency Agreement and/or the Conditions as may be required in order to give effect to Condition 10(e) in connection with effecting any Benchmark Amendments, subject to the provisions thereof, without the requirement for the consent of the Noteholders.

13. Issuer Substitution

The Trust Deed contains provisions permitting the Trustee to agree, without the consent of the Noteholders, to the substitution of any entity (the "**Substitute Obligor**") in place of the Issuer (or of any previous substitute under this Condition 13 (*Issuer Substitution*)) as the principal debtor under the Trust Deed, the Agency Agreement and the Notes provided that:

(i) a trust deed is executed or some other form of undertaking is given by the Substitute Obligor to the Trustee, in form and manner satisfactory to the Trustee, under which such Substitute Obligor agrees to be bound by the terms of these presents (with any consequential amendments which the Trustee may deem appropriate) as fully as if the Substitute Obligor had been named in these presents as the principal debtor in place of the Issuer;

(ii) where the Substitute Obligor is subject generally to the taxing jurisdiction of any territory or any authority of or in that territory having power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the "**Issuer's Territory**"), the Substitute Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 8 (*Taxation*) with the substitution for the references in that Condition to the Issuer's Territory of references to the Substituted Territory and in such event the Notes and Trust Deed will be read accordingly;

(iii) any two Authorised Officers of the Substitute Obligor certify on behalf of the Substitute Obligor that it will be solvent immediately after such substitution; in such event the Trustee need not have regard to the financial condition, profits or prospects of the Substitute Obligor or compare them with those of the Issuer;

(iv) the Issuer, ZIC (where ZIC is not the Issuer) and the Substitute Obligor comply with such other requirements (including the giving of a guarantee (equivalent to that referred to in Condition 5 (*Guarantee*)) in form and substance satisfactory to the Trustee as the Trustee may direct in the interests of the Noteholders;

(v) the Trustee is provided with legal opinions to its satisfaction confirming, *inter alia*, that the Notes, the Trust Deed, the Agency Agreement, the relevant ZIC Senior Guarantee (if applicable) and, if applicable, the undertaking referred to in paragraph (i) (in each case, as amended) above are legal, valid, binding and enforceable obligations of the Substitute Obligor and ZIC (as applicable).

In connection with any such substitution in accordance with this Condition 13 (*Issuer Substitution*), references in the definition "Tax Law Change" to Relevant Jurisdiction shall be deemed to refer to any jurisdiction in respect of which any undertaking or covenant equivalent to that in Condition 8 (*Taxation*) is given pursuant to the Trust Deed, (except that as regards such jurisdiction the words "becomes effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series" in the definition "Tax Law Change" shall be replaced with the words "becomes effective after, and has not been announced on or before, the date on which any undertaking or covenant equivalent to that in Condition 8 (*Taxation*) was given pursuant to the Trust Deed").

Any such agreement by the Trustee pursuant to this Condition 13 (*Issuer Substitution*) will, if so expressed and save as set out in these Conditions, operate to release the Issuer from any or all of its obligations under the Notes.

14. The Trustee

In connection with the exercise of its functions (including but not limited to those referred to in Condition 12 (*Meetings of Noteholders, Modification and Waiver*)) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the *Issuer* any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Any opinion, certificate or written confirmation given *pursuant* to these Conditions or the Trust Deed shall be treated and accepted by the Trustee (and in such circumstances, shall be so treated and accepted by the Noteholders and all other interested parties) as correct and sufficient evidence of those matters/conditions required to be confirmed and/or satisfied, in which event it shall be conclusive and binding on the Trustee, Noteholders and all other interested parties. The Trustee shall be entitled to rely on any such certificate, opinion or written confirmation without further enquiry and without liability to any person.

For the avoidance of doubt, nothing in these Conditions shall affect or prejudice the payments of the costs, charges, expenses, liabilities or remuneration of the Trustee or the Agents or *the* rights and remedies of the Trustee or the Agents in respect thereof.

15. Restricted Notes

This Condition 15 (Restricted Notes) only applies to Notes issued by ZIC.

(a) Restrictions on Transfer of Restricted Notes

(i) If the Notes are specified in the applicable Pricing Supplement as Restricted Notes (but not otherwise), the provisions of this Condition 15(a) shall apply and the Restricted Notes will be issued as Registered Notes and may only be assigned or transferred, including upon an enforcement of a security (a "**Transfer**" and "**Transferred**" shall be construed accordingly):

(a) in whole or in part, if the Transfer is to a Qualifying Bank; or

(b) in whole, but not in part (except for parts of Restricted Notes held by Qualifying Banks at the time), if the Transfer is to a Permitted Non-Qualifying Lender,

provided that no Transfer under this Condition 15(a) may result in more Permitted Non-Qualifying Lenders being Noteholders than as specified in the applicable Pricing Supplement.

The Restricted Notes will bear a legend setting out the applicable transfer restrictions provided for in this Condition 15(a).

(ii) A Noteholder may at any time require that the Issuer replaces such Noteholder's Certificate(s) representing the Restricted Notes with Certificates in minimum denominations equal to the Restricted Note Minimum Denomination Amount specified in the applicable Pricing Supplement.

(iii) Restricted Notes may only be Transferred in amounts equal to the Restricted Note Transfer Amount specified in the applicable Pricing Supplement.

(iv) Any Transfer of a Restricted Note shall be recorded by the Registrar in the Register on production of:

(a) the relevant Certificate representing the Restricted Note and certification delivered to the Registrar by the transferee to the effect that it is either a Qualifying Bank or a Permitted Non-Qualifying Lender; and

(b) such other evidence as the Issuer may require.

Any Transfer of a Restricted Note shall only be effective and shall only be recorded by the Registrar in the Register if such Restricted Note is transferred in accordance with this Condition 15(a).

(v) Subject to this Condition 15(a), no Noteholder shall at any time enter into any arrangement with another person under which such Noteholder transfers all or part of its interest in the Restricted Notes to that other person, unless under such arrangement throughout the life of such arrangement:

(a) the relationship between the Noteholder and that other person is that of debtor and creditor (including in the bankruptcy or similar event of that Noteholder or the Issuer);

(b) the other person will have no proprietary interest in the benefit of the Restricted Notes or in any monies received by the Noteholder under or in relation to the Restricted Notes held by that Noteholder; and

(c) the other person will under no circumstances (other than by way of permitted Transfer under this Condition 15(a)) be subrogated to, or substituted in respect of, the Noteholder's claims under its Restricted Notes and otherwise have a contractual relationship with, or rights against, the Issuer under or in relation to, the Restricted Notes.

The granting of security in accordance with Condition 15(b) is deemed not to constitute a Transfer of an interest under the Restricted Notes for the purposes of this Condition 15(a).

(vi) For so long as Restricted Notes are outstanding, the Issuer will ensure that it is in compliance with the Non-Bank Rules, provided that the Issuer will not be in breach of this undertaking if either of the Non-Bank Rules are exceeded solely by the failure by one or more Noteholders to comply with the limitations set out in this Condition 15(a) or in Condition 15(b).

(b) Grants of Security

If the Notes are specified in the applicable Pricing Supplement as Restricted Notes (but not otherwise), the provisions of this Condition 15(b) shall apply. Any Noteholder may, without the consent of the Issuer, at any time charge or create a security interest in all or any portion of its rights under any Restricted Notes to secure obligations of such Noteholder; provided that:

(i) no such charge or creation of a security interest shall:

(a) substitute any such chargee or holder of the benefit of such security interest for such Noteholder as Noteholder except in accordance with the provisions of Condition 15(a); or

(b) require any payments to be made by the Issuer other than as required by the Restricted Notes. A copy of any notice of charge or creation of security interest as envisaged in this paragraph shall be delivered to the Issuing and Paying Agent and the Issuing and Paying Agent shall not be obliged to take any action in regard to such notice; and

(ii) such charge or security interest shall in each case provide that on any assignment or transfer of the interest in the Restricted Notes or enforcement of such charge or security interest, any resulting assignment or transfer shall be in accordance with Condition 15(a); and

(iii) the Noteholder promptly notifies the Registrar of any such charge or security interest and the secured party's identity and status by delivering to the Registrar a notification to such effect.

16. Transfers of Registered Notes

(a) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer (as set out in Schedule 2 to the Trust Deed) endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(b) Regulations

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement and, in the case of Restricted Notes, Condition 15 (*Restricted Notes*). The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 16(a) or 16(b) shall be available for delivery within three Business Days of receipt of the form of transfer or Exercise Notice and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the Noteholder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the Noteholder entitled to the new Certificate to such address as may be so specified, unless such Noteholder requests otherwise and pays in advance to the Registrar or relevant Transfer Agent (as applicable) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 16(c), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) Transfer Free of Charge

Transfer of Notes and Certificates shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges by the person submitting such Notes or Certificates that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 7(c), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

17. Replacement of Notes, Certificates, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent, in the case of a Bearer Note or Coupon, or the Registrar, in the case of Certificates, or any other place approved by the Trustee of which notice shall have been published in accordance with Condition 19 (*Notices*), upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

18. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the issue date, the amount and date

of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. Notices

All notices required to be given regarding the Notes pursuant to the Conditions will be valid if published through the electronic communication system of Bloomberg and on the Issuer's and/or ZIC's website. For so long as such Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) in Luxembourg.

In the case of Listed Swiss Franc Notes, all notices shall be published on the internet site of SIX Swiss Exchange (where notices are currently published under the address *www.six-group.com/exchanges/news/official_notices/*) or otherwise in accordance with the regulations of SIX Swiss Exchange.

The Issuer and/or ZIC shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange, listing authority and/or quotation system by which the Notes are for the time being admitted to listing, trading and/or quotation.

Any such notice will be deemed to have been given on the date of the first publication. If publication as provided above is not practicable (i) notices relating to Bearer Notes will be given by publication in a newspaper of general circulation in London (which is expected to be the *Financial Times*) and (ii) notices to holders of Registered Notes will be valid if sent by first-class mail or (if posted to an overseas address) by air-mail to their registered addresses appearing on the Register. Any such notice in respect of (i) above shall be deemed to have been given on the date of the first publication, and in respect of (ii) above shall be deemed to have been given on the fourth day after the day on which it is mailed.

20. Prescription

Claims in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

21. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

22. Governing Law

(a) The Trust Deed (other than the provisions therein relating to the ZIC Senior Guarantee, which shall be governed by, and construed in accordance with, the laws of Switzerland), the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Each Issuer has agreed in the Trust Deed, for the exclusive benefit of the Trustee and the Noteholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes may be brought in such courts.

(c) Each Issuer has irrevocably waived in the Trust Deed any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum.

(d) Nothing contained in this Condition 22 (*Governing Law*) shall limit any right of the Trustee or the Noteholders to take Proceedings against the Issuer or ZIC (where ZIC is not the Issuer) in any other court of competent jurisdiction in Switzerland (but not elsewhere), nor shall the taking of Proceedings in England preclude the taking of Proceedings in Switzerland (or vice versa), whether concurrently or not.

(e) Each of ZHCA and ZIC has appointed Zurich Insurance plc, UK branch at its registered office for the time being as its agent for service of process in respect of any Proceedings in England and has undertaken in the Trust Deed that, in the event of Zurich Insurance plc, UK branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings in England. Each of ZF (Australia) and ZF (Ireland) has appointed Zurich Finance (UK) plc at its registered office for the time being as its agent for service of process in respect of any Proceedings in England and has undertaken in the Trust Deed that, in the event of Zurich Finance (UK) plc ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings in England. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(f) In respect of Listed Swiss Franc Notes only, the Issuer and the Trustee have agreed in the Trust Deed for the benefit of the Noteholders to the additional jurisdiction of the courts of the City of Zurich, venue Zurich 1.

(g) Any ZIC Senior Guarantee is governed by, and shall be construed in accordance with, the laws of Switzerland. Any legal action or proceedings in respect of a ZIC Senior Guarantee shall be brought exclusively in the courts of the City of Zurich, venue Zurich 1.

23. Definitions and Interpretation

(a) General definitions

"**Additional Amounts**" has the meaning given to it in Condition 8 (*Taxation*);

"**Agents**" means the Issuing and Paying Agent, Paying Agents, Calculation Agent, Transfer Agent and Registrar;

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity;

"**Australian Tax Act**" means the Income Tax Assessment Act 1936 of Australia or the Income Tax Assessment Act 1997 of Australia, as the context requires;

"**Authorised Officer**" means any Director or other duly authorised executive of the Issuer and/or ZIC, as applicable;

"**Bank**" has the meaning given to it in Condition 11(b);

"**Bearer Note**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Benchmark Frequency**" has the meaning given to it in the applicable Pricing Supplement;

"**Certificate**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Clean-Up Event**" means (i) the redemption and/or purchase and cancellation of any Notes which, when aggregated with any Notes previously redeemed and/or purchased and cancelled, results in the total principal amount of such Notes which have been previously redeemed and/or purchased and cancelled exceeding the Clean-Up Threshold and (ii) the delivery of a certificate signed by two Authorised Officers of the Issuer or ZIC (where ZIC is not the Issuer) to the Trustee confirming the same;

"**Clean-Up Threshold**" means the Clean-Up Threshold Percentage specified in the applicable Pricing Supplement times the principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 18 (*Further Issues*));

"**Clearstream**" means Clearstream Banking S.A.;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended;

"**Early Event Call Period**" means the period from (and including) the date of the occurrence of a Clean-Up Event to (and including) the first anniversary of such occurrence (or such shorter or longer period as may be set out in the applicable Pricing Supplement);

"**Euroclear**" means Euroclear Bank SA/NV;

"**Eurozone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended;

"**Event of Default**" has the meaning given to it in Condition 9 (*Events of Default*);

"**Exercise Notice**" has the meaning given to it in Condition 7(d);

"**FATCA Withholding**" has the meaning given to it in Condition 8 (*Taxation*);

"**FINMA**" means the Swiss Financial Market Supervisory Authority FINMA in Switzerland;

"**First Reset Rate of Interest**" means the rate of interest determined by the Calculation Agent pursuant to Conditions 6(a) and 10(a) on the first Reset Determination Date as the sum of the relevant Reset Rate plus the applicable Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent));

"**Fixed Rate End Date**" means the date specified as such in the applicable Pricing Supplement;

"**Guarantor**" means ZIC in its capacity as guarantor under any ZIC Senior Guarantee;

"**Guidelines**" means, together, the guideline "Interbank Loans" of 22 September 1986 (S-02.123) (*Merkblatt "Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)" vom 22. September 1986*); the guideline "Bonds" of April 1999 (S 02.122.1) (*Merkblatt "Obligationen" vom April 1999*); the

guideline "Syndicated Loans" of January 2000 (S-02.128) (Merkblatt "*Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen" vom Januar 2000*); the circular letter No. 15 (1-015-DVS-2017) of 3 October 2017 in relation to bonds and derivative financial instruments as subject matter of Swiss federal income tax, Swiss federal withholding tax and Swiss federal stamp taxes (*Kreisschreiben Nr. 15 "Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben" vom 3. Oktober 2017*); the circular letter "Deposits" of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Kundenguthaben vom 26. Juli 2011*) and the notification "Withholding Tax: Intragroup Balances" of 5 February 2019 (010-DVS-2019) (*Mitteilung-010-DVS-2019 vom 5. Februar 2019 - Verrechnungssteuer: Guthaben im Konzern*), each as issued, and as amended from time to time, by the Swiss federal tax authorities;

"**holder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Initial Rate of Interest**" means the initial rate of interest per annum specified as such in the applicable Pricing Supplement;

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

"**Interest Amount**" means, in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, Fixed Rate Reset Notes, and, prior to the Fixed Rate End Date, Fixed to Floating Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and, in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Pricing Supplement;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified: (i) the first day of such Interest Accrual Period if the Specified Currency is sterling or (ii) the second Business Day in London prior to the first day of such Interest Accrual Period if the Specified Currency is neither sterling nor euro or (iii) the second TARGET Business Day prior to the first day of such Interest Accrual Period if the Specified Currency is euro;

"**Interest Payment**" means, with respect to an Interest Payment Date, the interest scheduled to be paid on such Interest Payment Date in accordance with these Conditions;

"**Interest Payment Date**" has the meaning given to it in Condition 10(b);

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"**ISDA Definitions**" means the 2006 ISDA Definitions as amended or supplemented, as published by the International Swaps and Derivatives Association, Inc. unless otherwise specified in the applicable Pricing Supplement;

"**Issuer's Territory**" has the meaning given to it in Condition 13 (*Issuer Substitution*);

"**Margin**" means the Margin specified in the applicable Pricing Supplement and shall include, with effect from the Margin Step-Up Date(s) specified in the applicable Pricing Supplement (if any), the relevant Step-Up Margin(s) specified in the applicable Pricing Supplement;

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date, either:

(a) if Single Mid-Swap Rate is specified in the applicable Pricing Supplement as being applicable, the rate for swaps in the Specified Currency:

  (i) with a term equal to the relevant Reset Period; and

  (ii) commencing on the relevant Reset Note Reset Date, which appears on the Reset Rate Screen Page; or

(b) if Mean Mid-Swap Rate is specified in the applicable Pricing Supplement as being applicable, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(i) with a term equal to the relevant Reset Period; and

(ii) commencing on the relevant Reset Note Reset Date, which appear on the Reset Rate Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Non-Bank Rules**" means the Ten Non-Bank Rule and the Twenty Non-Bank Rule;

"**Noteholder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Noteholder Mandated**" means, in relation to the taking of any applicable action by the Trustee, the Trustee has been so requested in writing by the Noteholders of not less than 25 per cent. in principal amount of the Notes then outstanding or has been so directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders (in each case, subject to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction);

"**Permitted Non-Qualifying Lender**" means, in respect of a Series of Restricted Notes, a person or entity which is not a Qualifying Bank on the date it becomes a Noteholder and:

(a) is initially a Permitted Non-Qualifying Lender (if any) specified thereon (for so long as that Permitted Non-Qualifying Lender continues to be a Noteholder in accordance with these Conditions); or

(b) is a successor of an initial Permitted Non-Qualifying Lender, or any subsequent successor thereof, by way of Transfer (as defined in Condition 15(a)) of all but not some only the Restricted Notes held by such initial Permitted Non-Qualifying Lender, or such subsequent successor thereof (for so long as that successor continues to be a Noteholder in accordance with the Conditions), which:

(i) has prior to its becoming a Noteholder, satisfied all obligations to be fulfilled by a proposed Permitted Non-Qualifying Lender in accordance with Condition 15(a)), provided that:

(A) within ten Business Days of notification to it by the existing Permitted Non-Qualifying Lender of the identity of such proposed Permitted Non-Qualifying Lender, the Issuer may, as a condition precedent to such proposed Permitted Non-Qualifying Lender becoming a Noteholder:

(a) request from that proposed Permitted Non-Qualifying Lender a confirmation that it has disclosed to the Issuer all facts relevant to the determination as to whether it would be a Permitted Non-Qualifying Lender and would constitute one person only for purposes of the Non-Bank Rules; and

(b) irrespective of whether a request is made in accordance with paragraph (i)(A)(a) above, request from that proposed Permitted Non-Qualifying Lender a tax ruling of the Swiss Federal Tax Administration (at the cost of the existing Permitted Non-Qualifying Lender or the proposed Permitted Non-Qualifying Lender), confirming to the Issuer's satisfaction that such proposed Permitted Non-Qualifying Lender does constitute one person only for purposes of the Non-Bank Rules; and

(B) the Issuer, acting reasonably, shall confirm within ten Business Days of notification of all facts (if a request in accordance with paragraph (i)(A)(a) above has been made) or receipt of a tax ruling (if a request in accordance with paragraph (i)(A)(b) above has been made) whether or not such disclosure, or such tax ruling, as the case may be, is satisfactory and, in the absence of such confirmation, the Issuer shall be deemed to have confirmed such disclosure, or such tax ruling, as the case may be, is so satisfactory on the tenth Business Day after receipt hereof or thereof; and

(ii) has, simultaneously with becoming a Noteholder, succeeded the existing Permitted Non-Qualifying Lender as "Permitted Non-Qualifying Lender" under all, but not some only, Restricted Notes of the respective Series, and under any and all other existing or future Series of Restricted Notes, as the case may be, or similar instruments, between the Issuer and the existing Permitted Non-Qualifying Lender (or any successor thereof);

"**Permitted Non-Qualifying Lenders**" means in respect of a Series of Restricted Notes the number of Permitted Non-Qualifying Lenders specified in the applicable Pricing Supplement;

"**Permitted Reorganisation**" means an amalgamation, merger, consolidation, reorganisation or other similar arrangement entered into by the Issuer or ZIC (where ZIC is not the Issuer) under which:

(a) the whole or a substantial part of the business, undertaking and assets of the Issuer or, as the case may be, ZIC are transferred to and all the liabilities and obligations of the Issuer or, as the case may be, ZIC are assumed by the new or surviving entity either:

(i) automatically by operation of applicable law; or

(ii) the new or surviving entity assumes all the obligations of the Issuer or, as the case may be, ZIC, under the terms of the Trust Deed, and the Notes and (as the case may be) the ZIC Senior Guarantee, as fully as if (and to the same extent in terms of ranking in a winding-up) it had been named in the Trust Deed and the Notes and (as the case may be) the ZIC Senior Guarantee, in place of the Issuer or, as the case may be, ZIC; and, in either case,

(b) the new or surviving entity will immediately after such amalgamation, merger, consolidation, reorganisation or other similar arrangement be subject to the same regulation and supervision by the same regulatory authority (if any) as the Issuer or (as the case may be) ZIC was subject immediately prior thereto;

"**Qualifying Bank**" means a person or entity which (a) effectively conducts banking activities with its own infrastructure and staff as its principal business purpose and which has a banking licence in full force and effect issued in accordance with the banking laws in force in its jurisdiction of incorporation, or if acting through a branch, issued in accordance with the banking laws in the jurisdiction of such branch and (b) is organised under the laws of a country which is a member of the Organisation for Economic Co-operation and Development (OECD);

"**Qualifying Lender**" means a Noteholder which is a Qualifying Bank or a Permitted Non-Qualifying Lender;

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement;

"**Record Date**" means, in respect of any payment due on the Notes, the fifteenth day before the due date for payment thereof;

"**Reference Banks**", (i) in the case of Floating Rate Notes and Fixed to Floating Rate Notes, has the meaning specified in the applicable Pricing Supplement or, if none, four major banks selected by the Issuer in the market that is most closely connected with the applicable Reference Rate; (ii) in the case of a Mid-Swap Rate, has the meaning specified in the applicable Pricing Supplement or, if none, four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer acting on the advice of an investment bank of international repute and (iii) in the case of a Benchmark Gilt Rate, four brokers of gilts and/or gilt-edged market makers selected by the Issuer acting on the advice of an investment bank of international repute;

"**Reference Rate**" means LIBOR, EURIBOR or as otherwise specified in the applicable Pricing Supplement, in each case for the relevant period, as specified in the applicable Pricing Supplement;

"**Register**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Registered Note**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate) being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation;

"**Relevant Debt**" means any present or future indebtedness of the Issuer or any other person in the form of, or represented by, bonds, notes, debentures, loan stock or other securities of such Issuer or such other person which are, or are capable of being, quoted, listed or ordinarily traded on any stock exchange, over-the-counter or other securities market;

"**Relevant Jurisdiction**" means (i) Ireland and Switzerland, in the case of Notes issued by ZF (Ireland); (ii) Switzerland, in the case of Notes issued by ZIC; (iii) Australia and Switzerland, in the case of Notes issued by ZF (Australia); and (v) the United States of America and Switzerland, in the case of Notes issued by ZHCA;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement;

"**Reset Determination Date**" means, unless otherwise specified in the applicable Pricing Supplement, the second Business Day prior to each Reset Note Reset Date;

"**Reset Margin**" means the Initial Reset Margin (which shall apply to the First Reset Period) or any Subsequent Reset Margin(s) which shall apply to any Subsequent Reset Period(s), in each case as specified in the applicable Pricing Supplement;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period;

"**Restricted Notes**" means Notes issued in accordance with Conditions 15(a) and 15(b);

"**Senior ZIC Guarantee**" has the meaning given to it in Condition 5 (*Guarantee*);

"**Single Noteholder**" has the meaning given to it in Condition 12(a);

"**SIX Swiss Exchange**" means SIX Swiss Exchange Ltd;

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated;

"**Specified Maximum Amount**" means the amount specified as such in the applicable Pricing Supplement;

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent pursuant to Conditions 6(a) and 10(a) on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the applicable Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent));

"**Substitute Obligor**" has the meaning given to it in Condition 13 (*Issuer Substitution*);

"**Substituted Territory**" has the meaning given to it in Condition 13 (*Issuer Substitution*);

"**TARGET System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System or any successor thereto;

a "**Tax Event**" shall occur at any time if either:

(a) on the occasion of the then next payment due under the Notes, (A) the Issuer is or will become obliged to pay Additional Amounts as provided or referred to in Condition 8 (Taxation) or (B) if a sum in respect of such payment is claimed under the ZIC Senior Guarantee, ZIC would be required to pay Additional Amounts, in each case (A) and (B) as a result of a Tax Law Change, and such obligation cannot be avoided by the Issuer (in respect of case (A)) or ZIC (in respect of case (B)) taking reasonable measures available to it; or

(b) in respect of a past or the then next Interest Payment Date, the payment of interest in respect of the Notes would as a result of a Tax Law Change not be deductible as interest or an expense for tax purposes of the Issuer (or the amount of such deduction is materially reduced) for reasons outside the control of, and which cannot be avoided by, the Issuer taking reasonable measures available to it;

and in each such case, prior to publication of any notice of redemption pursuant to Condition 7 (*Redemption, Purchase and Options*) by reason of the events above, the delivery to the Trustee by the Issuer or, where ZIC is not the Issuer, ZIC of a certificate signed by two of its Authorised Officers certifying that the relevant conditions precedent to the right of the Issuer to redeem the Notes have been satisfied and an opinion of independent legal advisers of recognised standing to the effect that, in the case of (a) above, the Issuer and/or as applicable, the Guarantor has or will become obliged to pay relevant additional amounts as a result of a Tax Law Change or, as appropriate, in the case of (b) above, the relevant Tax Law Change has occurred;

"**Tax Law Change**" means any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series;

"**Ten Non-Bank Rule**" means the rule that the aggregate number of Noteholders under a Series of Restricted Notes which are not Qualifying Banks must not at any time exceed ten, in each case in accordance with the meaning of the Guidelines;

"**Transfer**" has the meaning given to it in Condition 15(a);

"**Twenty Non-Bank Rule**" means the rule that the aggregate number of the Issuer's lenders (including Noteholders), other than Qualifying Banks, under all outstanding debts relevant for classification as debentures (*Kassenobligation*), such as intra-group loans (if and to the extent relevant), facilities and/or private placements (including under Restricted Notes and Notes not classified as a taxable bond (*Anleihensobligation*)) must not at any time exceed twenty, in each case in accordance with the meaning of the Guidelines; and

"**ZIG**" means Zurich Insurance Group Ltd.

(b) Interest related definitions

"**Benchmark Gilt**" means, in respect of a Reset Period, the Benchmark Gilt specified in the applicable Pricing Supplement or, if no Benchmark Gilt is specified in the applicable Pricing Supplement or if the relevant Benchmark Gilt is no longer outstanding at the relevant time, such United Kingdom government security having a maturity date on or about the last day of such Reset Period as the Issuer, with the advice of the Reference Banks may determine to be appropriate;

"**Benchmark Gilt Rate**" means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by the Issuer following consultation with an investment bank of international repute;

"**Business Day**" means:

(a) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(b) in the case of euro, a day on which the TARGET System is operating (a "**TARGET Business Day**"); and/or

(c) in the case of a currency and/or one or more Additional Business Centres specified in the applicable Pricing Supplement, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the "Calculation Period"):

(i) if "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - MD_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - MD_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)"** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - MD_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified in the applicable Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date; and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

"**First Reset Date**" means the date specified as such in the applicable Pricing Supplement;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the applicable Pricing Supplement, the Maturity Date;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement;

"**Mid-Market Swap Rate**" means, for any Reset Period, the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Benchmark Frequency (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on (subject as otherwise provided pursuant to Condition 10(e)) the Mid-Swap Benchmark Rate for the Mid-Swap Maturity as specified in the applicable Pricing Supplement (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Swap Benchmark Rate**" means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro;

"**Mid-Swap Maturity**" has the meaning specified as such in the applicable Pricing Supplement;

"**Reference Bond**" means, for any Reset Period, the Reference Bond specified in the applicable Pricing Supplement or, if no Reference Bond is specified in the applicable Pricing Supplement or if the relevant Reference Bond is no longer outstanding at the relevant time, such government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer as having an actual or interpolated maturity date comparable with the last day of the relevant Reset Period and that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period;

"**Reference Bond Dealer**" means each of four banks (selected by the Issuer), or their affiliates which are primary government securities dealers or market makers in pricing corporate bond issuances denominated in the Specified Currency;

"**Reference Bond Dealer Quotations**" means, with respect to each Reference Bond Dealer and the relevant Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the relevant Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bond Dealer;

"**Reference Bond Price**" means, with respect to a Reset Determination Date, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation, the Reference Bond Dealer Quotation obtained or (d) if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest, in each case, as determined by the Calculation Agent;

"**Reference Bond Rate**" means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price;

"**Reset Note Reset Date**" means the First Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Rate**" means:

(a) if Mid-Swap Rate is specified in the applicable Pricing Supplement, the relevant Mid-Swap Rate;

(b) if Benchmark Gilt Rate is specified in the applicable Pricing Supplement, the relevant Benchmark Gilt Rate; or

(c) if Reference Bond is specified in the applicable Pricing Supplement, the relevant Reference Bond Rate;

"**Reset Rate Screen Page**" has the meaning specified in the applicable Pricing Supplement;

"**Subsequent Reset Date**" means the date or dates specified as such in the applicable Pricing Supplement; and

"**Subsequent Reset Period**" means each successive period, other than the First Reset Period, from (and including) a Reset Note Reset Date to (but excluding) the next succeeding Reset Note Reset Date or, if no such Subsequent Reset Date, the Maturity Date.

(c) Interpretation

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Amortised Face Amount or Clean-Up Redemption Price and all other amounts in the nature of principal payable pursuant to Condition 7 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 6 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any Additional Amounts that may be payable under Condition 8 (*Taxation*) or any undertaking given in addition to or in substitution for it under the Trust Deed.

TERMS AND CONDITIONS OF THE SUBORDINATED NOTES AND DEEPLY SUBORDINATED NOTES (DIRECTLY ISSUED BY ZURICH INSURANCE COMPANY LTD)

The following, save for paragraphs in italics, is the text of the terms and conditions that, subject to completion and amendment and as supplemented in accordance with the provisions of Part A of the applicable Pricing Supplement, shall be applicable to the Subordinated Notes and Deeply Subordinated Notes. As set out below, the terms and conditions are presented in the form that would be endorsed, together with the relevant provisions of Part A of the Pricing Supplement, on (A) Bearer Notes in definitive form (if any) issued in exchange for Global Note(s) or (B) in the case of Registered Notes, Certificates, in each case, representing Subordinated Notes or, as the case may be, Deeply Subordinated Notes. Accordingly, references in these terms and conditions to provisions specified in the applicable Pricing Supplement shall be to the provisions set out in the applicable Pricing Supplement. Capitalised terms that are not defined in the Conditions will have the meanings given to them in the applicable Pricing Supplement relating to any Series and/or Tranche of Notes, the absence of any such meaning indicating that such term is not applicable to the Notes of that Series.

This Note is one of a Series (as defined below) of Notes issued by Zurich Insurance Company Ltd ("**ZIC**" or the "**Issuer**") constituted by an amended and restated trust deed dated 22 May 2019, as it may be further amended or supplemented in relation to that Series of Notes as at the Issue Date of the Notes specified in the applicable Pricing Supplement (the "**Issue Date**") (the "**Trust Deed**") between the Issuer, Zurich Insurance Group Ltd ("**ZIG**") and Citicorp Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below).

References in the Conditions to "**Notes**" are to the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes of one Series only, not to all Notes that may be issued under the Programme.

These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates for Registered Notes, Coupons and Talons referred to below. An Agency Agreement dated 22 May 2019 (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") has been entered into in relation to the Notes between, *inter alios* the Issuer, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". In the case of Listed Swiss Franc Notes, references herein to the "Agency Agreement" shall also extend to the agreement referred to in Condition 11(g) which supplements the Agency Agreement. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours and upon reasonable notice at the principal office of the Trustee (presently at Citigroup Centre, Canada Square, London E14 5LB, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders and the holders of the interest coupons (the "**Coupons**") relating to interest-bearing Notes in bearer form and, where applicable, in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") are entitled to the benefit of, are deemed to have notice of, and are bound by, all the provisions of the Trust Deed and are deemed to have notice of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes of a Series which are identical in all respects. "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and to form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates, first payment of interest and/or issue prices.

Capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

1. Form, Denomination and Title

Whether this Note is in bearer or registered form or whether it is a "Listed Swiss Franc Note" is specified in the applicable Pricing Supplement.

This Note is issued either in bearer form (each a "**Bearer Note**") or in registered form (each a "**Registered Note**") in each case in the Specified Denomination(s) shown in the applicable Pricing Supplement.

Each Bearer Note is serially numbered and is issued with Coupons (and, where appropriate, a Talon) attached.

Each Registered Note is represented by a registered certificate (a "**Certificate**") and each Certificate shall represent the entire holding of Registered Notes by the same Noteholder.

In these Conditions, "**Noteholder**" and "**holder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and, except as ordered by a court of competent jurisdiction or as required by law, such holder shall be deemed to be and may be treated as the absolute owner of such Note for all purposes.

Any references in these Conditions to Notes which are in bearer form shall, unless the context otherwise requires, include any related Coupons and Talons. Any references to any holder of Notes which are in bearer form shall, unless the context otherwise requires, include any Couponholders.

Title to the Bearer Notes shall pass by delivery. Title to the Registered Notes shall pass upon registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**") and as further described in Condition 16 (*Transfers of Registered Notes*).

2. Listed Swiss Franc Notes

This Note is a Listed Swiss Franc Note if it is denominated or payable in Swiss Francs, is in bearer form, is listed on the SIX Swiss Exchange and it is so specified in the applicable Pricing Supplement.

*Each Tranche of Listed Swiss Franc Notes will be represented exclusively on issue by a Permanent Global SIS Note in bearer form, which will be deposited with SIX SIS AG, Olten, Switzerland ("**SIS**"), or such other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange on or prior to the Issue Date of such Series of Notes.*

3. Status

Condition 3 is governed by, and shall be construed in accordance with, the laws of Switzerland and is irrevocable.

(a) Subordinated Notes

Condition 3(a) applies only to Notes specified as "Subordinated Notes" in the applicable Pricing Supplement.

The Issuer's obligations in respect of or arising under (including, without limitation, any damages awarded for breach of any obligation under) the Notes constitute direct, subordinated and unsecured obligations of the Issuer and rank *pari passu*, without any preference, among themselves. Claims of Noteholders under the Notes rank in a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition (*Nachlassverfahren*) or other similar proceedings of the Issuer after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined below in this Condition 3(a)).

As used in these Conditions, in the case of Subordinated Notes:

"**Junior Instruments**" means:

(i) all Deeply Subordinated Notes of the Issuer;

(ii) all securities or other obligations of the Issuer ranking or expressed to rank junior to Subordinated Notes of the Issuer; and

(iii) all classes of issued shares in the share capital of the Issuer.

"**Pari Passu Instruments**" means:

(i) all other Subordinated Notes of the Issuer; and

(ii) all other securities or other obligations of the Issuer ranking or expressed to rank *pari passu* with Subordinated Notes.

"**Senior Creditors**" means:

(i) all unsubordinated creditors of the Issuer, including policyholders (and beneficiaries of a policy) of the Issuer;

(ii) all creditors of the Issuer whose claims are subordinated, by operation of law or pursuant to their terms, to the claims of other unsubordinated creditors of that entity but not further or otherwise; and

(iii) all other subordinated creditors of the Issuer except those whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of the Subordinated Notes of the Issuer.

For the avoidance of doubt, the obligations of ZIC in relation to Subordinated Notes rank:

(i) pari passu with the obligations of ZIC in respect of its €425m 7.5 per cent. Subordinated Notes due 2039, its €1,000m 4.25 per cent. Subordinated Notes due 2043, its U.S.$300m 4.25 per cent. Subordinated Notes due 2045, its U.S.$1,000m 5.625 per cent. Subordinated Notes due 2046, its €750m 3.5 per cent. Subordinated Notes due 2046, its U.S.$500m 4.875 per cent. Subordinated Notes due 2048, its U.S.$500m 5.125 per cent. Subordinated Notes due 2048 and its €500m 2.750 per cent. Subordinated Notes due 2049 and any future Subordinated Notes issued by ZIC and in respect of its guarantee of the issuance by Zurich Finance (UK) plc of £450m 6.625 per cent. Perpetual Subordinated Notes, and any future ZIC Subordinated Guarantee issued by ZIC; and

(ii) senior to the obligations of ZIC in respect of its CHF200m 2.75 per cent. Perpetual Capital Notes, its CHF225m 2.75 per cent. Perpetual Capital Notes, its U.S.$1,000m 4.75 per cent. Perpetual Capital Notes and any future Deeply Subordinated Notes issued by ZIC.

(b) Deeply Subordinated Notes

Condition 3(b) applies only to Notes specified as "Deeply Subordinated Notes" in the applicable Pricing Supplement.

The Issuer's obligations in respect of or arising under (including, without limitation, any damages awarded for breach of any obligations under) the Notes constitute direct, subordinated and unsecured obligations of the Issuer and rank *pari passu*, without any preference, among themselves. Claims of Noteholders under the Notes rank in a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition (*Nachlassverfahren*) or other similar proceedings of the Issuer after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined below in this Condition 3(b)).

As used in these Conditions, in the case of Deeply Subordinated Notes:

"**Junior Instruments**" means all classes of issued shares in the share capital of the Issuer.

"**Pari Passu Instruments**" means:

(i) all other Deeply Subordinated Notes of the Issuer; and

(ii) all other securities or other obligations of the Issuer ranking or expressed to rank *pari passu* with Deeply Subordinated Notes.

"**Senior Creditors**" means:

(i) all unsubordinated creditors of the Issuer, including policyholders (and beneficiaries of a policy) of the Issuer;

(ii) all creditors of the Issuer whose claims are subordinated, by operation of law or pursuant to their terms, to the claims of other unsubordinated creditors of that entity but not further or otherwise;

(iii) all holders of Subordinated Notes of the Issuer and other creditors of the Issuer whose claims rank or are expressed to rank *pari passu* with the claims of the holders of any Subordinated Notes of the Issuer;

(iv) all other subordinated creditors of the Issuer except those whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of the Deeply Subordinated Notes.

For the avoidance of doubt, the obligations of ZIC in relation to Deeply Subordinated Notes rank pari passu with the obligations of ZIC in respect of its CHF200m 2.75 per cent. Perpetual Capital Notes, its CHF225m 2.75 per cent. Perpetual Capital Notes and its U.S.$1,000m 4.75 per cent. Perpetual Capital Notes and any future Deeply Subordinated Notes issued by ZIC.

Conditions 3(c) and 3(d) apply to Subordinated Notes and Deeply Subordinated Notes.

(c) No Set-off

Neither the Trustee nor any Noteholder may set-off any claims in respect of any amount owed to it by the Issuer arising under or in connection with the Notes and each Noteholder shall, by virtue of being the holder of any Note, be deemed to have irrevocably waived all such rights of set-off.

(d) No Security

No security of whatever kind is, or will at any time be, provided by the Issuer or any other person to secure the claims of the Noteholders under the Notes.

4. Interest and other Calculations

This Note is a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note, a Fixed to Floating Rate Note or a combination of the foregoing (and each as further described below and in Condition 10 (*Interest Determination and Payment Dates*)), depending upon the Interest Basis specified in the applicable Pricing Supplement.

(a) Interest Accrual

Subject to Condition 5 (*Deferral of Interest Payments*), each type of Note bears interest on its outstanding principal amount, accruing as follows:

(i) Fixed Rate Note:

from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest;

(ii) Fixed Rate Reset Note:

(x) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;

(y) from (and including) the First Reset Date to (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the applicable Pricing Supplement, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and

(z) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest;

(iii) Floating Rate Note:

from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 10(b);

(iv) Fixed to Floating Rate Note:

(x) from (and including) the Interest Commencement Date to (but excluding) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest; and

(y) from (and including) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 10(b).

Each Note will cease to bear interest from the date for its redemption unless, upon due presentation or surrender thereof, payment of principal is improperly withheld or refused and in such event, interest will continue to accrue as provided in the Trust Deed.

If any Margin is specified in the applicable Pricing Supplement (either (A) generally or (B) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (B), calculated in accordance with Condition 10(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject to Condition 10(c).

Such interest shall be payable in arrear on each Interest Payment Date specified in the applicable Pricing Supplement. The amount of interest payable shall be determined in accordance with Condition 4(b).

(b) Calculations

Interest is calculated on each Note by reference to the Calculation Amount specified in the applicable Pricing Supplement. The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for calculating such amount) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula).

Where any Interest Period comprises more than one Interest Accrual Period, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated. Where the Specified Denomination comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination specified in the applicable Pricing Supplement.

(c) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price and Special Event Redemption Price

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or Reset Determination Date (as applicable), or such other time on such date as the Calculation Agent may be required to calculate any rate or amount:

(i) obtain any quotation or make any determination or calculation;

(ii) determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period;

(iii) calculate the Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price (as may be provided for in the applicable Pricing Supplement);

(iv) obtain such quotation or make such determination or calculation, as the case may be, and;

(v) cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price, to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in any event no later than (x) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (y) in all other cases, the fourth Business Day after such determination.

Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 10(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee in accordance with these Conditions by way of adjustment) without notice or consent of the Noteholders in the event of an extension or shortening of the Interest Period. If the Notes are not redeemed when due in accordance with Condition 6 (*Redemption, Substitution or Variation, Purchase and Options*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 4 but no publication of the Rate of Interest or the Interest Amount so calculated need be made, unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

5. Deferral of Interest Payments

(a) No default

Notwithstanding any other provision in these Conditions or in the Trust Deed, the deferral of any payment of interest in accordance with this Condition 5 (*Deferral of Interest Payments*) will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes or take any other action under the Notes or the Trust Deed.

It is possible that an Optional Interest Payment Date with respect to Deeply Subordinated Notes may not also constitute an Optional Interest Payment Date with respect to Subordinated Notes, given the relative ranking of these instruments. As a result, payments of interest and settlement of Arrears of Interest may become mandatory on Subordinated Notes without also becoming mandatory on Deeply Subordinated Notes.

(b) Optional Deferral of Interest

If so specified in the applicable Pricing Supplement, the Issuer shall have the option to defer any Interest Payment which would otherwise be payable on any Optional Interest Payment Date in whole but not in part.

If so specified in the applicable Pricing Supplement (but not otherwise), notwithstanding the other provisions of this Condition 5(b) but without prejudice to Condition 5(c), if as at any Optional Interest Payment Date the Relevant Regulator no longer accords any regulatory capital credit to the Notes under the Applicable Regulations, the Issuer will be allowed to exercise its option under this Condition 5(b) to defer the relevant Interest Payment on such Optional Interest Payment Date for a period not exceeding five years (a "**Fixed Term Deferred Interest Payment**").

(c) Solvency Deferral of Interest

On any Solvency Interest Deferral Date, the Issuer shall defer in whole any Interest Payment which would otherwise be payable.

(d) Notice of Deferral

The Issuer shall notify the Trustee, the Issuing and Paying Agent and the Noteholders in writing in accordance with Condition 19 (*Notices*):

(i) not less than 10 Business Days prior to an Interest Payment Date if that Interest Payment Date is an Optional Interest Payment Date in respect of which the Issuer elects to defer interest as provided in Condition 5(b); and

(ii) as soon as reasonably practicable if a Solvency Event has occurred and is continuing or if a Solvency Event would occur on the relevant Interest Payment Date if payment of interest were made, provided that, for the avoidance of doubt, any delay in giving such notice shall not result in such interest becoming due and payable on the relevant Solvency Interest Deferral Date.

On or prior to the delivery of any notice pursuant to Condition 5(d)(ii), the Issuer shall also procure the delivery of a Solvency Payment Deferral Certificate to the Trustee.

(e) Arrears of Interest

(i) *Arrears of Interest*: Any Interest Payment not paid on an Interest Payment Date, together with any other interest on the Notes not paid on any earlier Interest Payment Date, in each case by virtue of this Condition 5 (*Deferral of Interest Payments*), shall, so long as the same remains unpaid, constitute "**Arrears of Interest**". Arrears of Interest shall not themselves bear interest.

(ii) *Conditions to Settlement of Arrears of Interest*: Other than in the circumstances described in Condition 9(c), Arrears of Interest arising pursuant to Condition 5(b) or 5(c) and, for the avoidance of doubt, mandatory payments pursuant to Condition 5(e)(iv), are only due and payable provided that no Solvency Event either (A) has occurred and is continuing on the date such payment would otherwise fall due or (B) would occur as a result of such payment and (C) in either case, the Issuer has obtained the prior written consent therefor of the Relevant Regulator to the extent required at the time, in accordance with Applicable Regulations in order for the Notes to qualify as Relevant Capital.

(iii) *Optional Settlement of Arrears of Interest*: Any Arrears of Interest may be paid at the option of the Issuer in whole or in part, at any time upon the expiry of not less than 15 nor more than 30 days' notice to such effect given by the Issuer to the Trustee and to the Noteholders in accordance with Condition 19 (*Notices*), subject to Condition 5(e)(ii). On or prior to the delivery of any notice pursuant to this Condition 5(e)(iii), the Issuer shall procure the delivery of a Solvency Payment Deferral Certificate to the Trustee.

(iv) *Mandatory Settlement of Arrears of Interest*: Subject to Condition 5(e)(ii), Arrears of Interest will, save as otherwise specified in the applicable Pricing Supplement, automatically become immediately due and payable upon the earliest of the following dates:

(A) the date upon which a dividend is next declared or paid on, or the date of any repurchase or acquisition of, any class of share capital of ZIG (other than an Excepted Event); or

(B) the date of redemption of any Notes pursuant to Condition 6(b), Condition 6(d), Condition 6(e) or Condition 6(f); or

(C) the commencement of the winding-up or dissolution of the Issuer (except for the purposes of or pursuant to and followed by an Approved Liquidation); or

(D) the date upon which the Issuer pays interest on or makes a distribution or other payment (including payment for the purpose of a redemption or repurchase) in relation to any other junior or *pari passu* securities of the Issuer (unless such payment is (i) required to be made pursuant to the terms of such securities or required due to the repayment of the relevant securities or (ii) an Excepted Event); or

(E) in the case of a Fixed Term Deferred Interest Payment only, the fifth anniversary of the Optional Interest Payment Date on which such payment was deferred; or

(F) the next following Interest Payment Date on which the relevant Interest Payment is not deferred in accordance with either Condition 5(b) or 5(c).

6. Redemption, Substitution or Variation, Purchase and Options

(a) No Redemption at the Option of Noteholders

Noteholders have no right to claim for an early redemption of the Notes

(b) Redemption at Maturity

(i) *Maturity Date*: Each Note with a Maturity Date specified in the applicable Pricing Supplement will, subject as provided in Condition 6(b)(ii) below, be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date unless previously redeemed or purchased and cancelled as provided below.

(ii) *Maturity extension upon Solvency Event*: If a Solvency Event has occurred and is continuing on the Maturity Date, or would occur as a result of the redemption of the relevant Notes, the Notes shall not be redeemed on the Maturity Date but will be redeemed by the Issuer promptly following such Solvency Event ceasing to occur (taking into account the relevant redemption) and the giving of not more than 30 nor less than 15 days' notice of such cessation by the Issuer to the Trustee and to Noteholders in accordance with Condition 19 (*Notices*). In this circumstance, references herein to "**Maturity Date**" shall be construed accordingly to refer to such later date of redemption and, for the avoidance of doubt, interest shall continue to accrue (without compounding) as provided in Condition 4(a) on any such Note until such later date of redemption.

On or prior to the delivery of any notice pursuant to this Condition 6(b)(ii), the Issuer shall also procure the delivery of a Solvency Event Certificate to the Trustee.

(c) Conditions to Redemption, Substitution, Variation or Purchase

Any redemption (other than a redemption on the Maturity Date (if any) pursuant to Condition 6(b)), substitution, variation of the Conditions or purchase, of the Notes is subject to the following conditions:

(i) the Issuer having obtained the prior written consent therefor of the Relevant Regulator;

(ii) no Solvency Event having occurred or is continuing and such redemption, substitution, variation or purchase would not itself cause a Solvency Event; and

(iii) in the case of a redemption or purchase that is within five years of the Issue Date of the first Tranche of the Notes, such redemption or purchase is, to the extent then required by the Relevant Regulator in order for the Notes to qualify as at least Future Tier Two Capital under any Future Regulations, funded out of the proceeds of a new issuance of capital instruments of at least the same quality as the Notes.

Prior to the publication of any notice of substitution, variation or redemption pursuant to this Condition 6 (*Redemption, Substitution or Variation, Purchase and Options*) (other than a notice of redemption pursuant to Condition 6(d)), the Issuer shall deliver to the Trustee a Conditions Precedent Certificate.

The Issuer shall give not less than 30 nor more than 60 days' prior notice of any substitution, variation or redemption (other than a redemption on the Maturity Date (if any) pursuant to Condition 6(b)) pursuant to this Condition 6 (*Redemption, Substitution or Variation, Purchase and Options*) to the Trustee, the Issuing and Paying Agent and, in accordance with Condition 19 (*Notices*), the Noteholders (which notice shall, subject to this Condition 6(c), be irrevocable). Upon expiry of such notice, the Issuer shall (subject to this Condition 6(c)) substitute, vary or, as appropriate, redeem the Notes.

(d) Redemption at the Option of the Issuer

If Call Option is specified in the applicable Pricing Supplement as being applicable, the Issuer may, at its option, subject to Condition 6(c), redeem all, but not some only, of the Notes on any Optional Redemption Date specified in the applicable Pricing Supplement. Any such redemption of Notes shall be at their Optional Redemption Amount together with any interest accrued to (but excluding) the date fixed for redemption in accordance with these Conditions and any Arrears of Interest.

(e) Redemption Due to Taxation

If, prior to the giving of the relevant notice of redemption a Tax Event has occurred and is continuing, then the Issuer may, subject to Condition 6(c), redeem the Notes in accordance with these Conditions.

Such redemption may be at any time (if and for so long as this Note is not a Floating Rate Note) or on any Interest Payment Date (if and for so long as this Note is a Floating Rate Note).

The Issuer may redeem all, but not some only, of the Notes at their principal amount, together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions and any Arrears of Interest, provided that no notice of redemption shall be given pursuant to limb (a) in the definition of Tax Event earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay Additional Amounts were a payment in respect of the Notes then due.

(f) Redemption Due to a Special Event or Clean-Up Event

If Accounting Event Call, Rating Agency Event Call, Regulatory Event Call or Clean-Up Event Call is/are specified in the applicable Pricing Supplement as being applicable, the following provisions shall apply.

If one or more of such events occurs and within the Early Event Call Period, the Issuer gives a notice of redemption and if the relevant event is continuing on the date of such notice, then the Issuer may, subject to Condition 6(c) and as further provided below, redeem in accordance with these Conditions all, but not some only, of the Notes.

Such redemption may be at any time or, if and for so long as the Note is a Floating Rate Note, on any Interest Payment Date.

The Issuer shall not have the right to redeem the Notes following an Accounting Event, Clean-Up Event and/or a Rating Agency Event if such right of redemption would cause a Regulatory Event. The Notes will be redeemed at the Special Event Redemption Price or, as appropriate, Clean-Up Redemption Price specified in the applicable Pricing Supplement, together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions and any Arrears of Interest.

(g) Substitution or Variation

If a Tax Event or any Special Event specified in the applicable Pricing Supplement as being applicable occurs and is continuing, then the Issuer may, subject to Condition 6(c) and as provided below (without any requirement for the consent or approval of the Noteholders), (i) substitute at any time all (and not some only) of the Notes for, or (ii) vary the terms of the Notes so that they become, in each case, Qualifying Securities. The Trustee shall (subject to the following provisions of this Condition 6(g)) agree to such substitution or variation.

The Trustee shall use its reasonable endeavours to assist the Issuer in the substitution or variation of the Notes for or into Qualifying Securities provided that the Trustee shall not be obliged to participate or assist in any such substitution or variation of the terms of the securities into which the Notes are to be substituted or are to be varied if such substitution or variation imposes, in the Trustee's sole opinion, more onerous obligations upon it. If the Trustee does not so participate or assist as provided above, the Issuer may, subject as provided above, redeem the Notes as provided above.

In addition to the requirements of Condition 6(c), any substitution or variation is subject to:

(i) the substitution or variation not itself giving rise to a deterioration in any solicited rating of the Notes in effect at such time as confirmed in writing by the Rating Agency/ies; and

(ii) the substitution or variation not triggering any right on the part of the Issuer to redeem the Notes.

In connection with any substitution or variation in accordance with this Condition 6(g), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or admitted to trading.

(h) Purchases

Subject to Condition 6(c) (and in the case of Restricted Notes, subject to Condition 15(b)), the Issuer, ZIG and any of their respective Subsidiaries (as such term is defined in the Trust Deed) for the time being may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise and at any price.

(i) Cancellation

All Notes purchased in accordance with Condition 6(h) by or on behalf of the Issuer, ZIG or any of their respective Subsidiaries may (at the option of the Issuer, ZIG or the relevant Subsidiary) be held, reissued, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so redeemed or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) Trustee Not Obliged to Monitor

The Trustee shall not be under any duty to monitor whether any event or circumstance within this Condition 6 (*Redemption, Substitution or Variation, Purchase and Options*) has happened or exists and will not be responsible to Noteholders for any loss arising from any failure or delay by the Trustee to do so. Unless and until the Trustee has actual knowledge of the occurrence of any event or circumstance within this Condition 6 (*Redemption, Substitution or Variation, Purchase and Options*), it shall be entitled to assume that no such event or circumstance exists.

7. Taxation

(a) Notes other than Restricted Notes

All payments made by or on behalf of the Issuer in respect of Notes other than Restricted Notes will be made subject to and after deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Switzerland or any political subdivision or any authority thereof or therein having power to tax required to be made by law. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.

(b) Restricted Notes

All payments of principal and interest by or on behalf of the Issuer in respect of Restricted Notes shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Switzerland or any political subdivision thereof or any authority therein or thereof having power to tax unless such withholding or deduction is required by law and/or by agreement of the Issuer. If the Issuer or any person acting on its behalf is required by law to make any

such withholding or deduction, the Issuer will pay such additional amounts ("**Additional Amounts**") as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of such Notes, as the case may be, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any such Note:

(i) presented for payment by or on behalf of a Noteholder which is liable to such taxes, duties, assessments or governmental charges in respect of that Note by reason of it having some connection with Switzerland other than the mere holding of the Notes;

(ii) presented for payment more than 30 days after the Relevant Date except to the extent that the relevant Noteholder would have been entitled to payment of an Additional Amount if it had presented its Note for payment on the 30th day after the Relevant Date, on the assumption, if such is not the case, that such last day is a Business Day;

(iii) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments;

(iv) if the payment could have been made to the relevant Noteholder without such withholding or deduction if it were a Qualifying Lender, but on that date that Noteholder is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Noteholder under these Conditions in (or in the interpretation, administration, or application of) any law or double taxation treaty, or any published practice or concession of any relevant taxing authority;

(v) if the payment could have been made without such withholding or deduction if the Noteholders had complied with Conditions 15(a) and 15(b) (if Condition 15(a) is specified in the applicable Pricing Supplement to apply); or

(vi) any combination of items (i) to (v) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on Restricted Notes by or on behalf of ZIC will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither ZIC nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

8. Principal Loss Absorption

(a) Write-Down Event

This Condition 8 (*Principal Loss Absorption*) shall only apply if Write-Down Event is specified in the applicable Pricing Supplement as being applicable.

Notwithstanding any other provisions contained herein:

(i) limb (e) of the definition of "Qualifying Securities" shall be deemed to be deleted in its entirety and replaced with the following: "(e) which contain terms providing for loss absorption through principal write-down that are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer after consulting an investment bank of international standing, and provided that a certification to such effect of two Authorised Officers of the Issuer shall have been delivered to the Trustee prior to the issue of the relevant securities);"; and

(ii) any substitution or variation otherwise in accordance with Condition 6(g) will be subject to such substitution or variation not itself giving rise to a Write-Down Event and/or triggering a Write-Down of the Notes pursuant to this Condition 8 (*Principal Loss Absorption*) and no Write-Down Event having otherwise occurred.

Notwithstanding any other provisions contained herein, if a Write-Down Event occurs:

(i) the claims of any Noteholder in respect of, or arising under, the relevant Notes pursuant to Condition 3(a) in respect of Subordinated Notes and Condition 3(b) in respect of Deeply Subordinated Notes will be subject to, and superseded by, the provisions of this Condition 8 (*Principal Loss Absorption*);

(ii) each Note will cease to bear interest from the Write-Down Date (if any), but without prejudice to any cancellation of such interest in accordance with this Condition 8 (*Principal Loss Absorption*); and

(iii) any redemption pursuant to Condition 6(b) or notice of redemption pursuant to Conditions 6(d), 6(e) and 6(f) shall be subject to the provisions of this Condition 8 (*Principal Loss Absorption*).

(b) Notice of a Write-Down Event

If a Write-Down Event occurs at any time, the Issuer shall, as soon as reasonably practicable, notify the Relevant Regulator and shall, by no later than the seventh calendar day following the occurrence of the Write-Down Event:

(i) give notice (a "**Write-Down Notice**") to the Trustee, the Issuing and Paying Agent and, in accordance with Condition 19 (*Notices*), the Noteholders specifying (x) that a Write-Down Event has occurred and that a Write-Down of the Notes will take place, (y) the date on which the Write-Down Event occurred, and (z) the Write-Down Date; and

(ii) deliver to the Trustee and the Issuing and Paying Agent a certificate (the "**Write-Down Certificate**") signed by two Authorised Officers of the Issuer, stating that a Write-Down Event has occurred and giving details thereof.

The occurrence of a Write-Down Event in accordance with this Condition 8 (*Principal Loss Absorption*) will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes or take any other action under the Notes or the Trust Deed.

(c) Write-Down of the Notes

If the Issuer has validly given the Write-Down Notice and Write-Down Certificate in accordance with Condition 8(b), then on the Write-Down Date the full principal amount of each Note and all accrued but unpaid interest (including any Arrears of Interest) thereon will automatically and permanently be reduced to zero (a "**Write-Down**", and "**Written-Down**" shall be construed accordingly) and the Notes will be cancelled.

Accordingly, as of the Write-Down Date, Noteholders shall not have any rights against the Issuer with respect to: (i) repayment of the principal amount of the Notes or any part thereof, or (ii) the payment of any other amounts arising under or in connection with the Notes.

Once the principal amount of a Note has been Written-Down, it will not be restored under any circumstances, including where the relevant Write-Down Event ceases to continue.

If the Issuer has elected to redeem the Notes pursuant to Condition 6(d), 6(e) or 6(f), but prior to the scheduled redemption date a Write-Down Event occurs, the Notes will not be redeemed but instead will be Written-Down.

9. Remedies

(a) Right to claim for amounts due; no acceleration right

If the Issuer fails to make any payment of principal or interest on the Notes when due, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the Issuer in respect of such unpaid principal or interest provided that the Trustee and the Noteholders have no right to claim or enforce an early redemption of the Notes or institute proceedings for the winding up of the Issuer.

(b) No institution of winding-up proceedings

The Trustee may at its discretion (subject to being indemnified and/or secured and/or pre-funded to its satisfaction) participate in, but not itself institute, any proceedings for the winding-up of the Issuer to enforce the obligations of the Issuer for payment of any principal or interest (including any Arrears of Interest) in respect of the Notes.

In particular, the Trustee and the Noteholders shall not be entitled, and they hereby waive any statutory right conferred on them, to file for the opening of bankruptcy proceedings (*Konkursbegehren*) with respect to the Issuer or other winding-up proceedings or to make other similar filings or motions which, if approved, would lead to a redemption of the Notes.

(c) Claims in a winding-up or dissolution

If, except for the purposes of or pursuant to and followed by an Approved Liquidation, a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer be wound up or dissolved (any such resolution or order, a "**Liquidation Ruling**") the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer that the Notes are immediately due and repayable at an amount equal to the principal amount of such Note, together with any accrued but unpaid interest up to, but excluding, the date of repayment (including any Arrears of Interest).

No payment in respect of the Notes may be made by the Issuer pursuant to this Condition 9(c), nor will the Trustee accept the same, otherwise than during or after the relevant winding-up proceedings.

(d) No right to take action directly against the Issuer

No Noteholder or Couponholder shall be entitled to take any action directly against the Issuer in respect of the Notes unless the Trustee, having become Noteholder Mandated to take such action, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholders shall be entitled to exercise only the same rights against the Issuer as those which the Trustee is entitled to exercise.

(e) Extent of remedy for non-payment

No remedy against the Issuer, other than as referred to in this Condition 9 *(Remedies)*, shall be available to the Trustee or the Noteholders for the recovery of amounts owing in respect of the Notes or under the Trust Deed.

10. Interest Determination and Payment Dates

(a) Fixed Rate Reset Notes – Fallbacks

If Mid-Swap Rate is specified in the applicable Pricing Supplement and on any Reset Determination Date the Reset Rate Screen Page is not available or the Mid-Swap Rate does not appear on the Reset Rate Screen Page (other than in the circumstances provided for in Condition 10(e), the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), all as determined by the Calculation Agent.

If only one of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the Reset Period shall be the sum of such Mid-Market Swap Rate Quotation and the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), all as determined by the Calculation Agent. If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 10(a), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

(b) Floating Rate Notes and Fixed to Floating Rate Notes

(i) Interest Payment Dates

Interest shall be payable in arrear on each Interest Payment Date in the case of a Floating Rate Note and on each Interest Payment Date commencing after the Fixed Rate End Date specified in the applicable Pricing Supplement in the case of a Fixed to Floating Rate Note. The amount of interest payable shall be determined in accordance with Condition 4(b). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, "**Interest Payment Date**" shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Specified Period after the preceding Interest Payment Date or, in the case of the first such Interest Payment Date, after the Interest Commencement Date, in the case of a Floating Rate Note, or after the Fixed Rate End Date, in the case of a Fixed to Floating Rate Note.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each such subsequent date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date

shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes and Fixed to Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes and, from and including the Fixed Rate End Date, Fixed to Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each relevant Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(y) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below and subject to Condition 10(e), be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) or on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(y) If the Relevant Screen Page is not available or if sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(c) If paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the

Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be. If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the rate of interest shall be the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) Linear Interpolation

Where Linear Interpolation is specified in the applicable Pricing Supplement as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Pricing Supplement as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Pricing Supplement as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(c) Maximum Rate of Interest and Final Redemption Amount and Rounding

(i) If any Maximum Rate of Interest or Final Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest or any calculated Interest Amount or Final Redemption Amount shall be subject to such maximum.

(ii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(d) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agent(s) and the required number of Reference Banks if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined in the Trust Deed). The Issuer may, with the prior written approval of the Trustee (not to be unreasonably withheld), from time to time replace any Reference Bank with another leading investment, merchant or commercial bank or financial institution. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price, as the case may be, or to comply with any other requirement of it hereunder, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(e) Benchmark discontinuation

Notwithstanding the provisions in Condition 10(a) and 10(b), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 10(e) shall apply (with effect from 30 days prior to the first date when such determination is necessary).

(i) ***Independent Adviser***

The Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 10(e)(ii) and, in either case, an Adjustment Spread if any (in accordance with Condition 10(e)(iii)) and any Benchmark Amendments (in accordance with Condition 10(e)).

In making such determination, an Independent Adviser appointed pursuant to this Condition 10(e) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 10(e).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 10(e)(i) prior to the relevant Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest applicable to the next succeeding Interest Accrual Period or Reset Period (as applicable) shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period or Reset Period (as applicable). If there has not been a first Interest Payment Date or Reset Note Reset Date (as applicable), the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Reset Margin or Maximum Rate of Interest (as applicable) is to be applied to the relevant Interest Accrual Period or Reset Period (as applicable) from that which applied to the last preceding Interest Accrual Period or Reset Period (as applicable), the Margin or Reset Margin or Maximum Rate of Interest (as applicable) relating to the relevant Interest Accrual Period or Reset Period (as applicable) shall be substituted in place of the Margin or Reset Margin or Maximum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period or Reset Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period or Reset Period (as applicable) only and any subsequent Interest Accrual Periods or Reset Periods (as applicable) are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 10(e)(i).

(ii) ***Successor Rate or Alternative Rate***

If the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that:

(A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the operation of this Condition 10(e)); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the operation of this Condition 10(e)).

(iii) ***Adjustment Spread***

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) ***Benchmark Amendments***

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 10(e) and the Issuer, following consultation with the Independent Adviser and acting in good faith, determines (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 10(e)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Authorised Officers of the Issuer pursuant to Condition 10(e)(v), the Trustee shall (at the direction and expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark

Amendments to the Trust Deed, the Agency Agreement and/or the Conditions (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or protective provisions afforded to it in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 10(e)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 10(e), no Successor Rate, Alternative Rate, Adjustment Spread or, if applicable, rate determined in accordance with the final paragraph of Condition 10(e)(i) will be adopted, nor will any other amendment to the terms and conditions of any Series of Notes be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the relevant Series of Notes as Relevant Capital.

(v) ***Notices, etc.***

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 10(e) or, if applicable, rate determined in accordance with the final paragraph of Condition 10(e)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 19, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Officers of the Issuer:

(a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate or, if applicable, rate determined in accordance with the final paragraph of Condition 10(e)(i) and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 10(e); and

(b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) ***Survival of Original Reference Rate***

Without prejudice to the obligations of the Issuer under Condition 10(e) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 10(a) and 10(b) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 10(e)(v).

(vii) ***Definitions:***

As used in this Condition 10(e):

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)

(ii) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; (or if the Issuer determines that no such spread is customarily applied)

(iii) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the

Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (if the Issuer determines that no such industry standard is recognised or acknowledged)

(iv) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines in accordance with Condition 10(e)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 10(e)(iv).

"**Benchmark Event**" means:

(1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or

(2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(3) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally or in respect of the Notes; or

(5) an official announcement by the supervisor of the administrator of the Original Reference Rate, with effect from a date after 31 December 2021, that the Original Reference Rate is no longer representative of its relevant underlying market; or

(6) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (2), (3) and (4), the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer (at its own expense) under Condition 10(e)(i).

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any relevant component part(s) thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

11. Payments

(a) Appointment of Agents

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. Subject as provided in the Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the

Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent in Continental Europe, and (vi) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent and Transfer Agent (in relation to Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 11(d).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).

Notwithstanding the foregoing, the Issuer will in respect of any Listed Swiss Franc Notes at all times maintain a Principal Swiss Paying Agent having a specified office in Switzerland and will at no time maintain a Paying Agent having a specified office outside Switzerland, unless permitted by applicable law.

(b) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons (in the case of interest, save as specified in Condition 11(h)(i)), as the case may be, at the specified office of any Paying Agent outside the U.S. (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) by transfer to an account denominated in such currency with, a Bank. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System or, in the case of New Zealand dollars, shall be Auckland.

(c) Registered Notes

(i) Payments of principal in respect of Registered Notes shall be made against surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in sub-paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the Record Date. Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank the details of which are given to the Registrar or any Transfer Agent before the Record Date.

(d) Payments in the U.S.

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the U.S. with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by U.S. law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(e) Payments subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or its agents) and the Issuer will not be liable to pay any additional amount in respect of taxes or duties of whatever nature imposed or levied by or pursuant to such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 7 (*Taxation*). No commission or expenses shall be charged to the Noteholders in respect of such payments.

(f) Non-Business Days

If any date for payment in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Additional Financial Centres" in the applicable Pricing Supplement and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day.

(g) Payments on Listed Swiss Franc Notes

The receipt in full by the Principal Swiss Paying Agent specified in the applicable Pricing Supplement of each payment of principal and/or interest then due in respect of any Listed Swiss Franc Notes at the time and in the manner specified in the agency agreement appointing the Principal Swiss Paying Agent shall (except to the extent that such payment is avoided or set aside for any reason) satisfy the obligation of the Issuer under such Notes to make such payment on such date and shall (except as aforesaid) release it from all further obligations in respect of such payment.

(h) Special Provisions relating to Coupons and Talons

(i) If the Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Bearer Notes provide that relevant unmatured Coupons shall become void upon the due date for redemption of those Notes and where such Notes are presented for redemption without all unmatured Coupons or any unexchanged Talon relating to such Note, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 20 (*Prescription*)).

12. Meetings of Noteholders, Modification and Waiver

(a) Single Noteholder

In relation to any Series of Restricted Notes held by a Single Noteholder, the meeting, quorum and voting provisions of Condition 12(b) and the modification provisions of Condition 12(c) shall not apply. Instead, only those amendments, waivers or variations of the Notes or the Trust Deed agreed in writing by the Single Noteholder and the parties to the Trust Deed will be made.

A "**Single Noteholder**" means a sole Noteholder, who has certified to the Trustee (in a manner and form satisfactory to the Trustee) that it is the sole Noteholder of the Notes of that Series and is not holding such Notes as a depositary for, or nominee of, Euroclear or Clearstream.

(b) Meetings of Noteholders

(i) The provisions of Articles 1157-1186 of the Swiss Code of Obligations will apply to all meetings of holders of Listed Swiss Franc Notes and other Notes issued by way of a public offering within the meaning of Article 1157 of the Swiss Code of Obligations.

(ii) In relation to any Notes other than those falling within Condition 12(a) or Condition 12(b)(i), the Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Trustee or at the request of Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons holding or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts or Arrears of Interest on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest or Arrears of Interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Maximum Rate of Interest is shown in the applicable Pricing Supplement, to reduce any such Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Optional Redemption Amount, the Clean-Up Redemption Price, or the Special Event Redemption Price, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, or (viii) to modify Conditions 3 (*Status*), 5 (*Deferral of Interest Payments*) or 6 (*Redemption, Substitution or Variation, Purchase and Options*), in which case the necessary quorum shall be one

or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in principal amount of the Notes for the time being outstanding. The agreement or approval of the Noteholders shall not be required in the case of any variation of these Conditions and/or the Trust Deed required to be made in the circumstances described in Condition 6(g) in connection with the substitution or variation of the Notes so that they remain or become Qualifying Securities, and to which the Trustee has agreed pursuant to the relevant provisions of Condition 6(g). Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).

The consent or approval of the Noteholders will not be required for any Benchmark Amendments made pursuant to Condition 10(e).

The Trust Deed provides that a written resolution signed by or on behalf of the Noteholders of not less than 75 per cent. in principal amount of Notes outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

(c) Modification of the Trust Deed or Agency Agreement

The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Trust Deed or the Agency Agreement that is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions and the provisions of the Trust Deed or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 19 (*Notices*) as soon as practicable.

In addition, the Trustee shall be obliged to effect such modification to the Trust Deed, the Agency Agreement and/or the Conditions as may be required in order to give effect to Condition 10(e) in connection with effecting any Benchmark Amendments, subject to the provisions thereof, without the requirement for the consent of the Noteholders.

13. Issuer Substitution

The Trust Deed contains provisions permitting the Trustee to agree, without the consent of the Noteholders, to the substitution of any entity (the "**Substitute Obligor**") in place of the Issuer (or of any previous substitute under this Condition 13 (*Issuer Substitution*)) as the principal debtor under the Trust Deed, the Agency Agreement and the Notes provided that:

(i) a trust deed is executed or some other form of undertaking is given by the Substitute Obligor to the Trustee, in form and manner satisfactory to the Trustee, under which such Substitute Obligor agrees to be bound by the terms of these presents (with any consequential amendments which the Trustee may deem appropriate) as fully as if the Substitute Obligor had been named in these presents as the principal debtor in place of the Issuer;

(ii) where the Substitute Obligor is subject generally to the taxing jurisdiction of any territory or any authority of or in that territory having power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the "**Issuer's Territory**"), the Substitute Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 7 (*Taxation*) with the substitution for the references in that Condition to the Issuer's Territory of references to the Substituted Territory and in such event the Notes and Trust Deed will be read accordingly;

(iii) any two Authorised Officers of the Substitute Obligor certify on behalf of the Substitute Obligor that it will be solvent immediately after such substitution; in such event the Trustee need not have regard to the financial condition, profits or prospects of the Substitute Obligor or compare them with those of the Issuer;

(iv) the Issuer and the Substitute Obligor comply with such other requirements (including the giving of a guarantee (on a subordinated basis equivalent to that referred to in Condition 3(a) in the case of Subordinated Notes, or Condition 3(b), in the case of Deeply Subordinated Notes) in form and substance satisfactory to the Trustee as the Trustee may direct in the interests of the Noteholders;

(v) the Trustee is provided with legal opinions to its satisfaction confirming, *inter alia*, that the Notes, the Trust Deed, the Agency Agreement and, if applicable, the undertaking referred to in paragraph (i) (in each case, as amended) above are legal, valid, binding and enforceable obligations of the Substitute Obligor.

In connection with any such substitution in accordance with this Condition 13 (*Issuer Substitution*), references in the definition "Tax Law Change" to Switzerland shall be deemed to refer to any jurisdiction in respect of which any undertaking or covenant equivalent to that in Condition 7 (*Taxation*) is given pursuant to the Trust Deed, (except that as

regards such jurisdiction the words "becomes effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series" in the definition "Tax Law Change" shall be replaced with the words "becomes effective after, and has not been announced on or before, the date on which any undertaking or covenant equivalent to that in Condition 7 (*Taxation*) was given pursuant to the Trust Deed").

Any substitution pursuant to this Condition 13 *(Issuer Substitution)* shall be, if so required, subject to notification thereof to, and consent therefor from, the Relevant Regulator. Any such agreement by the Trustee pursuant to this Condition 13 (*Issuer Substitution*) will, if so expressed and save as set out in these Conditions, operate to release the Issuer from any or all of its obligations under the Notes.

14. The Trustee

In connection with the exercise of its functions (including but not limited to those referred to in Condition 12 (*Meetings of Noteholders, Modification and Waiver*)) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Any Solvency Payment Deferral Certificate, Solvency Event Certificate, Conditions Precedent Certificate, Write Down Certificate and any other opinion, certificate or written confirmation as contemplated in the definition of, as appropriate, Accounting Event, Clean-Up Event or Tax Event or otherwise given pursuant to these Conditions or the Trust Deed shall be treated and accepted by the Trustee (and in such circumstances, shall be so treated and accepted by the Noteholders and all other interested parties) as correct and sufficient evidence of those matters/conditions required to be confirmed and/or satisfied, in which event it shall be conclusive and binding on the Trustee, Noteholders and all other interested parties. The Trustee shall be entitled to rely on any such certificate, opinion or written confirmation without further enquiry and without liability to any person.

Neither the Trustee nor the Agents shall have any responsibility for, or liability or obligations in respect of, any loss, claim or demand incurred as a result of or in connection with any non-payment, cancellation or reduction of principal, interest or other amounts or any claims in respect thereof by reason of the occurrence of a Write-Down Event (if applicable).

For the avoidance of doubt, notwithstanding the occurrence of a Write-Down Event (if applicable), nothing in these Conditions shall affect or prejudice the payments of the costs, charges, expenses, liabilities or remuneration of the Trustee or the Agents or the rights and remedies of the Trustee or the Agents in respect thereof.

15. Restricted Notes

(a) Restrictions on Transfer of Restricted Notes

(i) If the Notes are specified in the applicable Pricing Supplement as Restricted Notes (but not otherwise), the provisions of this Condition 15(a) shall apply and the Restricted Notes will be issued as Registered Notes and may only be assigned or transferred, including upon an enforcement of a security (a "**Transfer**" and "**Transferred**" shall be construed accordingly):

(a) in whole or in part, if the Transfer is to a Qualifying Bank; or

(b) in whole, but not in part (except for parts of Restricted Notes held by Qualifying Banks at the time), if the Transfer is to a Permitted Non-Qualifying Lender,

provided that no Transfer under this Condition 15(a) may result in more Permitted Non-Qualifying Lenders being Noteholders than as specified in the applicable Pricing Supplement.

The Restricted Notes will bear a legend setting out the applicable transfer restrictions provided for in this Condition 15(a).

(ii) A Noteholder may at any time require that the Issuer replaces such Noteholder's Certificate(s) representing the Restricted Notes with Certificates in minimum denominations equal to the Restricted Note Minimum Denomination Amount specified in the applicable Pricing Supplement.

(iii) Restricted Notes may only be Transferred in amounts equal to the Restricted Note Transfer Amount specified in the applicable Pricing Supplement.

(iv) Any Transfer of a Restricted Note shall be recorded by the Registrar in the Register on production of:

(a) the relevant Certificate representing the Restricted Note and certification delivered to the Registrar by the transferee to the effect that it is either a Qualifying Bank or a Permitted Non-Qualifying Lender; and

(b) such other evidence as the Issuer may require.

Any Transfer of a Restricted Note shall only be effective and shall only be recorded by the Registrar in the Register if such Restricted Note is transferred in accordance with this Condition 15(a).

(v) Subject to this Condition 15(a), no Noteholder shall at any time enter into any arrangement with another person under which such Noteholder transfers all or part of its interest in the Restricted Notes to that other person, unless under such arrangement throughout the life of such arrangement:

(a) the relationship between the Noteholder and that other person is that of debtor and creditor (including in the bankruptcy or similar event of that Noteholder or the Issuer);

(b) the other person will have no proprietary interest in the benefit of the Restricted Notes or in any monies received by the Noteholder under or in relation to the Restricted Notes held by that Noteholder; and

(c) the other person will under no circumstances (other than by way of permitted Transfer under this Condition 15(a)) be subrogated to, or substituted in respect of, the Noteholder's claims under its Restricted Notes and otherwise have a contractual relationship with, or rights against, the Issuer under or in relation to, the Restricted Notes.

The granting of security in accordance with Condition 15(b) is deemed not to constitute a Transfer of an interest under the Restricted Notes for the purposes of this Condition 15(a).

(vi) For so long as Restricted Notes are outstanding, the Issuer will ensure that it is in compliance with the Non-Bank Rules, provided that the Issuer will not be in breach of this undertaking if either of the Non-Bank Rules are exceeded solely by the failure by one or more Noteholders to comply with the limitations set out in this Condition 15(a) or in Condition 15(b).

(b) Grants of Security

If the Notes are specified in the applicable Pricing Supplement as Restricted Notes (but not otherwise), the provisions of this Condition 15(b) shall apply. Any Noteholder may, without the consent of the Issuer, at any time charge or create a security interest in all or any portion of its rights under any Restricted Notes to secure obligations of such Noteholder; provided that:

(i) no such charge or creation of a security interest shall:

(a) substitute any such chargee or holder of the benefit of such security interest for such Noteholder as Noteholder except in accordance with the provisions of Condition 15(a); or

(b) require any payments to be made by the Issuer other than as required by the Restricted Notes. A copy of any notice of charge or creation of security interest as envisaged in this paragraph shall be delivered to the Issuing and Paying Agent and the Issuing and Paying Agent shall not be obliged to take any action in regard to such notice; and

(ii) such charge or security interest shall in each case provide that on any assignment or transfer of the interest in the Restricted Notes or enforcement of such charge or security interest, any resulting assignment or transfer shall be in accordance with Condition 15(a); and

(iii) the Noteholder promptly notifies the Registrar of any such charge or security interest and the secured party's identity and status by delivering to the Registrar a notification to such effect.

16. Transfers of Registered Notes

(a) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer (as set out in Schedule 2 to the Trust Deed) endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(b) Regulations

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement and, in the case of Restricted Notes, Condition 15 (*Restricted Notes*). The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 16(a) or 16(b) shall be available for delivery within three Business Days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the Noteholder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Noteholder entitled to the new Certificate to such address as may be so specified, unless such Noteholder requests otherwise and pays in advance to the Registrar or relevant Transfer Agent (as applicable) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 16(c), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) Transfer Free of Charge

Transfer of Notes and Certificates shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges by the person submitting such Notes or Certificates that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date or (v) during the period following delivery of a notice of payment of Arrears of Interest in accordance with Condition 5 (*Deferral of Payments*) and Condition 19 (*Notices*) and ending on the date referred to in such notice as having been fixed for such payment of Arrears of Interest.

17. Replacement of Notes, Certificates, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent, in the case of a Bearer Note or Coupon, or the Registrar, in the case of Certificates, or any other place approved by the Trustee of which notice shall have been published in accordance with Condition 19 (*Notices*), upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

18. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the issue date, the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. Notices

All notices required to be given regarding the Notes pursuant to the Conditions will be valid if published through the electronic communication system of Bloomberg and on the Issuer's website; for so long as such Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) in Luxembourg.

In the case of Listed Swiss Franc Notes, all notices shall be published on the internet site of SIX Swiss Exchange (where notices are currently published under the address *www.six-group.com/exchanges/news/official_notices/* or otherwise in accordance with the regulations of SIX Swiss Exchange.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange, listing authority and/or quotation system by which the Notes are for the time being admitted to listing, trading and/or quotation.

Any such notice will be deemed to have been given on the date of the first publication. If publication as provided above is not practicable (i) notices relating to Bearer Notes will be given by publication in a newspaper of general circulation in London (which is expected to be the Financial Times) and (ii) notices to holders of Registered Notes will be valid if sent by first-class mail or (if posted to an overseas address) by air-mail to their registered addresses appearing on the Register. Any such notice in respect of (i) above shall be deemed to have been given on the date of the first publication and in respect of (ii) above shall be deemed to have been given on the fourth day after the day on which it is mailed.

20. Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

21. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

22. Governing Law

(a) The Trust Deed (other than the provisions therein relating to subordination, which shall be governed by, and construed in accordance with, the laws of Switzerland), the Notes (other than Condition 3, which shall be governed by, and construed in accordance with, the laws of Switzerland) and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) The Issuer has agreed in the Trust Deed, for the exclusive benefit of the Trustee and the Noteholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes may be brought in such courts.

(c) The Issuer has irrevocably waived in the Trust Deed any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any court referred to in paragraph (b) above or paragraph (d) below or that any such court is an inconvenient forum.

(d) Nothing contained in this Condition 22 *(Governing Law)* shall limit any right of the Trustee or the Noteholders to take Proceedings against the Issuer in any other court of competent jurisdiction in Switzerland (but not elsewhere), nor shall the taking of Proceedings in England preclude the taking of Proceedings in Switzerland (or vice versa), whether concurrently or not.

(e) The Issuer has appointed Zurich Insurance plc, UK branch at its registered office for the time being as its agent for service of process in respect of any Proceedings in England and has undertaken in the Trust Deed that, in the event of Zurich Insurance plc, UK branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings in England. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(f) In respect of Listed Swiss Franc Notes only, the Issuer and the Trustee have agreed in the Trust Deed for the benefit of the Noteholders to the additional jurisdiction of the courts of the City of Zurich, venue Zurich 1.

23. Definitions and Interpretation

(a) General definitions

"**Accounting Event**" means that an opinion of a recognised accounting firm has been delivered to the Issuer or ZIG, stating that obligations of the Issuer in respect of the Notes must not, or must no longer be, recorded under the Initial Accounting Treatment Methodology specified in the applicable Pricing Supplement (either "liabilities" or "equity"), (being the presentation of the Notes under IFRS as at the Issue Date) on the balance sheet of ZIG published in its annual consolidated financial statements pursuant to IFRS and this cannot be avoided by the Issuer or, as the case may be, ZIG taking such reasonable measures as the Issuer or ZIG (acting in good faith) deems appropriate and, prior to the publication of any notice of substitution, variation or redemption pursuant to Condition 6 (Redemption, Substitution or Variation, Purchase and Options) by reason of such event, the delivery by the Issuer to the Trustee of such opinion;

"**Additional Amounts**" has the meaning given to it in Condition 7 (*Taxation*);

"**Agents**" means the Issuing and Paying Agent, Paying Agents, Calculation Agent, Transfer Agent and Registrar;

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity;

"**Applicable Regulations**" means, at any time, the solvency margin, regulatory capital requirements or capital adequacy regulations applicable to the Issuer and/or the Zurich Insurance Group at such time including, but not limited to, such insurance regulatory law (for group solvency or single solvency and/or financial conglomerate purposes, as applicable) and/or applicable generally recognised administrative practice, if any, of the Relevant Regulator and shall include, once introduced and so long as applicable, any Future Regulations;

"**Approved Liquidation**" means a consolidation, amalgamation, merger or reconstruction or voluntary liquidation or dissolution of the Issuer, the terms of which shall have previously been approved in writing by the Trustee or by an Extraordinary Resolution of Noteholders;

"**Arrears of Interest**" has the meaning given to it in Condition 5 (*Deferral of Payments*);

"**Assets**" means, in relation to ZIC, ZIC's consolidated total assets and, in relation to the Zurich Insurance Group, ZIG's consolidated total assets, each as shown in its respective latest annual audited balance sheets, but adjusted for all subsequent events, as reasonably determined by ZIC or ZIG, as the case may be, or (in the event of a liquidation) the relevant liquidator;

"**Authorised Officer**" means any Director or other duly authorised executive of the Issuer and/or ZIG, as applicable;

"**Bank**" has the meaning given to it in Condition 11(b);

"**Bearer Note**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Benchmark Frequency**" has the meaning given to it in the applicable Pricing Supplement;

"**Certificate**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Clean-Up Event**" means (i) the redemption and/or purchase and cancellation of any Notes which, when aggregated with any Notes previously redeemed and/or purchased and cancelled, results in the total principal amount of such Notes which have been previously redeemed and/or purchased and cancelled exceeding the Clean-Up Threshold and (ii) the delivery of a certificate signed by two Authorised Officers of the Issuer to the Trustee confirming the same;

"**Clean-Up Threshold**" means the Clean-Up Threshold Percentage specified in the applicable Pricing Supplement times the principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 18 (*Further Issues*));

"**Clearstream**" means Clearstream Banking S.A.;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended;

"**Conditions Precedent Certificate**" means a certificate signed by two Authorised Officers of the Issuer stating that (x) the relevant conditions precedent to the right of the Issuer to redeem, substitute or, as appropriate, vary, including the conditions set out in Condition 6(c), are satisfied and (y) in the case of a substitution or variation, that the terms of the relevant Qualifying Securities comply with the definition thereof in Condition 23 (*Definitions and Interpretations*);

"**Early Event Call Period**" means the period from (and including) the date of the occurrence of a Special Event or Clean-Up Event, as applicable, to (and including) the date which is the later of (i) the first anniversary of such occurrence (or such shorter or longer period as may be set out in the applicable Pricing Supplement) and (ii) having sought such consent within such period, the date on which written consent of the Relevant Regulator is obtained for the giving of such notice and redemption;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Eurozone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended;

"**Excepted Event**" means one or more of the following events:

(a) repurchases, redemptions or other acquisitions of ZIG's ordinary shares in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of one or more employees, officers, directors or consultants, in connection with a dividend reinvestment or shareholder stock purchase plan or in connection with the issuance of ZIG's ordinary shares (or securities convertible into or exercisable for ZIG's ordinary shares) as consideration in an acquisition transaction entered into prior to the applicable deferral period;

(b) as a result of any exchange or conversion of any class or series of ZIG's ordinary shares (or any capital stock of any of its subsidiaries) for any class or series of common stock or of any class or series of its indebtedness (or for the indebtedness of any of its subsidiaries);

(c) the aggregate amount of Junior and Pari Passu Payments during the six month period ending on the relevant Interest Payment Date does not exceed US$10,000,000 (or its equivalent);

(d) any declaration of a dividend in connection with any shareholders' rights plan, or the issuance of rights, stock or other property under any shareholders' rights plan, or the redemption or repurchase of rights pursuant thereto;

(e) any dividend or distribution in the form of stock, warrants, options or other rights where the dividend stock or the stock issuable upon exercise of such warrants, options or other rights is the same stock as that on which the dividend is being paid or ranks *pari passu* with or junior to such stock; or

(f) payments of interest on any Notes and any other obligations which rank *pari passu* with:

(i) if this is a Subordinated Note, the Subordinated Notes; or

(ii) if this is a Deeply Subordinated Note, the Deeply Subordinated Notes,

in each case, rateably and in proportion to the respective amounts as at such Interest Payment Date of (y) accrued and unpaid interest on such other obligations, on the one hand, and (z) if applicable, Arrears of Interest and any other accrued and unpaid interest on the Notes, on the other hand;

"**FATCA Withholding**" has the meaning given to it in Condition 11(e);

"**FINMA**" means the Swiss Financial Market Supervisory Authority FINMA in Switzerland;

"**First Reset Rate of Interest**" means the rate of interest determined by the Calculation Agent pursuant to Conditions 4(a) and 10(a) on the first Reset Determination Date as the sum of the relevant Reset Rate plus the applicable Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent));

"**Fixed Rate End Date**" means the date specified as such in the applicable Pricing Supplement;

"**Fixed Term Deferred Interest Payment**" has the meaning given to it in Condition 5(b);

"**Future Regulations**" means the solvency margin, regulatory capital or capital adequacy regulations (if any) which may be introduced in Switzerland (or if ZIC and/or ZIG becomes domiciled for regulatory purposes in a jurisdiction other than Switzerland, such other jurisdiction) and which are applicable to the Issuer and/or Zurich Insurance Group, which would set out the requirements to be satisfied by financial instruments in order that they be eligible to be included in Tier Two (or equivalent) own funds regulatory capital ("**Future Tier Two Capital**");

"**Guidelines**" means, together, the guideline "Interbank Loans" of 22 September 1986 (S-02.123) (*Merkblatt "Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben*)" *vom 22. September 1986*); the guideline "Bonds" of April 1999 (S 02.122.1) (*Merkblatt "Obligationen" vom April 1999*); the guideline "Syndicated Loans" of January 2000 (S-02.128) (*Merkblatt "Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen" vom January 2000*); the circular letter No. 15 (1-015-DVS-2017) of 3 October 2017 in relation to bonds and derivative financial instruments as subject matter of Swiss federal income tax, Swiss federal withholding tax and Swiss federal stamp taxes (*Kreisschreiben Nr. 15 "Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben" vom 3. Oktober 2017*); the circular letter "Deposits" of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Kundenguthaben vom 26. Juli 2011*) and the notification "Withholding Tax: Intragroup Balances*"* of 5 February 2019 (010-DVS-2019) (*Mitteilung-010-DVS-2019 vom 5. Februar 2019 - Verrechnungssteuer: Guthaben im Konzern*), each as issued, and as amended from time to time, by the Swiss federal tax authorities;

"**holder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Initial Rate of Interest**" means the initial rate of interest per annum specified as such in the applicable Pricing Supplement;

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

"**Interest Amount**" means, in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, Fixed Rate Reset Notes, and, prior to the Fixed Rate End Date, Fixed to Floating Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and, in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Pricing Supplement;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified: (i) the first day of such Interest Accrual Period if the Specified Currency is sterling or (ii) the second Business Day in London prior to the first day of such Interest Accrual Period if the Specified Currency is neither sterling nor euro or (iii) the second TARGET Business Day prior to the first day of such Interest Accrual Period if the Specified Currency is euro;

"**Interest Payment**" means, with respect to an Interest Payment Date, the interest scheduled to be paid on such Interest Payment Date in accordance with these Conditions;

"**Interest Payment Date**" has the meaning given to it in Condition 10(b);

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"**ISDA Definitions**" means the 2006 ISDA Definitions as amended or supplemented, as published by the International Swaps and Derivatives Association, Inc. unless otherwise specified in the applicable Pricing Supplement;

"**ISO**" means the Ordinance on the Supervision of Private Insurance Companies (*Verordnung über die Beaufsichtigung von privaten Versicherungsunternehmen — AVO*) of 9 November 2005, as amended;

"Junior and Pari Passu Payments*"* has the meaning given to it in the definition of "Optional Interest Payment Date";

"**Junior Instruments**" for the purposes of the Subordinated Notes has the meaning given to it in Condition 3(a) and for the purposes of the Deeply Subordinated Notes has the meaning given to it in Condition 3(b);

"**Liabilities**" means, in relation to ZIC, ZIC's consolidated total liabilities and, in relation to the Zurich Insurance Group, ZIG's consolidated total liabilities, each as shown in its respective latest annual audited balance sheets, but adjusted for all subsequent events, as reasonably determined by ZIC or ZIG, as the case may be, or (in the event of a liquidation) the relevant liquidator;

"**Liquidation Ruling**" has the meaning given to it in Clause 9(c);

"**Margin**" means the Margin specified in the applicable Pricing Supplement and shall include, with effect from the Margin Step-Up Date(s) specified in the applicable Pricing Supplement (if any), the relevant Step-Up Margin(s) specified in the applicable Pricing Supplement;

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date, either:

(a) if Single Mid-Swap Rate is specified in the applicable Pricing Supplement as being applicable, the rate for swaps in the Specified Currency:

  (i) with a term equal to the relevant Reset Period; and

  (ii) commencing on the relevant Reset Note Reset Date, which appears on the Reset Rate Screen Page; or

(b) if Mean Mid-Swap Rate is specified in the applicable Pricing Supplement as being applicable, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

  (i) with a term equal to the relevant Reset Period; and

  (ii) commencing on the relevant Reset Note Reset Date, which appear on the Reset Rate Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Non-Bank Rules**" means the Ten Non-Bank Rule and the Twenty Non-Bank Rule;

"**Noteholder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Noteholder Mandated**" means, in relation to the taking of any applicable action by the Trustee, the Trustee has been so requested in writing by the Noteholders of not less than 25 per cent. in principal amount of the Notes then outstanding or has been so directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders (in each case, subject to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction);

"**Optional Interest Payment Date**" means any Interest Payment Date in respect of which during the six month period ending thereon (a) no dividend has been declared or paid on any class of share capital of ZIG; (b) no repurchase or

acquisition of any class of share capital of ZIG has been made; and (c) no interest, distribution or other payments (including payment for the purpose of a redemption or repurchase) have been made (i) on any securities issued (or guaranteed) by ZIC and the claims in respect of such securities (or, as applicable, guarantee) rank junior to, or *pari passu* with, the claims of holders of the Subordinated Notes, if this is a Subordinated Note, or Deeply Subordinated Notes, if this is a Deeply Subordinated Note; or (ii) on any securities issued or guaranteed by ZIG (any such payments in (a), (b) and (c) together, "**Junior and Pari Passu Payments**") (provided at the relevant time the existence of this requirement (c) does not cause a Regulatory Event); (unless, in each case, such payment was (i) required to be made pursuant to the terms of such securities or required due to the repayment of such securities or (ii) an Excepted Event);

"**Pari Passu Instruments**" for the purposes of the Subordinated Notes has the meaning given to it in Condition 3(a) and for the purposes of the Deeply Subordinated Notes has the meaning given to it in Condition 3(b);

"**Permitted Non-Qualifying Lender**" means, in respect of a Series of Restricted Notes, a person or entity which is not a Qualifying Bank on the date it becomes a Noteholder and:

(a) is initially a Permitted Non-Qualifying Lender (if any) specified thereon (for so long as that Permitted Non-Qualifying Lender continues to be a Noteholder in accordance with these Conditions); or

(b) is a successor of an initial Permitted Non-Qualifying Lender, or any subsequent successor thereof, by way of Transfer (as defined in Condition 15(a)) of all but not some only the Restricted Notes held by such initial Permitted Non-Qualifying Lender, or such subsequent successor thereof (for so long as that successor continues to be a Noteholder in accordance with the Conditions), which:

(i) has prior to its becoming a Noteholder, satisfied all obligations to be fulfilled by a proposed Permitted Non-Qualifying Lender in accordance with Condition 15(a)), provided that:

(A) within ten Business Days of notification to it by the existing Permitted Non-Qualifying Lender of the identity of such proposed Permitted Non-Qualifying Lender, the Issuer may, as a condition precedent to such proposed Permitted Non-Qualifying Lender becoming a Noteholder:

(a) request from that proposed Permitted Non-Qualifying Lender a confirmation that it has disclosed to the Issuer all facts relevant to the determination as to whether it would be a Permitted Non-Qualifying Lender and would constitute one person only for purposes of the Non-Bank Rules; and

(b) irrespective of whether a request is made in accordance with paragraph (i)(A)(a) above, request from that proposed Permitted Non-Qualifying Lender a tax ruling of the Swiss Federal Tax Administration (at the cost of the existing Permitted Non-Qualifying Lender or the proposed Permitted Non-Qualifying Lender), confirming to the Issuer's satisfaction that such proposed Permitted Non-Qualifying Lender does constitute one person only for purposes of the Non-Bank Rules; and

(B) the Issuer, acting reasonably, shall confirm within ten Business Days of notification of all facts (if a request in accordance with paragraph (i)(A)(a) above has been made) or receipt of a tax ruling (if a request in accordance with paragraph (i)(A)(b) above has been made) whether or not such disclosure, or such tax ruling, as the case may be, is satisfactory and, in the absence of such confirmation, the Issuer shall be deemed to have confirmed such disclosure, or such tax ruling, as the case may be, is so satisfactory on the tenth Business Day after receipt hereof or thereof; and

(ii) has, simultaneously with becoming a Noteholder, succeeded the existing Permitted Non-Qualifying Lender as "Permitted Non-Qualifying Lender" under all, but not some only, Restricted Notes of the respective Series, and under any and all other existing or future Series of Restricted Notes, as the case may be, or similar instruments, between the Issuer and the existing Permitted Non-Qualifying Lender (or any successor thereof);

"**Permitted Non-Qualifying Lenders**" means in respect of a Series of Restricted Notes the number of Permitted Non-Qualifying Lenders specified in the applicable Pricing Supplement;

"**Qualifying Bank**" means a person or entity which (a) effectively conducts banking activities with its own infrastructure and staff as its principal business purpose and which has a banking licence in full force and effect issued in accordance with the banking laws in force in its jurisdiction of incorporation, or if acting through a branch, issued in accordance with the banking laws in the jurisdiction of such branch and (b) is organised under the laws of a country which is a member of the Organisation for Economic Co-operation and Development (OECD);

"**Qualifying Lender**" means a Noteholder which is a Qualifying Bank or a Permitted Non-Qualifying Lender;

"**Qualifying Securities**" means securities:

(a) having terms (including terms providing for deferral of payment of interest and/or principal and which preserve any existing rights under these Conditions to any accrued interest, Arrears of Interest and any other amounts which have not been paid) that are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer after consulting an independent investment bank of international standing, and provided that a certification to such effect of two Authorised Officers of the Issuer shall have been delivered to the Trustee prior to the issue of the relevant securities); and

(b) issued by the Issuer or issued by another member of the Zurich Insurance Group with a guarantee by the Issuer such that investors have the same material rights and claims as provided by the Notes (as reasonably determined by the Issuer, and provided that a certification to such effect of two Authorised Officers of the Issuer shall have been delivered to the Trustee prior to the issue of the relevant securities); and

(c) ranking at least equal to the Notes and featuring the same principal amount, interest rate (including applicable margins and step-up), Interest Payment Dates and Optional Redemption Dates as the Notes; and

(d) containing terms which preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of and amounts payable on, such redemption; and

(e) which do not contain any terms providing for loss absorption through principal write-down or conversion to ordinary shares; and

(f) listed on an internationally recognised stock exchange, if the Notes were listed prior to such substitution or variation; and

(g) in the case of a substitution or variation as a result of a Rating Agency Event, which are assigned substantially the same equity content, or at the absolute discretion of the Issuer a lower equity content (provided such equity content is still higher than the equity content assigned to the Notes after the occurrence of the Rating Agency Event), than was assigned by the Rating Agency/ies to the Notes on or around the Issue Date and provided that a certification to such effect of two Authorised Officers of the Issuer shall have been delivered to the Trustee prior to the issue of the relevant securities;

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions of the applicable Pricing Supplement;

"**Rating Agency/ies**" means, at any time, the rating organisation(s) who have, at the request of the Issuer, given published ratings of the Notes at such time;

"**Rating Agency Event**" means a change by any Rating Agency to its equity credit criteria, or the interpretation or application thereof, for securities such as the Notes, as such criteria are in effect on the Issue Date (the "**current criteria**"), which results in a lower equity credit being given to the Notes as of the date of such change by such Rating Agency as compared with the equity credit assigned to the Notes pursuant to its current criteria and, prior to the publication of any notice of substitution, variation or redemption pursuant to Condition 6 *(Redemption, Substitution or Variation, Purchase and Options)* by reason of such event;

"**Record Date**" means, in respect of any payment due on the Notes, the fifteenth day before the due date for payment thereof;

"**Reference Banks**", (i) in the case of Floating Rate Notes and Fixed to Floating Rate Notes, has the meaning specified in the applicable Pricing Supplement or, if none, four major banks selected by the Issuer in the market that is most closely connected with the applicable Reference Rate; (ii) in the case of a Mid-Swap Rate, has the meaning specified in the applicable Pricing Supplement or, if none, four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer acting on the advice of an investment bank of international repute and (iii) in the case of a Benchmark Gilt Rate, four brokers of gilts and/or gilt-edged market makers selected by the Issuer acting on the advice of an investment bank of international repute;

"**Reference Rate**" means LIBOR, EURIBOR or as otherwise specified in the applicable Pricing Supplement, in each case for the relevant period, as specified in the applicable Pricing Supplement;

"**Register**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Registered Note**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Regulatory Event**" means the occurrence of any of the following events, which occurrence (i) cannot be avoided by the Issuer or ZIG taking such reasonable measures as they (acting in good faith) deem appropriate or (ii) is not reasonably

foreseeable as at the Issue Date of the first Tranche of the Notes of the relevant Series (or in the case of a redomiciliation of ZIC and/or ZIG, at the time of such decision to redomicile):

(a) prior to the implementation of any Future Regulations, the Relevant Regulator states that less than the entire principal amount of the Notes is now eligible to qualify as at least (i) lower additional capital (in the case of Notes which have a Maturity Date) or (ii) upper additional capital (in the case of Notes which do not have a Maturity Date)) pursuant to Art. 49 of the ISO in connection with Art. 22a of the ISO for group or solo solvency purposes; or

(b) with effect from (and including) the implementation of any Future Regulations, less than the entire principal amount of the Notes qualify as at least Future Tier Two Capital under such Future Regulations (or an official application or interpretation of those regulations including a decision of a court or tribunal),

save, in each case above, where such non-qualification thereof applicable to the Notes is only as a result of (i) any applicable limitation on the amount of such capital or, (ii) in the case of Notes with a Maturity Date, only as a result of any amortisation of the capital recognition of the Notes in accordance with the Applicable Regulations in force at the Issue Date of the first tranche of Notes of the relevant Series in the years prior to its redemption, in either case of (i) or (ii), all in accordance with the Applicable Regulations;

"**Relevant Capital**" means lower additional capital (in the case of Notes which have a Maturity Date) or upper additional capital in the case of Notes which do not have a Maturity Date or, following the implementation of any Future Regulations, Future Tier Two Capital;

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate) being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation;

"**Relevant Regulator**" means FINMA or any domestic or foreign successor to FINMA or any entity, that otherwise has primary supervisory authority over ZIC and/or ZIG and/or the Zurich Insurance Group;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement;

"**Reset Determination Date**" means, unless otherwise specified in the applicable Pricing Supplement, the second Business Day prior to each Reset Note Reset Date;

"**Reset Margin**" means the Initial Reset Margin (which shall apply to the First Reset Period) or any Subsequent Reset Margin(s) which shall apply to any Subsequent Reset Period(s), in each case as specified in the applicable Pricing Supplement;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period;

"**Restricted Notes**" means Notes issued in accordance with Conditions 15(a) and 15(b);

"**Senior Creditors**" for the purposes of the Subordinated Notes has the meaning given to it in Condition 3(a) and for the purposes of the Deeply Subordinated Notes has the meaning given to it in Condition 3(b);

"**Single Noteholder**" has the meaning given to it in Condition 12(a);

"**SIS**" has the meaning given to it in Condition 2 (*Listed Swiss Franc Notes*);

"**SIX Swiss Exchange**" means SIX Swiss Exchange Ltd;

a "**Solvency Event**" shall be deemed to have occurred as at any date if as at such date:

(a) the Issuer and/or the Zurich Insurance Group does not have appropriate funds to cover (as applicable) its required solvency margin or meet any other required level of own funds regulatory capital (or another applicable term in case of a change in Applicable Regulations) in accordance with Applicable Regulations; or

(b) ZIC and/or ZIG has reasonable grounds for concern that it is unable to pay its debts owed to its creditors as they fall due; or

(c) ZIC and/or ZIG has reasonable grounds for concern that its Assets do not exceed its Liabilities; or

(d) any other event has occurred which, under the Applicable Regulations, in order for the Notes to continue to qualify as Relevant Capital, would require payment of principal or interest, as applicable, on the Notes to be deferred; or

(e) the Relevant Regulator has given notice to the Issuer and/or ZIG (in the case of the Zurich Insurance Group), that it has determined that in accordance with the Applicable Regulations at such time, action must be taken in relation to payments on subordinated notes, including the Notes;

"**Solvency Event Certificate**" means a certificate signed by two Authorised Officers of the Issuer (or where applicable ZIG) confirming the occurrence and/or continuation of a Solvency Event to the Trustee;

"**Solvency Interest Deferral Date**" means each Interest Payment Date in respect of which a Solvency Event has occurred and is continuing or would occur if payment of interest were made on such Interest Payment Date;

"**Solvency Payment Deferral Certificate**" means a certificate signed by two Authorised Officers of the Issuer or where applicable ZIG confirming that (i) a Solvency Event has occurred and is continuing, or would occur if payment of interest on the Notes were made or (ii) a Solvency Event has ceased to occur and/or payment of interest or Arrears of Interest on the Notes would not result in a Solvency Event occurring;

"**Special Event**" means any of an Accounting Event, a Rating Agency Event or a Regulatory Event or any combination of the foregoing;

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated;

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent pursuant to Conditions 4(a) and 10(a) on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the applicable Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent));

"**Substitute Obligor**" has the meaning given to it in Condition 13 (*Issuer Substitution*);

"**Substituted Territory**" has the meaning given to it in Condition 13 (*Issuer Substitution*);

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto;

a "**Tax Event**" shall occur at any time if either:

(a) on the occasion of the then next payment due under the Notes, the Issuer is or will become obliged to pay Additional Amounts as provided or referred to in Condition 7 (*Taxation*) as a result of a Tax Law Change, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(b) in respect of a past or the then next Interest Payment Date, the payment of interest in respect of the Notes would as a result of a Tax Law Change not be deductible as interest or an expense for tax purposes of the Issuer (or the amount of such deduction is materially reduced) for reasons outside the control of, and which cannot be avoided by, the Issuer taking reasonable measures available to it,

and in each such case, prior to publication of any notice of substitution, variation or redemption pursuant to Condition 6 *(Redemption, Substitution or Variation, Purchase and Options)* by reason of either of the events above, the delivery to the Trustee by the Issuer of a certificate signed by two of its Authorised Officers certifying that the relevant conditions precedent to the right of the Issuer to redeem, substitute or, as appropriate, vary the Notes have been satisfied and an opinion of independent legal advisers of recognised standing to the effect that, in the case of (a) above, the Issuer has or will become obliged to pay relevant Additional Amounts as a result of a Tax Law Change or, as appropriate, in the case of (b) above, the relevant Tax Law Change has occurred;

"**Tax Law Change**" means any change in, or amendment to, the laws or regulations of Switzerland or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series;

"**Ten Non-Bank Rule**" means the rule that the aggregate number of Noteholders under a Series of Restricted Notes which are not Qualifying Banks must not at any time exceed ten, in each case in accordance with the meaning of the Guidelines;

"**Transfer**" has the meaning given to it in Condition 15(a);

"**Twenty Non-Bank Rule**" means the rule that the aggregate number of the Issuer's lenders (including Noteholders), other than Qualifying Banks, under all outstanding debts relevant for classification as debentures (*Kassenobligation*), facilities and/or private placements (including under Restricted Notes and Notes not classified as a taxable bond (*Anleihensobligation*)) must not at any time exceed twenty, in each case in accordance with the meaning of the Guidelines;

"**Write-Down**" and "**Written-Down**" has the meaning given to it in Condition 8(c);

"**Write-Down Certificate**" has the meaning given to it in Condition 8(b);

"**Write-Down Date**" means the date specified as such in the Write-Down Notice on which the Notes will be Written-Down, which date shall be no less than one and no more than seven calendar days after the date of delivery of the relevant Write-Down Notice;

"**Write-Down Event**" shall bear the meaning specified in the applicable Pricing Supplement;

"Write-Down Notice" has the meaning given to it in Condition 8(b);

"**ZIG**" means Zurich Insurance Group Ltd; and

"**Zurich Insurance Group**" means ZIG together with all of its subsidiaries.

(b) Interest related definitions

"**Benchmark Gilt**" means, in respect of a Reset Period, the Benchmark Gilt specified in the applicable Pricing Supplement or, if no Benchmark Gilt is specified in the applicable Pricing Supplement or if the relevant Benchmark Gilt is no longer outstanding at the relevant time, such United Kingdom government security having a maturity date on or about the last day of such Reset Period as the Issuer, with the advice of the Reference Banks may determine to be appropriate;

"**Benchmark Gilt Rate**" means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by the Issuer following consultation with an investment bank of international repute;

"**Business Day**" means:

(a) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(b) in the case of euro, a day on which the TARGET System is operating (a "**TARGET Business Day**"); and/or

(c) in the case of a currency and/or one or more Additional Business Centres specified in the applicable Pricing Supplement, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - MD_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - MD_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "**30E/360 (ISDA)"** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - MD_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified in the applicable Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date; and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

"**First Reset Date**" means the date specified as such in the applicable Pricing Supplement;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the applicable Pricing Supplement, the Maturity Date;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement;

"**Mid-Market Swap Rate**" means, for any Reset Period, the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Benchmark Frequency (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on (subject as otherwise provided pursuant to Condition 10(e)) the Mid-Swap Benchmark Rate for the Mid-Swap Maturity as specified in the applicable Pricing Supplement (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Swap Benchmark Rate**" means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro;

"**Mid-Swap Maturity**" has the meaning specified as such in the applicable Pricing Supplement;

"**Reference Bond**" means, for any Reset Period, the Reference Bond specified in the applicable Pricing Supplement or, if no Reference Bond is specified in the applicable Pricing Supplement or if the relevant Reference Bond is no longer outstanding at the relevant time, such government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer as having an actual or interpolated maturity date comparable with the last day of the relevant Reset Period and that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period;

"**Reference Bond Dealer**" means each of four banks (selected by the Issuer), or their affiliates, which are primary government securities dealers or market makers in pricing corporate bond issuances denominated in the Specified Currency;

"**Reference Bond Dealer Quotations**" means, with respect to each Reference Bond Dealer and the relevant Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the relevant Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bond Dealer;

"**Reference Bond Price**" means, with respect to a Reset Determination Date, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation, the Reference Bond Dealer Quotation obtained or (d) if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest, in each case, as determined by the Calculation Agent;

"**Reference Bond Rate**" means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price;

"**Reset Note Reset Date**" means the First Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Rate**" means:

(a) if Mid-Swap Rate is specified in the applicable Pricing Supplement, the relevant Mid-Swap Rate;

(b) if Benchmark Gilt Rate is specified in the applicable Pricing Supplement, the relevant Benchmark Gilt Rate; or

(c) if Reference Bond is specified in the applicable Pricing Supplement, the relevant Reference Bond Rate;

"**Reset Rate Screen Page**" has the meaning specified in the applicable Pricing Supplement;

"**Subsequent Reset Date**" means the date or dates specified as such in the applicable Pricing Supplement; and

"**Subsequent Reset Period**" means each successive period, other than the First Reset Period, from (and including) a Reset Note Reset Date to (but excluding) the next succeeding Reset Note Reset Date or, if no such Subsequent Reset Date, the Maturity Date.

(c) Interpretation

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price and all other amounts in the nature of principal payable pursuant to Condition 6 (*Redemption, Substitution or Variation, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any Additional Amounts that may be payable under Condition 7 (*Taxation*) or any undertaking given in addition to or in substitution for it under the Trust Deed.

TERMS AND CONDITIONS OF THE SUBORDINATED NOTES AND DEEPLY SUBORDINATED NOTES

The following, save for paragraphs in italics, is the text of the terms and conditions that, subject to completion and amendment and as supplemented in accordance with the provisions of Part A of the applicable Pricing Supplement, shall be applicable to the Subordinated Notes and Deeply Subordinated Notes. As set out below, the terms and conditions are presented in the form that would be endorsed, together with the relevant provisions of Part A of the Pricing Supplement, on (A) Bearer Notes in definitive form (if any) issued in exchange for Global Note(s) or (B) in the case of Registered Notes, Certificates, in each case, representing Subordinated Notes or, as the case may be, Deeply Subordinated Notes. Accordingly, references in these terms and conditions to provisions specified in the applicable Pricing Supplement shall be to the provisions set out in the applicable Pricing Supplement. Capitalised terms that are not defined in the Conditions will have the meanings given to them in the applicable Pricing Supplement relating to any Series and/or Tranche of Notes, the absence of any such meaning indicating that such term is not applicable to the Notes of that Series.

This Note is one of a Series (as defined below) of Notes issued by Zurich Finance Australia Limited ("**ZF (Australia)**") or Zurich Finance (Ireland) DAC ("**ZF (Ireland)**" and, together with ZF (Australia), the "**Issuers**" and each an "**Issuer**") constituted by an amended and restated trust deed dated 22 May 2019, as it may be further amended or supplemented in relation to that Series of Notes as at the Issue Date of the Notes specified in the applicable Pricing Supplement (the "**Issue Date**") (the "**Trust Deed**") between the Issuers, Zurich Insurance Company Ltd (in its capacity as guarantor, "**ZIC**" or the "**Guarantor**"), Zurich Insurance Group Ltd ("**ZIG**") and Citicorp Trustee Company Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below).

References in the Conditions to (i) "**Notes**" are to the Subordinated Notes or, as the case may be, the Deeply Subordinated Notes of one Series only, not to all Notes that may be issued under the Programme; and (ii) the "**Issuer**" are to the issuer of the Notes specified as such in the applicable Pricing Supplement.

Subordinated Notes may be issued by ZF (Australia) or ZF (Ireland) and will benefit from a ZIC Subordinated Guarantee (as defined in Condition 4 (a)).

Deeply Subordinated Notes may only be issued by ZF (Ireland) and will benefit from a ZIC Deeply Subordinated Guarantee (as defined in Condition 4(b)).

These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates for Registered Notes, Coupons and Talons referred to below. An Agency Agreement dated 22 May 2019 (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") has been entered into in relation to the Notes between, *inter alios* the Issuers, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". In the case of Listed Swiss Franc Notes, references herein to the "Agency Agreement" shall also extend to the agreement referred to in Condition 12(g) which supplements the Agency Agreement. Copies of the Trust Deed and the Agency Agreement and any ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee are available for inspection during usual business hours and upon reasonable notice at the principal office of the Trustee (presently at Citigroup Centre, Canada Square, London E14 5LB, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders and the holders of the interest coupons (the "**Coupons**") relating to interest-bearing Notes in bearer form and, where applicable, in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") are entitled to the benefit of, are deemed to have notice of, and are bound by, all the provisions of the Trust Deed and any ZIC Subordinated Guarantee or, as the case may be, ZIC Deeply Subordinated Guarantee, and are deemed to have notice of the Agency Agreement.

As used in these Conditions, "**Tranche**" means Notes of a Series which are identical in all respects. "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and to form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates, first payment of interest and/or issue prices.

Capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

1. Form, Denomination and Title

Whether this Note is in bearer or registered form or whether it is a "Listed Swiss Franc Note" is specified in the applicable Pricing Supplement.

This Note is issued either in bearer form (each a "**Bearer Note**") or in registered form (each a "**Registered Note**") in each case in the Specified Denomination(s) shown in the applicable Pricing Supplement.

Each Bearer Note is serially numbered and is issued with Coupons (and, where appropriate, a Talon) attached.

Each Registered Note is represented by a registered certificate (a "**Certificate**") and each Certificate shall represent the entire holding of Registered Notes by the same Noteholder.

In these Conditions, "**Noteholder**" and "**holder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and, except as ordered by a court of competent jurisdiction or as required by law, such holder shall be deemed to be and may be treated as the absolute owner of such Note for all purposes.

Any references in these Conditions to Notes which are in bearer form shall, unless the context otherwise requires, include any related Coupons and Talons. Any references to any holder of Notes which are in bearer form shall, unless the context otherwise requires, include any Couponholders.

Title to the Bearer Notes shall pass by delivery. Title to the Registered Notes shall pass upon registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**") and as further described in Condition 16 (*Transfers of Registered Notes*).

2. Listed Swiss Franc Notes

This Note is a Listed Swiss Franc Note if it is denominated or payable in Swiss Francs, is in bearer form, is listed on the SIX Swiss Exchange and it is so specified in the applicable Pricing Supplement.

*Each Tranche of Listed Swiss Franc Notes will be represented exclusively on issue by a Permanent Global SIS Note in bearer form, which will be deposited with SIX SIS AG, Olten, Switzerland ("**SIS**"), or such other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange on or prior to the Issue Date of such Series of Notes.*

3. Status

Condition 3 (*Status*) is governed by, and shall be construed in accordance with, the laws of the jurisdiction of incorporation of the Issuer of the Notes and is irrevocable.

(a) Subordination of the Subordinated Notes

Condition 3(a) applies only to Notes specified as "Subordinated Notes" in the applicable Pricing Supplement.

The Issuer's obligations in respect of or arising under (including, without limitation, any damages awarded for breach of any obligation under) the Notes constitute direct, subordinated and unsecured obligations of the Issuer and rank *pari passu*, without any preference, among themselves. Claims of Noteholders under the Notes rank in a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition or other similar proceedings of the Issuer after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined below in this Condition 3(a)).

As used in these Conditions, in the case of Subordinated Notes:

"**Junior Instruments**" means:

(i) all Deeply Subordinated Notes of the Issuer;

(ii) all securities or other obligations of the Issuer ranking or expressed to rank junior to Subordinated Notes of the Issuer; and

(iii) all classes of issued shares in the share capital of the Issuer.

"**Pari Passu Instruments**" means:

(i) all other Subordinated Notes of the Issuer; and

(ii) all other securities or other obligations of the Issuer ranking or expressed to rank *pari passu* with Subordinated Notes of the Issuer.

"**Senior Creditors**" means:

(i) all unsubordinated creditors of the Issuer, including policyholders (and beneficiaries of a policy) of the Issuer;

(ii) all creditors of the Issuer whose claims are subordinated, by operation of law or pursuant to their terms, to the claims of other unsubordinated creditors of that entity but not further or otherwise; and

(iii) all other subordinated creditors of the Issuer except those whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of the Subordinated Notes of the Issuer.

(b) Subordination of Deeply Subordinated Notes

Condition 3(b) applies only to Notes specified as "Deeply Subordinated Notes" in the applicable Pricing Supplement.

The Issuer's obligations in respect of or arising under (including, without limitation, any damages awarded for breach of any obligations under) the Notes constitute direct, subordinated and unsecured obligations of the Issuer and rank *pari passu*, without any preference, among themselves. Claims of Noteholders under the Notes rank in a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition or other similar proceedings of the Issuer after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined below in this Condition 3(b)).

As used in these Conditions, in the case of Deeply Subordinated Notes:

"**Junior Instruments**" means all classes of issued shares in the share capital of the Issuer.

"**Pari Passu Instruments**" means:

(i) all other Deeply Subordinated Notes of the Issuer; and

(ii) all other securities or other obligations of the Issuer ranking or expressed to rank *pari passu* with Deeply Subordinated Notes of the Issuer.

"**Senior Creditors**" means:

(i) all unsubordinated creditors of the Issuer, including policyholders (and beneficiaries of a policy) of the Issuer;

(ii) all creditors of the Issuer whose claims are subordinated, by operation of law or pursuant to their terms, to the claims of other unsubordinated creditors of that entity but not further or otherwise;

(iii) all holders of Subordinated Notes and other creditors of the Issuer whose claims rank or are expressed to rank *pari passu* with the claims of the holders of any Subordinated Notes of the Issuer;

(iv) all other subordinated creditors of the Issuer except those whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of the Deeply Subordinated Notes of the Issuer.

Conditions 3(c) and 3(d) apply to Subordinated Notes and Deeply Subordinated Notes.

(c) No Set-off

Neither the Trustee nor any Noteholder may set-off any claims in respect of any amount owed to it by the Issuer arising under or in connection with the Notes and each Noteholder shall, by virtue of being the holder of any Note, be deemed to have irrevocably waived all such rights of set-off.

(d) No Security

No security of whatever kind is, or will at any time be, provided by the Issuer or any other person to secure the claims of the Noteholders under the Notes.

4. Guarantee

(a) ZIC Subordinated Guarantee

Condition 4(a) applies only to Notes specified as "Subordinated Notes" in the applicable Pricing Supplement.

Pursuant to a guarantee agreement in the form set out in Schedule 5 to the Trust Deed dated the Issue Date (the "**ZIC Subordinated Guarantee**"), the Guarantor has irrevocably guaranteed, on a subordinated basis and up to the Specified Maximum Amount calculated in accordance with the provisions of the ZIC Subordinated Guarantee and as specified in the applicable Pricing Supplement, the payment of principal and interest on the Subordinated Notes which falls due for payment in accordance with these Conditions (together with any Additional Amounts payable under Condition 8 (*Taxation*) and all other moneys payable under the Trust Deed but without prejudice to Condition 6 (*Deferral of Interest Payments*), Condition 7(b)(ii) and the deferral of payment in the circumstances specified in the ZIC Subordinated Guarantee) (*for further information see Clause 1(1)(b) of the section entitled "Form of ZIC Subordinated Guarantee" on page 162 of the Base Prospectus*).

Claims of Noteholders under the ZIC Subordinated Guarantee rank in a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition (*Nachlassverfahren*) or other similar proceedings of the Guarantor on a subordinated basis as specified in Clause 1(1)(a) of the ZIC Subordinated Guarantee (*for further*

information see Clause 1(1)(a) of the section entitled "Form of ZIC Subordinated Guarantee" on page 162 of the Base Prospectus).

Neither the Trustee nor any Noteholder may set-off any claims in respect of any amount owed to it by the Guarantor arising under or in connection with the ZIC Subordinated Guarantee, and each Noteholder shall, by virtue of being the holder of any Subordinated Note, be deemed to have irrevocably waived all such rights of set-off.

The ZIC Subordinated Guarantee shall be governed by, and construed in accordance with, the substantive laws of Switzerland.

For the avoidance of doubt, the obligations of ZIC under the ZIC Subordinated Guarantee rank:

(i) pari passu with the obligations of ZIC in respect of its €425m 7.5 per cent. Subordinated Notes due 2039, its €1,000m 4.25 per cent. Subordinated Notes due 2043, its U.S.$300m 4.25 per cent. Subordinated Notes due 2045, its U.S.$1,000m 5.625 per cent. Subordinated Notes due 2046, its €750m 3.5 per cent. Subordinated Notes due 2046, its U.S.$500m 4.875 per cent. Subordinated Notes due 2048, its U.S.$500m 5.125 per cent. Subordinated Notes due 2048 and its €500m 2.750 per cent. Subordinated Notes due 2049 and in respect of its guarantee of the issuance by Zurich Finance (UK) plc of £450m 6.625 per cent. Perpetual Subordinated Notes, and any future Subordinated Notes guaranteed by ZIC; and

(ii) senior to the obligations of ZIC in respect of its CHF200m 2.75 per cent. Perpetual Capital Notes, its CHF225m 2.75 per cent. Perpetual Capital Notes, its U.S.$1,000m 4.75 per cent. Perpetual Capital Notes and any future Deeply Subordinated Notes guaranteed by ZIC.

(b) ZIC Deeply Subordinated Guarantee

Condition 4(b) applies only to Notes specified as "Deeply Subordinated Notes" in the applicable Pricing Supplement.

Pursuant to a guarantee agreement in the form set out in Schedule 6 to the Trust Deed dated the Issue Date (the "**ZIC Deeply Subordinated Guarantee**"), the Guarantor has irrevocably guaranteed, on a subordinated basis and up to the Specified Maximum Amount calculated in accordance with the provisions of the ZIC Deeply Subordinated Guarantee and as specified in the applicable Pricing Supplement, the payment of principal and interest on the Deeply Subordinated Notes which falls due for payment in accordance with these Conditions (together with any Additional Amounts payable under Condition 8 (*Taxation*) and all other moneys payable under the Trust Deed but without prejudice to Condition 6 (*Deferral of Interest Payments*), Condition 7(b)(ii) and the deferral of payment in the circumstances specified in the ZIC Deeply Subordinated Guarantee) (*for further information see Clause 1(1)(b) of the section entitled "Form of ZIC Deeply Subordinated Guarantee" on page 169 of the Base Prospectus*).

Claims of Noteholders under the ZIC Deeply Subordinated Guarantee rank in a voluntary or involuntary insolvency, winding-up, liquidation, dissolution with liquidation, bankruptcy, composition (*Nachlassverfahren*) or other similar proceedings of the Guarantor on a subordinated basis as specified in Clause 1(1)(a) of the ZIC Deeply Subordinated Guarantee (*for further information see Clause 1(1)(a) of the section entitled "Form of ZIC Deeply Subordinated Guarantee" on page 169 of the Base Prospectus*).

Neither the Trustee nor any Noteholder may set-off any claims in respect of any amount owed to it by the Guarantor arising under or in connection with the ZIC Deeply Subordinated Guarantee, and each Noteholder shall, by virtue of being the holder of any Deeply Subordinated Note, be deemed to have irrevocably waived all such rights of set-off.

The ZIC Deeply Subordinated Guarantee shall be governed by, and construed in accordance with, the substantive laws of Switzerland.

For the avoidance of doubt, the obligations of ZIC under the ZIC Deeply Subordinated Guarantee rank pari passu with the obligations of ZIC in respect of its CHF200m 2.75 per cent. Perpetual Capital Notes, its CHF225m 2.75 per cent. Perpetual Capital Notes and its U.S.$1,000m 4.75 per cent. Perpetual Capital Notes and any future Deeply Subordinated Notes guaranteed by ZIC.

5. Interest and other Calculations

This Note is a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note, a Fixed to Floating Rate Note or a combination of the foregoing (and each as further described below and in Condition 11 (*Interest Determination and Payment Dates*)), depending upon the Interest Basis specified in the applicable Pricing Supplement.

(a) Interest Accrual

Subject to Condition 6 (*Deferral of Interest Payments*), each type of Note bears interest on its outstanding principal amount, accruing as follows:

(i) Fixed Rate Note:

from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest;

(ii) Fixed Rate Reset Note:

(x) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Rate of Interest;

(y) from (and including) the First Reset Date to (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the applicable Pricing Supplement, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and

(z) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest;

(iii) Floating Rate Note:

from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 11(b);

(iv) Fixed to Floating Rate Note:

(x) from (and including) the Interest Commencement Date to (but excluding) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest; and

(y) from (and including) the Fixed Rate End Date specified in the applicable Pricing Supplement at the rate per annum (expressed as a percentage) equal to the Rate of Interest as further set out in Condition 11(b).

Each Note will cease to bear interest from the date for its redemption unless, upon due presentation or surrender thereof, payment of principal is improperly withheld or refused and in such event, interest will continue to accrue as provided in the Trust Deed.

If any Margin is specified in the applicable Pricing Supplement (either (A) generally or (B) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (B), calculated in accordance with Condition 11(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject to Condition 11(c).

Such interest shall be payable in arrear on each Interest Payment Date specified in the applicable Pricing Supplement. The amount of interest payable shall be determined in accordance with Condition 5(b).

(b) Calculations

Interest is calculated on each Note by reference to the Calculation Amount specified in the applicable Pricing Supplement. The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for calculating such amount) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula).

Where any Interest Period comprises more than one Interest Accrual Period, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated. Where the Specified Denomination comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination specified in the applicable Pricing Supplement.

(c) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price and Special Event Redemption Price

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or Reset Determination Date (as applicable), or such other time on such date as the Calculation Agent may be required to calculate any rate or amount:

(i) obtain any quotation or make any determination or calculation;

(ii) determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period;

(iii) calculate the Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price (as may be provided for in the applicable Pricing Supplement);

(iv) obtain such quotation or make such determination or calculation, as the case may be, and;

(v) cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price, to be notified to the Trustee, the Issuer, the Guarantor, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in any event no later than (x) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (y) in all other cases, the fourth Business Day after such determination.

Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 11(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee in accordance with these Conditions by way of adjustment) without notice or consent of the Noteholders in the event of an extension or shortening of the Interest Period. If the Notes are not redeemed when due in accordance with Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5 but no publication of the Rate of Interest or the Interest Amount so calculated need be made, unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

6. Deferral of Interest Payments

(a) No default

Notwithstanding any other provision in these Conditions or in the Trust Deed, the deferral of any payment of interest in accordance with this Condition 6 (*Deferral of Interest Payments*) will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes or take any other action under the Notes, the Trust Deed, the ZIC Subordinated Guarantee or, as the case may be, the ZIC Deeply Subordinated Guarantee.

It is possible that an Optional Interest Payment Date with respect to Deeply Subordinated Notes may not also constitute an Optional Interest Payment Date with respect to Subordinated Notes, given the relative ranking of these instruments. As a result, payments of interest and settlement of Arrears of Interest may become mandatory on Subordinated Notes without also becoming mandatory on Deeply Subordinated Notes.

(b) Optional Deferral of Interest

If so specified in the applicable Pricing Supplement, the Issuer shall have the option to defer any Interest Payment which would otherwise be payable on any Optional Interest Payment Date in whole but not in part.

If so specified in the applicable Pricing Supplement (but not otherwise), notwithstanding the other provisions of this Condition 6(b) but without prejudice to Condition 6(c), if as at any Optional Interest Payment Date the Relevant Regulator no longer accords any regulatory capital credit to the Notes under the Applicable Regulations, the Issuer will be allowed to exercise its option under this Condition 6(b) to defer the relevant Interest Payment on such Optional Interest Payment Date for a period not exceeding five years (a "**Fixed Term Deferred Interest Payment**").

(c) Solvency Deferral of Interest

On any Solvency Interest Deferral Date, the Issuer shall defer in whole any Interest Payment which would otherwise be payable.

(d) Notice of Deferral

The Issuer or ZIC shall notify the Trustee, the Issuing and Paying Agent and the Noteholders in writing in accordance with Condition 19 (*Notices*):

(i) not less than 10 Business Days prior to an Interest Payment Date if that Interest Payment Date is an Optional Interest Payment Date in respect of which the Issuer elects to defer interest as provided in Condition 6(b); and

(ii) as soon as reasonably practicable if a Solvency Event has occurred and is continuing, or if a Solvency Event would occur on the relevant Interest Payment Date if payment of interest were made, provided that, for the avoidance of doubt, any delay in giving such notice shall not result in such interest becoming due and payable on the relevant Solvency Interest Deferral Date.

On or prior to the delivery of any notice pursuant to Condition 6(d)(ii), the Issuer or ZIC shall also procure the delivery of a Solvency Payment Deferral Certificate to the Trustee.

(e) Arrears of Interest

(i) *Arrears of Interest*: Any Interest Payment not paid on an Interest Payment Date, together with any other interest on the Notes not paid on any earlier Interest Payment Date, in each case by virtue of this Condition 6 (*Deferral of Interest Payments*), shall, so long as the same remains unpaid, constitute "**Arrears of Interest**". Arrears of Interest shall not themselves bear interest.

(ii) *Conditions to Settlement of Arrears of Interest*: Other than in the circumstances described in Condition 10(c), Arrears of Interest arising pursuant to Condition 6(b) or 6(c) and, for the avoidance of doubt, mandatory payments pursuant to Condition 6(e)(iv), are only due and payable provided that no Solvency Event either (A) has occurred and is continuing on the date such payment would otherwise fall due or (B) would occur as a result of such payment and (C) in either case, the Issuer or ZIC has obtained the prior written consent therefor of the Relevant Regulator to the extent required at the time, in accordance with Applicable Regulations in order for the Notes to qualify as Relevant Capital.

(iii) *Optional Settlement of Arrears of Interest*: Any Arrears of Interest may be paid at the option of the Issuer in whole or in part, at any time upon the expiry of not less than 15 nor more than 30 days' notice to such effect given by the Issuer or ZIC to the Trustee and to the Noteholders in accordance with Condition 19 (Notices), subject to Condition 6(e)(ii). On or prior to the delivery of any notice pursuant to this Condition 6(e)(iii), the Issuer or ZIC shall procure the delivery of a Solvency Payment Deferral Certificate to the Trustee.

(iv) *Mandatory Settlement of Arrears of Interest*: Subject to Condition 6(e)(ii) above, Arrears of Interest will, save as otherwise specified in the applicable Pricing Supplement, automatically become immediately due and payable upon the earliest of the following dates:

(A) the date upon which a dividend is next declared or paid on, or the date of any repurchase or acquisition of, any class of share capital of ZIG (other than an Excepted Event); or

(B) the date of redemption of any Notes pursuant to Condition 7(b), Condition 7(d), Condition 7(e) or Condition 7(f); or

(C) the commencement of the winding-up or dissolution of the Issuer or, as the case may be, ZIC (except for the purposes of or pursuant to and followed by an Approved Liquidation); or

(D) the date upon which a Junior or Pari Passu Interest Payment is made or upon which a distribution or other payment (including payment for the purpose of a redemption or repurchase) in relation to the relevant securities is made (unless such payment is (i) required to be made pursuant to the terms of the relevant securities or required due to the repayment of such securities or (ii) an Excepted Event); or

(E) in the case of a Fixed Term Deferred Interest Payment only, the fifth anniversary of the Optional Interest Payment Date on which such payment was deferred; or

(F) the next following Interest Payment Date on which the relevant Interest Payment is not deferred in accordance with either Condition 6(b) or 6(c).

7. Redemption, Substitution or Variation, Purchase and Options

(a) No Redemption at the Option of Noteholders

Noteholders have no right to claim for an early redemption of the Notes.

(b) Redemption at Maturity

(i) *Maturity Date*: Each Note with a Maturity Date specified in the applicable Pricing Supplement will, subject as provided in Condition 7(b)(ii) below, be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date unless previously redeemed or purchased and cancelled as provided below.

(ii) *Maturity extension upon Solvency Event*: If a Solvency Event has occurred and is continuing on the Maturity Date, or would occur as a result of the redemption of the relevant Notes, the Notes shall not be redeemed on the Maturity Date but will be redeemed by the Issuer promptly following such Solvency Event ceasing to occur (taking into account the relevant redemption) and the giving of not more than 30 nor less than 15 days' notice of such cessation by the Issuer to the Trustee and to Noteholders in accordance with Condition 19 (*Notices*). In this circumstance, references herein to "**Maturity Date**" shall be construed accordingly to refer to such later date of redemption and, for the avoidance of doubt, interest shall continue to accrue (without compounding) as provided in Condition 5(a) on any such Note until such later date of redemption.

On or prior to the delivery of any notice pursuant to this Condition 7(b)(ii), the Issuer or ZIC shall also procure the delivery of a Solvency Event Certificate to the Trustee.

(c) Conditions to Redemption, Substitution, Variation or Purchase

Any redemption (other than a redemption on the Maturity Date (if any) pursuant to Condition 7(b)), substitution, variation of the Conditions or purchase, of the Notes is subject to the following conditions:

(i) the Issuer or ZIC having obtained the prior written consent therefor of the Relevant Regulator;

(ii) no Solvency Event having occurred or is continuing and such redemption, substitution, variation or purchase would not itself cause a Solvency Event; and

(iii) in the case of a redemption or purchase that is within five years of the Issue Date of the first Tranche of the Notes, such redemption or purchase is, to the extent then required by the Relevant Regulator in order for the Notes to qualify as at least Future Tier Two Capital under any Future Regulations, funded out of the proceeds of a new issuance of capital instruments of at least the same quality as the Notes.

Prior to the publication of any notice of substitution, variation or redemption pursuant to this Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*) (other than a notice of redemption pursuant to Condition 7(d)), the Issuer or ZIC shall deliver to the Trustee a Conditions Precedent Certificate.

The Issuer shall give not less than 30 nor more than 60 days' prior notice of any substitution, variation or redemption (other than a redemption on the Maturity Date (if any) pursuant to Condition 7(b)) pursuant to this Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*) to the Trustee, the Issuing and Paying Agent and, in accordance with Condition 19 (*Notices*), the Noteholders (which notice shall, subject to this Condition 7(c), be irrevocable). Upon expiry of such notice, the Issuer shall (subject to this Condition 7(c)) substitute, vary or, as appropriate, redeem the Notes.

(d) Redemption at the Option of the Issuer

If Call Option is specified in the applicable Pricing Supplement as being applicable, the Issuer may, at its option, subject to Condition 7(c), redeem all, but not some only, of the Notes on any Optional Redemption Date specified in the applicable Pricing Supplement. Any such redemption of Notes shall be at their Optional Redemption Amount together with any interest accrued to (but excluding) the date fixed for redemption in accordance with these Conditions and any Arrears of Interest.

(e) Redemption Due to Taxation

If, prior to the giving of the relevant notice of redemption a Tax Event has occurred and is continuing, then the Issuer may, subject to Condition 7(c), redeem the Notes in accordance with these Conditions.

Such redemption may be at any time (if and for so long as this Note is not a Floating Rate Note) or on any Interest Payment Date (if and for so long as this Note is a Floating Rate Note).

The Issuer may redeem all, but not some only, of the Notes at their principal amount, together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions and any Arrears of Interest, provided that no notice of redemption shall be given pursuant to limb (a) in the definition of Tax Event earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, ZIC would be obliged to pay Additional Amounts were a payment in respect of the Notes, the ZIC Subordinated Guarantee or, as the case may be, the ZIC Deeply Subordinated Guarantee then due.

(f) Redemption Due to a Special Event or Clean-Up Event

If Accounting Event Call, Rating Agency Event Call, Regulatory Event Call or Clean-Up Event Call is/are specified in the applicable Pricing Supplement as being applicable, the following provisions shall apply.

If one or more of such events occurs and within the Early Event Call Period, the Issuer gives a notice of redemption and if the relevant event is continuing on the date of such notice, then the Issuer may, subject to Condition 7(c) and as further provided below, redeem in accordance with these Conditions all, but not some only, of the Notes.

Such redemption may be at any time or, if and for so long as the Note is a Floating Rate Note, on any Interest Payment Date.

The Issuer shall not have the right to redeem the Notes following an Accounting Event, Clean-Up Event and/or a Rating Agency Event if such right of redemption would cause a Regulatory Event. The Notes will be redeemed at the Special Event Redemption Price or, as appropriate, Clean-Up Redemption Price specified in the applicable Pricing Supplement, together with any interest accrued to (but excluding) the date of redemption in accordance with these Conditions and any Arrears of Interest.

(g) Substitution or Variation

If a Tax Event or any Special Event specified in the applicable Pricing Supplement as being applicable occurs and is continuing, then the Issuer may, subject to Condition 7(c) and as provided below (without any requirement for the consent or approval of the Noteholders), (i) substitute at any time all (and not some only) of the Notes for, or (ii) vary the terms of the Notes so that they become, in each case, Qualifying Securities. The Trustee shall (subject to the following provisions of this Condition 7(g)) agree to such substitution or variation.

The Trustee shall use its reasonable endeavours to assist the Issuer in the substitution or variation of the Notes for or into Qualifying Securities provided that the Trustee shall not be obliged to participate or assist in any such substitution or variation of the terms of the securities into which the Notes are to be substituted or are to be varied if such substitution or variation imposes, in the Trustee's sole opinion, more onerous obligations upon it. If the Trustee does not so participate or assist as provided above, the Issuer may, subject as provided above, redeem the Notes as provided above.

In addition to the requirements of Condition 7(c), any substitution or variation is subject to:

(i) the substitution or variation not itself giving rise to a deterioration in any solicited rating of the Notes in effect at such time as confirmed in writing by the Rating Agency/ies; and

(ii) the substitution or variation not triggering any right on the part of the Issuer to redeem the Notes.

In connection with any substitution or variation in accordance with this Condition 7(g), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or admitted to trading.

(h) Purchases

Subject to Condition 7(c), the Issuer, ZIC, ZIG and any of their respective Subsidiaries (as such term is defined in the Trust Deed) for the time being may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise and at any price.

(i) Cancellation

All Notes purchased in accordance with Condition 7(h) by or on behalf of the Issuer, ZIC, ZIG or any of their respective Subsidiaries may (at the option of the Issuer, ZIC, ZIG or the relevant Subsidiary) be held, reissued, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so redeemed or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) Trustee Not Obliged to Monitor

The Trustee shall not be under any duty to monitor whether any event or circumstance within this Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*) has happened or exists and will not be responsible to Noteholders for any loss arising from any failure or delay by the Trustee to do so. Unless and until the Trustee has actual knowledge of the occurrence of any event or circumstance within this Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*), it shall be entitled to assume that no such event or circumstance exists.

8. Taxation

(a) Notes issued by ZF (Ireland)

In the case of Notes issued by ZF (Ireland), all payments under the Trust Deed and the Notes will be made without withholding or deduction for or on account of any taxes or duties of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law and/or by agreement of ZF (Ireland) or the Guarantor, as the case may be.

In such event, ZF (Ireland) will pay such additional amounts ("**Additional Amounts**") as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Note presented for payment:

(i) by or on behalf of a Noteholder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with the Republic of Ireland (in the case of ZF (Ireland)) or Switzerland (in the case of payments made by ZIC under the ZIC Subordinated Guarantee or, as the case may be, the ZIC Deeply Subordinated Guarantee) other than the mere holding of such Note;

(ii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day;

(iii) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments; or

(iv) any combination of items (i) through (iii) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of ZF (Ireland) will be paid net of any FATCA Withholding. Neither ZF (Ireland) nor any other persons will be required to pay any additional amounts in respect of FATCA Withholding.

(b) Notes issued by ZF (Australia)

In the case of Notes issued by ZF (Australia), all payments of principal and interest in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction is required by a law or directive.

In the event that ZF (Australia) or any person acting on its behalf is required by law or directive to make any such withholding or deduction, ZF (Australia) will pay such additional amounts ("**Additional Amounts**") as shall be necessary so that, after making the withholding or deduction and further withholdings or deductions applicable to Additional Amounts payable under this paragraph, the Noteholders are entitled to receive (at the time the payment is due) the amounts they would have received if no withholdings or deductions had been required to be made; except that no such Additional Amounts shall be payable in relation to any payment in respect of any Note:

(i) to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of the person having some connection with the Relevant Jurisdiction other than the mere holding of such Note or receipt of payment in respect of such Note;

(ii) presented for payment or in respect of which a claim for payment is made more than 30 days after the Relevant Date except to the extent that the relevant Noteholder would have been entitled to an Additional Amount on presenting the Note, or claiming or making demand, for payment on the last day of the period of 30 days;

(iii) on account of such taxes, duties, assessments or governmental charges which are payable by reason of the Noteholder being an associate of ZF (Australia) for the purposes of section 128F of the Australian Tax Act;

(iv) on account of such taxes, duties, assessments or governmental charges which are required to be deducted or withheld from amounts payable to, or to a third party on behalf of, a Noteholder who could lawfully avoid (but has not so avoided) such deduction or withholding by (1) providing (or procuring that a third party provides) the Noteholder's Australian tax file number ("**TFN**") or Australian Business Number ("**ABN**") or evidence that the holder is not required to provide a TFN and/or ABN to the Issuer or to an applicable revenue authority (with a copy to the Issuer) and/or (2) complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption;

(v) to, or to a third party on behalf of, a Noteholder where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 of Australia or any similar law;

(vi) to the extent that ZF (Australia) is obliged to pay such taxes, duties, assessments or governmental charges in respect of such payment made to, or to a third party on behalf of, a Noteholder as a result of the operation of section 126 of the Australian Tax Act by reason of the Noteholder being an Australian resident or a non-resident that carries on business at or through a permanent establishment in Australia and not having disclosed to ZF (Australia) its name and address;

(vii) in respect of any estate, inheritance, gift, sales, transfer, personal property, or any similar tax, assessment or governmental charge;

(viii) where such withholding or deduction is imposed on a payment and is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person other than the Issuer is required to withhold tax on any interest payments;

(ix) to a Noteholder that is not the beneficial owner of such Note to the extent that the beneficial owner thereof would not have been entitled to the payment of an Additional Amount had such beneficial owner been the Noteholder of such Note;

(x) on account of any Australian interest withholding tax imposed as a result of a determination by the Commissioner of Taxation that such tax is payable under the Australian Tax Act, in circumstances where the Noteholder is party to or participated in a scheme to avoid such tax and where ZF (Australia) was neither a party to nor participated in such scheme;

(xi) in such other circumstances as may be specified in the applicable Pricing Supplement; or

(xii) any combination of items (i) through (xi) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of ZF (Australia) will be paid net of any FATCA Withholding. Neither ZF (Australia) nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

9. Principal Loss Absorption

(a) Write-Down Event

This Condition 9 (*Principal Loss Absorption*) shall only apply if Write-Down Event is specified in the applicable Pricing Supplement as being applicable.

Notwithstanding any other provisions contained herein:

(i) limb (e) of the definition of "Qualifying Securities" shall be deemed to be deleted in its entirety and replaced with the following: "(e) which contain terms providing for loss absorption through principal write-down that are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer after consulting an investment bank of international standing, and provided that a certification to such effect of two Authorised Officers of the Issuer shall have been delivered to the Trustee prior to the issue of the relevant securities);"; and

(ii) any substitution or variation otherwise in accordance with Condition 7(g) will be subject to such substitution or variation not itself giving rise to a Write-Down Event and/or triggering a Write-Down of the Notes pursuant to this Condition 9 (*Principal Loss Absorption*) and no Write-Down Event having otherwise occurred.

Notwithstanding any other provisions contained herein, if a Write-Down Event occurs:

(i) the claims of any Noteholder in respect of, or arising under, the relevant Notes pursuant to, as applicable, either Condition 3(a) and the applicable ZIC Subordinated Guarantee in the case of Subordinated Notes or Condition 3(b) and the applicable ZIC Deeply Subordinated Guarantee in the case of Deeply Subordinated Notes will be subject to, and superseded by, the provisions of this Condition 9 (*Principal Loss Absorption*);

(ii) each Note will cease to bear interest from the Write-Down Date (if any), but without prejudice to any cancellation of such interest in accordance with this Condition 9 (*Principal Loss Absorption*); and

(iii) any redemption pursuant to Condition 7(b) or notice of redemption pursuant to Conditions 7(d), 7(e) and 7(f) shall be subject to the provisions of this Condition 9 (*Principal Loss Absorption*).

(b) Notice of a Write-Down Event

If a Write-Down Event occurs at any time, the Issuer shall, as soon as reasonably practicable, notify the Relevant Regulator and shall, by no later than the seventh calendar day following the occurrence of the Write-Down Event:

(i) give notice (a "**Write-Down Notice**") to the Trustee, the Issuing and Paying Agent and, in accordance with Condition 19 (*Notices*), the Noteholders specifying (x) that a Write-Down Event has occurred and that a Write-Down of the Notes will take place, (y) the date on which the Write-Down Event occurred, and (z) the Write-Down Date; and

(ii) deliver to the Trustee and the Issuing and Paying Agent a certificate (the "**Write-Down Certificate**") signed by two Authorised Officers of the Issuer or ZIC, stating that a Write-Down Event has occurred and giving details thereof.

The occurrence of a Write-Down Event in accordance with this Condition 9 (*Principal Loss Absorption*) will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes or take any other action under the Notes, the Trust Deed or, as applicable, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee.

(c) Write-Down of the Notes

If the Issuer has validly given the Write-Down Notice and Write-Down Certificate in accordance with Condition 9(b), then on the Write-Down Date the full principal amount of each Note and all accrued but unpaid interest (including any Arrears of Interest) thereon will automatically and permanently be reduced to zero (a "**Write-Down**", and "**Written-Down**" shall be construed accordingly) and the Notes will be cancelled.

Accordingly, as of the Write-Down Date, Noteholders shall not have any rights against the Issuer or the Guarantor with respect to: (i) repayment of the principal amount of the Notes or any part thereof, or (ii) the payment of any other amounts arising under or in connection with the Notes.

Once the principal amount of a Note has been Written-Down, it will not be restored under any circumstances, including where the relevant Write-Down Event ceases to continue.

If the Issuer has elected to redeem the Notes pursuant to Condition 7(d), 7(e) or 7(f), but prior to the scheduled redemption date a Write-Down Event occurs, the Notes will not be redeemed but instead will be Written-Down.

10. Remedies

(a) Right to claim for amounts due; no acceleration right

If the Issuer fails to make any payment of principal or interest on the Notes when due, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the Issuer in respect of such unpaid principal or interest provided that the Trustee and the Noteholders have no right to claim or enforce an early redemption of, the Notes or institute proceedings for the winding up of the Issuer.

If the Guarantor fails to pay (pursuant to, as applicable, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee) an amount claimed in accordance with, as applicable, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the Guarantor in respect of such unpaid amounts provided that the Trustee and the Noteholders have no right to claim any sums in respect of, or enforce an early redemption of, the Notes or institute proceedings for the winding up of the Guarantor.

(b) No institution of winding-up proceedings

The Trustee may at its discretion, subject to Condition 10(c) (and subject to being indemnified and/or secured and/or pre-funded), participate in, but not itself institute, any proceedings for the winding up of the Issuer and/or the Guarantor to enforce the obligations of the Issuer for payment of any principal or interest (including any Arrears of Interest) in respect of the Notes or, in the case of the Guarantor, to enforce the obligations of the Guarantor under the ZIC Subordinated Guarantee or, as the case may be, the ZIC Deeply Subordinated Guarantee. In particular, the Trustee and the Noteholders shall not be entitled, and they hereby waive any statutory right conferred on them, to file for the opening of bankruptcy proceedings (*Konkursbegehren*) with respect to the Issuer and/or the Guarantor or other winding-up proceedings or to make other similar filings or motions which, if approved, would lead to a redemption of the Notes.

(c) Claims in a winding-up or dissolution

(i) If, except for the purposes of or pursuant to and followed by an Approved Liquidation, a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer or the Guarantor be wound up or dissolved (any such resolution or order, a "**Liquidation Ruling**") and subject to Condition 10(c)(ii) below, the Trustee, at its

discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer and ZIC that the Notes are immediately due and repayable at an amount equal to the principal amount of such Note, together with any accrued but unpaid interest up to, but excluding, the date of repayment (including any Arrears of Interest).

(ii) If, on or following the date of any such Liquidation Ruling, a Solvency Event in relation to the Zurich Insurance Group (a "**Group Solvency Event**") has occurred and is continuing or would occur as a result of the Notes becoming due and payable pursuant to Condition 10(c)(i), then the Notes shall become due and payable in accordance with Condition 10(c)(i) upon such Group Solvency Event ceasing to occur and if such payment would not result in a Group Solvency Event occurring provided that, for the avoidance of doubt, the Notes shall in addition become due and payable in the proceedings which implement such Liquidation Ruling at an amount equal to the principal amount of such Note, together with any accrued but unpaid interest up to, but excluding, the date of repayment (including any Arrears of Interest) upon any amounts in respect of any Relevant Junior or Pari Passu Securities becoming due and payable in such proceedings.

(iii) No payment in respect of the Notes may be made by the Issuer or the Guarantor pursuant to this Condition 10(c), nor will the Trustee accept the same, otherwise than during or after the relevant winding-up proceedings.

ZIC has undertaken in the Trust Deed that for so long as any Subordinated Notes or, as the case may be, Deeply Subordinated Notes are outstanding, it will have at least one series of securities outstanding which are issued directly by ZIC which rank, or are expressed to rank, pari passu with, (in the case of Subordinated Notes) the claims of Noteholders under the ZIC Subordinated Guarantee or, (in the case of Deeply Subordinated Notes) the claims of Noteholders under the ZIC Deeply Subordinated Guarantee, and, in each case, have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of ZIC and/or the Zurich Insurance Group.

(d) No right to take action directly against the Issuer or the Guarantor

No Noteholder or Couponholder shall be entitled to take any action directly against the Issuer or ZIC in respect of the Notes or, as applicable, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, unless the Trustee, having become Noteholder Mandated to take such action, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholders shall be entitled to exercise only the same rights against the Issuer or ZIC as those which the Trustee is entitled to exercise.

(e) Extent of remedy for non-payment

No remedy against the Issuer or ZIC, other than as referred to in this Condition 10 *(Remedies)*, shall be available to the Trustee or the Noteholders for the recovery of amounts owing in respect of the Notes or under the Trust Deed or, as applicable, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee.

11. Interest Determination and Payment Dates

(a) Fixed Rate Reset Notes – Fallbacks

If Mid-Swap Rate is specified in the applicable Pricing Supplement and on any Reset Determination Date the Reset Rate Screen Page is not available or the Mid-Swap Rate does not appear on the Reset Rate Screen Page (other than in the circumstances provided for in Condition 11(e)), the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), all as determined by the Calculation Agent.

If only one of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the Reset Period shall be the sum of such Mid-Market Swap Rate Quotation and the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), all as determined by the Calculation Agent. If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 11(a), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at

the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

(b) Floating Rate Notes and Fixed to Floating Rate Notes

(i) Interest Payment Dates

Interest shall be payable in arrear on each Interest Payment Date in the case of a Floating Rate Note and on each Interest Payment Date commencing after the Fixed Rate End Date specified in the applicable Pricing Supplement in the case of a Fixed to Floating Rate Note. The amount of interest payable shall be determined in accordance with Condition 5(b). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, "**Interest Payment Date**" shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Specified Period after the preceding Interest Payment Date or, in the case of the first such Interest Payment Date, after the Interest Commencement Date, in the case of a Floating Rate Note, or after the Fixed Rate End Date, in the case of a Fixed to Floating Rate Note.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each such subsequent date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes and Fixed to Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes and, from and including the Fixed Rate End Date, Fixed to Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each relevant Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(y) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below and subject to Condition 11(e), be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) or on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(y) If the Relevant Screen Page is not available or if sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(z) If paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be. If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the rate of interest shall be the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) Linear Interpolation

Where Linear Interpolation is specified in the applicable Pricing Supplement as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Pricing Supplement as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Pricing Supplement as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(c) Maximum Rate of Interest and Final Redemption Amount and Rounding

(i) If any Maximum Rate of Interest or Final Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest or any calculated Interest Amount or Final Redemption Amount shall be subject to such maximum.

(ii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(d) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agent(s) and the required number of Reference Banks if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined in the Trust Deed). The Issuer may, with the prior written approval of the Trustee (not to be unreasonably withheld), from time to time replace any Reference Bank with another leading investment, merchant or commercial bank or financial institution. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price, as the case may be, or to comply with any other requirement of it hereunder, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(e) Benchmark discontinuation

Notwithstanding the provisions in Condition 11(a) and 11(b), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 11(e) shall apply (with effect from 30 days prior to the first date when such determination is necessary).

(i) Independent Adviser

The Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 11(e)(ii) and, in either case, an Adjustment Spread if any (in accordance with Condition 11(e)(iii)) and any Benchmark Amendments (in accordance with Condition 11(e)).

In making such determination, an Independent Adviser appointed pursuant to this Condition 11(e) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 11(e).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 11(e)(i) prior to the relevant Interest Determination Date or Reset Determination Date (as applicable), the Rate of Interest applicable to the next succeeding Interest Accrual Period or Reset Period (as applicable) shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period or Reset Period (as applicable). If there has not been a first Interest Payment Date or Reset Note Reset Date (as applicable), the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Reset Margin or Maximum Rate of Interest (as applicable) is to be applied to the relevant Interest Accrual Period or Reset Period (as applicable) from that which applied to the last preceding Interest Accrual Period or Reset Period (as applicable), the Margin or Reset Margin or Maximum Rate of Interest (as applicable) relating to the relevant Interest Accrual Period or Reset Period (as applicable) shall be substituted in place of the Margin or Reset Margin or Maximum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period or Reset Period (as applicable). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period or Reset Period (as applicable) only and any subsequent Interest Accrual Periods or Reset Periods (as applicable) are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 11(e)(i).

(ii) ***Successor Rate or Alternative Rate***

If the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that:

A. there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the operation of this Condition 11(e)); or

B. there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the operation of this Condition 11(e)).

(iii) ***Adjustment Spread***

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) ***Benchmark Amendments***

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 11(e) and the Issuer, following consultation with the Independent Adviser and acting in good faith, determines (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 11(e)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Authorised Officers of the Issuer pursuant to Condition 11(e)(v), the Trustee shall (at the direction and expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments to the Trust Deed, the Agency Agreement and/or the Conditions (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or protective provisions afforded to it in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 11(e)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 11(e), no Successor Rate, Alternative Rate, Adjustment Spread or, if applicable, rate determined in accordance with the final paragraph of Condition 11(e)(i) will be adopted, nor will any other amendment to the terms and conditions of any Series of Notes be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the relevant Series of Notes as Relevant Capital.

(v) ***Notices, etc.***

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 11(e) or, if applicable, rate determined in accordance with the final paragraph of Condition 11(e)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 19, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Officers of the Issuer:

(a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate or, if applicable, rate determined in accordance with the final paragraph of Condition 11(e)(i) and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 11(e); and

(b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) ***Survival of Original Reference Rate***

Without prejudice to the obligations of the Issuer under Condition 11(e) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 11 (a) and 11(b) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 11(e)(v).

(vii) ***Definitions:***

As used in this Condition 11(e):

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)

(ii) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Issuer determines that no such spread is customarily applied)

(iii) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (if the Issuer determines that no such industry standard is recognised or acknowledged)

(iv) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines in accordance with Condition 11(e)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 11(e)(iv).

"**Benchmark Event**" means:

(1) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(3) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally or in respect of the Notes; or

(5) an official announcement by the supervisor of the administrator of the Original Reference Rate, with effect from a date after 31 December 2021, that the Original Reference Rate is no longer representative of its relevant underlying market; or

(6) it has become unlawful for any Paying Agent, the Calculation Agent the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (2), (3) and (4), the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer (at its own expense) under Condition 11(e)(i).

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any relevant component part(s) thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

12. Payments

(a) Appointment of Agents

The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and ZIC and their respective specified offices are listed below. Subject as provided in the Agency Agreement, the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and ZIC and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer and ZIC reserve the right at any time, with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent in Continental Europe, and (vi) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent and Transfer Agent (in relation to Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange.

In addition, the Issuer and ZIC shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 12(d).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).

Notwithstanding the foregoing, the Issuer will in respect of any Listed Swiss Franc Notes at all times maintain a Principal Swiss Paying Agent having a specified office in Switzerland and will at no time maintain a Paying Agent having a specified office outside Switzerland, unless permitted by applicable law.

(b) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons (in the case of interest, save as specified in Condition 12(h)(i)), as the case may be, at the specified office of any Paying Agent outside the U.S. (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) by transfer to an account denominated in such currency with, a Bank. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System or, in the case of New Zealand dollars, shall be Auckland.

(c) Registered Notes

(i) Payments of principal in respect of Registered Notes shall be made against surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in sub-paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the Record Date. Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank the details of which are given to the Registrar or any Transfer Agent before the Record Date.

(d) Payments in the U.S.

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the U.S. with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by U.S. law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(e) Payments subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or ZIC or its agents) and neither the Issuer nor ZIC will be liable to pay any additional amount in respect of taxes or duties of whatever nature imposed or levied by or pursuant to such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders in respect of such payments.

(f) Non-Business Days

If any date for payment in respect of any Note is not a Business Day, the Noteholder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Additional Financial Centres" in the applicable Pricing Supplement and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day.

(g) Payments on Listed Swiss Franc Notes

The receipt in full by the Principal Swiss Paying Agent specified in the applicable Pricing Supplement of each payment of principal and/or interest then due in respect of any Listed Swiss Franc Notes at the time and in the manner specified in the agency agreement appointing the Principal Swiss Paying Agent shall (except to the extent that such payment is avoided or set aside for any reason) satisfy the obligation of the Issuer under such Notes to make such payment on such date and shall (except as aforesaid) release it from all further obligations in respect of such payment.

(h) Special Provisions relating to Coupons and Talons

(i) If the Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(ii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iii) Bearer Notes provide that relevant unmatured Coupons shall become void upon the due date for redemption of those Notes and where such Notes are presented for redemption without all unmatured Coupons or any unexchanged Talon relating to such Note, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 20 (*Prescription*)).

13. Meetings of Noteholders, Modification and Waiver

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Trustee or at the request of Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons holding or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts or Arrears of Interest on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest or Arrears of Interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Maximum Rate of Interest is shown in the applicable Pricing Supplement, to reduce any such Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Optional Redemption Amount, the Clean-Up Redemption Price, or the Special Event Redemption Price, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, (viii) to modify Conditions 3 (*Status*), 6 (*Deferral of Interest Payments*) or 7 (*Redemption, Substitution or Variation, Purchase and Options*), or (ix) to cancel or modify the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, in which case the necessary quorum shall be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in principal amount of the Notes for the time being outstanding. The agreement or approval of the Noteholders shall not be required in the case of any variation of these Conditions and/or the Trust Deed required to be made in the circumstances described in Condition 7(g) in connection with the substitution or variation of the Notes so that they remain or become Qualifying Securities, and to which the Trustee has agreed pursuant to the relevant provisions of Condition 7(g). Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).

The consent or approval of the Noteholders will not be required for any Benchmark Amendments made pursuant to Condition 11(e).

The Trust Deed provides that a written resolution signed by or on behalf of the Noteholders of not less than 75 per cent. in principal amount of Notes outstanding shall be as valid and effective as a duly passed Extraordinary Resolution.

(b) Modification of the Trust Deed or Agency Agreement

The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Trust Deed, the ZIC Subordinated Guarantee, the ZIC Deeply Subordinated Guarantee or the Agency Agreement that is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions and the provisions of the Trust Deed, the ZIC Subordinated Guarantee, the ZIC Deeply Subordinated Guarantee or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 19 (*Notices*) as soon as practicable.

In addition, the Trustee shall be obliged to effect such modification to the Trust Deed, the Agency Agreement and/or the Conditions as may be required in order to give effect to Condition 11(e) in connection with effecting any Benchmark Amendments, subject to the provisions thereof, without the requirement for the consent of the Noteholders.

14. Issuer Substitution

The Trust Deed contains provisions permitting the Trustee to agree, without the consent of the Noteholders, to the substitution of any entity (the "**Substitute Obligor**") in place of the Issuer (or of any previous substitute under this Condition 14 (*Issuer Substitution*)) as the principal debtor under the Trust Deed, the Agency Agreement and the Notes provided that:

(i) a trust deed is executed or some other form of undertaking is given by the Substitute Obligor to the Trustee, in form and manner satisfactory to the Trustee, under which such Substitute Obligor agrees to be bound by the terms of these presents (with any consequential amendments which the Trustee may deem appropriate) as fully as if the Substitute Obligor had been named in these presents as the principal debtor in place of the Issuer;

(ii) where the Substitute Obligor is subject generally to the taxing jurisdiction of any territory or any authority of or in that territory having power to tax (the "**Substituted Territory**") other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the "**Issuer's Territory**"), the Substitute Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking in form and manner satisfactory to the Trustee in terms corresponding to the terms of Condition 8 (*Taxation*) with the substitution for the references in that Condition to the Issuer's Territory of references to the Substituted Territory and in such event the Notes and Trust Deed will be read accordingly;

(iii) any two Authorised Officers of the Substitute Obligor certify on behalf of the Substitute Obligor that it will be solvent immediately after such substitution; in such event the Trustee need not have regard to the financial condition, profits or prospects of the Substitute Obligor or compare them with those of the Issuer;

(iv) the Issuer, ZIC and the Substitute Obligor comply with such other requirements (including the giving of a guarantee (on a subordinated basis equivalent to that referred to in Condition 4(a) in the case of Subordinated Notes, or Condition 4(b) in the case of Deeply Subordinated Notes)), in form and substance satisfactory to the Trustee as the Trustee may direct in the interests of the Noteholders;

(v) the Trustee is provided with legal opinions to its satisfaction confirming, *inter alia*, that the Notes, the Trust Deed, the Agency Agreement, the ZIC Subordinated Guarantee or, as the case may be, the ZIC Deeply Subordinated Guarantee and, if applicable, the undertaking referred to in paragraph (i) (in each case, as amended) above are legal, valid, binding and enforceable obligations of the Substitute Obligor and ZIC (as applicable).

In connection with any such substitution in accordance with this Condition 14 (*Issuer Substitution*), references in the definition "Tax Law Change" to Relevant Jurisdiction shall be deemed to refer to any jurisdiction in respect of which any undertaking or covenant equivalent to that in Condition 8 (*Taxation*) is given pursuant to the Trust Deed, (except that as regards such jurisdiction the words "becomes effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series" in the definition "Tax Law Change" shall be replaced with the words "becomes effective after, and has not been announced on or before, the date on which any undertaking or covenant equivalent to that in Condition 8 (*Taxation*) was given pursuant to the Trust Deed").

Any substitution pursuant to this Condition 14 *(Issuer Substitution)* shall be, if so required, subject to notification thereof to, and consent therefor from, the Relevant Regulator. Any such agreement by the Trustee pursuant to this Condition 14 (*Issuer Substitution*) will, if so expressed and save as set out in these Conditions, operate to release the Issuer from any or all of its obligations under the Notes.

15. The Trustee

In connection with the exercise of its functions (including but not limited to those referred to in Condition 13 (*Meetings of Noteholders, Modification and Waiver*)) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Any Solvency Payment Deferral Certificate, Solvency Event Certificate, Conditions Precedent Certificate, Write Down Certificate and any other opinion, certificate or written confirmation as contemplated in the definition of, as appropriate, Accounting Event, Clean-Up Event or Tax Event or otherwise given pursuant to these Conditions or the Trust Deed shall be treated and accepted by the Trustee (and in such circumstances, shall be so treated and accepted by the Noteholders and all other interested parties) as correct and sufficient evidence of those matters/conditions required to be confirmed and/or satisfied, in which event it shall be conclusive and binding on the Trustee, Noteholders and all other interested parties. The Trustee shall be entitled to rely on any such certificate, opinion or written confirmation without further enquiry and without liability to any person.

Neither the Trustee nor the Agents shall have any responsibility for, or liability or obligations in respect of, any loss, claim or demand incurred as a result of or in connection with any non-payment, cancellation or reduction of principal, interest or other amounts or any claims in respect thereof by reason of the occurrence of a Write-Down Event (if applicable).

For the avoidance of doubt, notwithstanding the occurrence of a Write-Down Event (if applicable), nothing in these Conditions shall affect or prejudice the payments of the costs, charges, expenses, liabilities or remuneration of the Trustee or the Agents or the rights and remedies of the Trustee or the Agents in respect thereof.

16. Transfers of Registered Notes

(a) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer (as set out in Schedule 2 to the Trust Deed) endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(b) Regulations

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 16(a) or 16(b) shall be available for delivery within three Business Days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the Noteholder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Noteholder entitled to the new Certificate to such address as may be so specified, unless such Noteholder requests otherwise and pays in advance to the Registrar or relevant Transfer Agent (as applicable) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 16(c), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) Transfer Free of Charge

Transfer of Notes and Certificates shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges by the person submitting such Notes or Certificates that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 7(d), (iii) after any such Note has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date or (v) during the period following delivery of a notice of payment of Arrears of Interest in accordance with Condition 6 (*Deferral of Payments*) and Condition 19 (*Notices*) and ending on the date referred to in such notice as having been fixed for such payment of Arrears of Interest.

17. Replacement of Notes, Certificates, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent, in the case of a Bearer Note or Coupon, or the Registrar, in the case of Certificates, or any other place approved by the Trustee of which notice shall have been published in accordance with Condition 19 (*Notices*), upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

18. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the issue date, the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. Notices

All notices required to be given regarding the Notes pursuant to the Conditions will be valid if published through the electronic communication system of Bloomberg and on the Issuer's and/or ZIC's website. For so long as such Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) in Luxembourg.

In the case of Listed Swiss Franc Notes, all notices shall be published on the internet site of SIX Swiss Exchange (where notices are currently published under the address *www.six-group.com/exchanges/news/official_notices/*) or otherwise in accordance with the regulations of SIX Swiss Exchange.

The Issuer and/or ZIC shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange, listing authority and/or quotation system by which the Notes are for the time being admitted to listing, trading and/or quotation.

Any such notice will be deemed to have been given on the date of the first publication. If publication as provided above is not practicable (i) notices relating to Bearer Notes will be given by publication in a newspaper of general circulation in London (which is expected to be the *Financial Times*) and (ii) notices to holders of Registered Notes will be valid if sent by first-class mail or (if posted to an overseas address) by air-mail to their registered addresses appearing on the Register. Any such notice in respect of (i) above shall be deemed to have been given on the date of the first publication, and in respect of (ii) above shall be deemed to have been given on the fourth day after the day on which it is mailed.

20. Prescription

Claims in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

21. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

22. Governing Law

(a) The Trust Deed (other than the provisions therein relating to (i) subordination, which shall be governed by, and construed in accordance with, the laws of the jurisdiction of incorporation of the Issuer of the Notes and (ii) the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee, which shall be governed by, and construed in accordance with, the laws of Switzerland), the Notes (other than Condition 3 (*Status*), which shall be governed by, and construed in accordance with, the laws of the jurisdiction of incorporation of the Issuer of the Notes) and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Each Issuer has agreed in the Trust Deed, for the exclusive benefit of the Trustee and the Noteholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes may be brought in such courts.

(c) Each Issuer has irrevocably waived in the Trust Deed any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any court referred to in paragraph (b) above or paragraph (d) below or that any such court is an inconvenient forum.

(d) Nothing contained in this Condition 22 (*Governing Law*) shall limit any right of the Trustee or the Noteholders to take Proceedings against the Issuer or ZIC in any other court of competent jurisdiction in Switzerland (but not elsewhere), nor shall the taking of Proceedings in England preclude the taking of Proceedings in Switzerland (or vice versa), whether concurrently or not.

(e) Each of the Guarantor and ZIG has appointed Zurich Insurance plc, UK branch at its registered office for the time being and each of ZF (Australia) and ZF (Ireland) has appointed Zurich Finance (UK) plc at its registered office for the time being, in each case to act as its agent for service of process in respect of any Proceedings in England and each of the Guarantor, ZIG, ZF (Australia) and ZF (Ireland) has undertaken in the Trust Deed that, in the event of Zurich Insurance plc, UK branch or Zurich Finance (UK) plc, as the case may be, ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings in England. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

(f) In respect of Listed Swiss Franc Notes only, the Issuer and the Trustee have agreed in the Trust Deed for the benefit of the Noteholders to the additional jurisdiction of the courts of the City of Zurich, venue Zurich 1.

(g) Any ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee is governed by, and shall be construed in accordance with, the laws of Switzerland. Any legal action or proceedings in respect of a ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee shall be brought exclusively in the courts of the City of Zurich, venue Zurich 1.

23. Definitions and Interpretation

(a) General definitions

"**Accounting Event**" means that an opinion of a recognised accounting firm has been delivered to the Issuer or ZIG, stating that obligations of the Issuer in respect of the Notes must not, or must no longer be, recorded under the Initial Accounting Treatment Methodology specified in the applicable Pricing Supplement (either "**liabilities**" or "**equity**"), (being the presentation of the Notes under IFRS as at the Issue Date) on the balance sheet of ZIG published in its annual consolidated financial statements pursuant to IFRS and this cannot be avoided by the Issuer or, as the case may be, ZIG taking such reasonable measures as the Issuer or ZIG (acting in good faith) deems appropriate and, prior to the publication of any notice of substitution, variation or redemption pursuant to Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*) by reason of such event, the delivery by the Issuer to the Trustee of such opinion;

"**Additional Amounts**" has the meaning given to it in Condition 8 (*Taxation*);

"**Agents**" means the Issuing and Paying Agent, Paying Agents, Calculation Agent, Transfer Agent and Registrar;

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity;

"**Applicable Regulations**" means, at any time, the solvency margin, regulatory capital requirements or capital adequacy regulations applicable to ZIC and/or the Zurich Insurance Group at such time including, but not limited to, such insurance regulatory law (for group solvency or single solvency and/or financial conglomerate purposes, as applicable) and/or applicable generally recognised administrative practice, if any, of the Relevant Regulator and shall include, once introduced and so long as applicable, any Future Regulations;

"**Approved Liquidation**" means a consolidation, amalgamation, merger or reconstruction or voluntary liquidation or dissolution of the Issuer or, as the case may be, the Guarantor, in each case the terms of which shall have previously been approved in writing by the Trustee or by an Extraordinary Resolution of Noteholders;

"**Arrears of Interest**" has the meaning given to it in Condition 6 (*Deferral of Payments*);

"**Assets**" means, in relation to ZIC, ZIC's consolidated total assets and, in relation to the Zurich Insurance Group, ZIG's consolidated total assets, each as shown in its respective latest annual audited balance sheets, but adjusted for all subsequent events, as reasonably determined by ZIC or ZIG, as the case may be, or (in the event of a liquidation) the relevant liquidator;

"**Australian Tax Act**" means the Income Tax Assessment Act 1936 of Australia or the Income Tax Assessment Act 1997 of Australia, as the context requires;

"**Authorised Officer**" means any Director or other duly authorised executive of the Issuer, ZIC and/or ZIG, as applicable;

"**Bank**" has the meaning given to it in Condition 12(b);

"**Bearer Note**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Benchmark Frequency**" has the meaning given to it in the applicable Pricing Supplement;

"**Certificate**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Clean-Up Event**" means (i) the redemption and/or purchase and cancellation of any Notes which, when aggregated with any Notes previously redeemed and/or purchased and cancelled, results in the total principal amount of such Notes which have been previously redeemed and/or purchased and cancelled exceeding the Clean-Up Threshold and (ii) the delivery of a certificate signed by two Authorised Officers of the Issuer or ZIC to the Trustee confirming the same;

"**Clean-Up Threshold**" means the Clean-Up Threshold Percentage specified in the applicable Pricing Supplement times the principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 18 (*Further Issues*));

"**Clearstream**" means Clearstream Banking S.A.;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended;

"**Conditions Precedent Certificate**" means a certificate signed by two Authorised Officers of the Issuer or ZIC stating that (x) the relevant conditions precedent to the right of the Issuer to redeem, substitute or, as appropriate, vary, including but not limited to the conditions set out in Condition 7(c), are satisfied and (y) in the case of a substitution or variation,

that the terms of the relevant Qualifying Securities comply with the definition thereof in Condition 23 (*Definitions and Interpretations*);

"**Early Event Call Period**" means the period from (and including) the date of the occurrence of a Special Event or Clean-Up Event, as applicable, to (and including) the date which is the later of (i) the first anniversary of such occurrence (or such shorter or longer period as may be set out in the applicable Pricing Supplement) and (ii) having sought such consent within such period, the date on which written consent of the Relevant Regulator is obtained for the giving of such notice and redemption;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Eurozone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended;

"**Excepted Event**" means one or more of the following events:

(a) repurchases, redemptions or other acquisitions of ZIG's ordinary shares in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of one or more employees, officers, directors or consultants, in connection with a dividend reinvestment or shareholder stock purchase plan or in connection with the issuance of ZIG's ordinary shares (or securities convertible into or exercisable for ZIG's ordinary shares) as consideration in an acquisition transaction entered into prior to the applicable deferral period;

(b) as a result of any exchange or conversion of any class or series of ZIG's ordinary shares (or any capital stock of any of its subsidiaries) for any class or series of common stock or of any class or series of its indebtedness (or for the indebtedness of any of its subsidiaries);

(c) the aggregate amount of Junior and Pari Passu Payments during the six month period ending on the relevant Interest Payment Date does not exceed US$10,000,000 (or its equivalent);

(d) any declaration of a dividend in connection with any shareholders' rights plan, or the issuance of rights, stock or other property under any shareholders' rights plan, or the redemption or repurchase of rights pursuant thereto;

(e) any dividend or distribution in the form of stock, warrants, options or other rights where the dividend stock or the stock issuable upon exercise of such warrants, options or other rights is the same stock as that on which the dividend is being paid or ranks *pari passu* with or junior to such stock; or

(f) payments of interest on any Notes and on any Pari Passu Obligations, in each case which are made rateably and in proportion to the respective amounts as at such Interest Payment Date of (y) if applicable, Arrears of Interest and any other accrued and unpaid interest on the Notes, on the one hand and (z) accrued and unpaid interest on such other obligations on the other hand;

"**FATCA Withholding**" has the meaning given to it in Condition 12(e);

"**FINMA**" means the Swiss Financial Market Supervisory Authority FINMA in Switzerland;

"**First Reset Rate of Interest**" means the rate of interest determined by the Calculation Agent pursuant to Conditions 5(a) and 11(a) on the first Reset Determination Date as the sum of the relevant Reset Rate plus the applicable Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent));

"**Fixed Rate End Date**" means the date specified as such in the applicable Pricing Supplement; "**Fixed Term Deferred Interest Payment**" has the meaning given to it in Condition 6(b);

"**Future Regulations**" means the solvency margin, regulatory capital or capital adequacy regulations (if any) which may be introduced in Switzerland (or if ZIC and/or ZIG becomes domiciled for regulatory purposes in a jurisdiction other than Switzerland, such other jurisdiction) and which are applicable to the Issuer, ZIC and/or Zurich Insurance Group, which would set out the requirements to be satisfied by financial instruments in order that they be eligible to be included in Tier Two (or equivalent) own funds regulatory capital ("**Future Tier Two Capital**");

"**Group Solvency Event**" has the meaning given to it in Condition 10(c);

"**Guarantor**" means ZIC in its capacity as guarantor under any ZIC Subordinated Guarantee or ZIC Deeply Subordinated Guarantee;

"**holder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Initial Rate of Interest**" means the initial rate of interest per annum specified as such in the applicable Pricing Supplement;

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

"**Interest Amount**" means, in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, Fixed Rate Reset Notes, and, prior to the Fixed Rate End Date, Fixed to Floating Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and, in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Pricing Supplement;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified: (i) the first day of such Interest Accrual Period if the Specified Currency is sterling or (ii) the second Business Day in London prior to the first day of such Interest Accrual Period if the Specified Currency is neither sterling nor euro or (iii) the second TARGET Business Day prior to the first day of such Interest Accrual Period if the Specified Currency is euro;

"**Interest Payment**" means, with respect to an Interest Payment Date, the interest scheduled to be paid on such Interest Payment Date in accordance with these Conditions;

"**Interest Payment Date**" has the meaning given to it in Condition 11(b);

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"**ISDA Definitions**" means the 2006 ISDA Definitions as amended or supplemented, as published by the International Swaps and Derivatives Association, Inc. unless otherwise specified in the applicable Pricing Supplement;

"**ISO**" means the Ordinance on the Supervision of Private Insurance Companies (*Verordnung über die Beaufsichtigung von privaten Versicherungsunternehmen — AVO*) of 9 November 2005, as amended;

"**Issuer's Territory**" has the meaning given to it in Condition 14 (*Issuer Substitution*);

"**Junior and Pari Passu Payments**" has the meaning given to it in the definition of "Optional Interest Payment Date";

"**Junior Instruments**" for the purposes of the Subordinated Notes has the meaning given to it in Condition 3(a) and for the purposes of the Deeply Subordinated Notes has the meaning given to it in Condition 3(b);

"**Junior or Pari Passu Interest Payment**" means, in respect of any Junior or Pari Passu Securities, the payment of any interest on such securities (or the payment of a sum in respect of such interest under any applicable guarantee);

"**Junior or Pari Passu Securities**" means (a) any securities issued (or guaranteed) by ZIC and the claims in respect of such securities (or, as applicable, guarantee) rank, or are expressed to rank, junior to, or *pari passu* with, the claims of holders of Subordinated Notes under the ZIC Subordinated Guarantee if this is a Subordinated Note or the claims of holders of Deeply Subordinated Notes under the ZIC Deeply Subordinated Guarantee if this is a Deeply Subordinated Note or (b) any securities issued by the Issuer and the claims in respect of such securities rank junior to, or *pari passu* with, (if this is a Subordinated Note) the claims of holders of Subordinated Notes or, (if this is a Deeply Subordinated Note) the claims of holders of Deeply Subordinated Notes;

"**Liabilities**" means, in relation to ZIC, ZIC's consolidated total liabilities and, in relation to the Zurich Insurance Group, ZIG's consolidated total liabilities, each as shown in its respective latest annual audited balance sheets, but adjusted for all subsequent events, as reasonably determined by ZIC or ZIG, as the case may be, or (in the event of a liquidation) the relevant liquidator;

"**Liquidation Ruling**" has the meaning given to it in Condition 10(c);

"**Margin**" means the Margin specified in the applicable Pricing Supplement and shall include, with effect from the Margin Step-Up Date(s) specified in the applicable Pricing Supplement (if any), the relevant Step-Up Margin(s) specified in the applicable Pricing Supplement;

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date, either:

(a) if Single Mid-Swap Rate is specified in the applicable Pricing Supplement as being applicable, the rate for swaps in the Specified Currency:

(i) with a term equal to the relevant Reset Period; and

(ii) commencing on the relevant Reset Note Reset Date, which appears on the Reset Rate Screen Page; or

(b) if Mean Mid-Swap Rate is specified in the applicable Pricing Supplement as being applicable, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(i) with a term equal to the relevant Reset Period; and

(ii) commencing on the relevant Reset Note Reset Date, which appear on the Reset Rate Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Noteholder**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Noteholder Mandated**" means, in relation to the taking of any applicable action by the Trustee, the Trustee has been so requested in writing by the Noteholders of not less than 25 per cent. in principal amount of the Notes then outstanding or has been so directed by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders (in each case, subject to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction);

"**Optional Interest Payment Date**" means any Interest Payment Date in respect of which during the six month period ending thereon (a) no dividend has been declared or paid on any class of share capital of ZIG; (b) no repurchase or acquisition of any class of share capital of ZIG has been made; and (c) no interest, distribution or other payments (including payment for the purpose of a redemption or repurchase) have been made (i) on any Junior or Pari Passu Securities; or (ii) on any securities issued or guaranteed by ZIG (any such payments in (a), (b) and (c) together, "**Junior and Pari Passu Payments**") (provided at the relevant time the existence of this requirement (c) does not cause a Regulatory Event); (unless, in each case, such payment was (i) required to be made pursuant to the terms of such securities or required due to the repayment of such securities or (ii) an Excepted Event);

"**Pari Passu Instruments**" for the purposes of the Subordinated Notes has the meaning given to it in Condition 3(a) and for the purposes of the Deeply Subordinated Notes has the meaning given to it in Condition 3(b);

"**Pari Passu Obligations**" means (a) any obligations undertaken (or guaranteed) by ZIC and the claims in respect of such obligations (or, as applicable, guarantee) rank, or are expressed to rank, *pari passu* with, (in the case of Subordinated Notes) the claims of holders of Subordinated Notes under the ZIC Subordinated Guarantee or, (in the case of Deeply Subordinated Notes) the claims of holders of Deeply Subordinated Notes under the ZIC Deeply Subordinated Guarantee or (b) any obligations undertaken by the Issuer and the claims in respect of such obligations rank, or are expressed to rank, *pari passu* with (in the case of Subordinated Notes) the claims of holders of Subordinated Notes or, (in the case of Deeply Subordinated Notes) the claims of holders of Deeply Subordinated Notes;

"**Qualifying Securities**" means securities:

(a) having terms (including terms providing for deferral of payment of interest and/or principal and which preserve any existing rights under these Conditions to any accrued interest, Arrears of Interest and any other amounts which have not been paid) that are not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer or ZIC after consulting an independent investment bank of international standing, and provided that a certification to such effect of two Authorised Officers of the Issuer or ZIC shall have been delivered to the Trustee prior to the issue of the relevant securities); and

(b) issued by ZIC, or issued by another member of the Zurich Insurance Group together with a guarantee by ZIC, such that investors have the same material rights and claims as provided by the Notes and any ZIC Subordinated Guarantee or, as the case may be, ZIC Deeply Subordinated Guarantee (as reasonably determined by the Issuer, and provided that a certification to such effect of two Authorised Officers of ZIC shall have been delivered to the Trustee prior to the issue of the relevant securities); and

(c) ranking at least equal to the Notes (in the case of securities issued by the Issuer) and featuring the same principal amount, interest rate (including applicable margins and step-up), Interest Payment Dates and Optional Redemption Dates as the Notes; and

(d) containing terms which preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of and amounts payable on, such redemption; and

(e) which do not contain any terms providing for loss absorption through principal write-down or conversion to ordinary shares; and

(f) which benefit from a guarantee from ZIC which ranks at least equally, in the case of Subordinated Notes, with a relevant ZIC Subordinated Guarantee or, in the case of Deeply Subordinated Notes, with a relevant ZIC Deeply Subordinated Guarantee; and

(g) listed on an internationally recognised stock exchange, if the Notes were listed prior to such substitution or variation; and

(h) in the case of a substitution or variation as a result of a Rating Agency Event, which are assigned substantially the same equity content, or at the absolute discretion of the Issuer or ZIC a lower equity content (provided such equity content is still higher than the equity content assigned to the Notes after the occurrence of the Rating Agency Event), than was assigned by the Rating Agency/ies to the Notes on or around the Issue Date and provided that a certification to such effect of two Authorised Officers of ZIC shall have been delivered to the Trustee prior to the issue of the relevant securities;

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions of the applicable Pricing Supplement;

"**Rating Agency/ies**" means, at any time, the rating organisation(s) who have, at the request of the Issuer or ZIC, given published ratings of the Notes at such time;

"**Rating Agency Event**" means a change by any Rating Agency to its equity credit criteria, or the interpretation or application thereof, for securities such as the Notes, as such criteria are in effect on the Issue Date (the "**current criteria**"), which results in a lower equity credit being given to the Notes as of the date of such change by such Rating Agency as compared with the equity credit assigned to the Notes pursuant to its current criteria and, prior to the publication of any notice of substitution, variation or redemption pursuant to Condition 7 *(Redemption, Substitution or Variation, Purchase and Options)* by reason of such event;

"**Record Date**" means, in respect of any payment due on the Notes, the fifteenth day before the due date for payment thereof;

"**Reference Banks**", (i) in the case of Floating Rate Notes and Fixed to Floating Rate Notes, has the meaning specified in the applicable Pricing Supplement or, if none, four major banks selected by the Issuer in the market that is most closely connected with the applicable Reference Rate; (ii) in the case of a Mid-Swap Rate, has the meaning specified in the applicable Pricing Supplement or, if none, four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer acting on the advice of an investment bank of international repute and (iii) in the case of a Benchmark Gilt Rate, four brokers of gilts and/or gilt-edged market makers selected by the Issuer acting on the advice of an investment bank of international repute;

"**Reference Rate**" means LIBOR, EURIBOR or as otherwise specified in the applicable Pricing Supplement, in each case for the relevant period, as specified in the applicable Pricing Supplement;

"**Register**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Registered Note**" has the meaning given to it in Condition 1 (*Form, Denomination and Title*);

"**Regulatory Event**" means the occurrence of any of the following events, which occurrence (i) cannot be avoided by the Issuer, ZIC or ZIG taking such reasonable measures as they (acting in good faith) deem appropriate or (ii) is not reasonably foreseeable as at the Issue Date of the first Tranche of the Notes of the relevant Series (or in the case of a redomiciliation of ZIC and/or ZIG, at the time of such decision to redomicile):

(a) prior to the implementation of any Future Regulations, the Relevant Regulator states that less than the entire principal amount of the Notes is now eligible to qualify as at least (i) lower additional capital (in the case of Notes which have a Maturity Date) or (ii) upper additional capital (in the case of Notes which do not have a Maturity Date)) pursuant to Art. 49 of the ISO in connection with Art. 22a of the ISO for group or solo solvency purposes; or

(b) with effect from (and including) the implementation of any Future Regulations, less than the entire principal amount of the Notes qualify as at least Future Tier Two Capital under such Future Regulations (or an official application or interpretation of those regulations including a decision of a court or tribunal),

save, in each case above, where such non-qualification thereof applicable to the Notes is only as a result of (i) any applicable limitation on the amount of such capital or, (ii) in the case of Notes with a Maturity Date, only as a result of any amortisation of the capital recognition of the Notes in accordance with the Applicable Regulations in force at the Issue Date of the first tranche of Notes of the relevant Series in the years prior to its redemption, in either case of (i) or (ii), all in accordance with the Applicable Regulations;

"**Relevant Capital**" means lower additional capital (in the case of Notes which have a Maturity Date) or upper additional capital in the case of Notes which do not have a Maturity Date or, following the implementation of any Future Regulations, Future Tier Two Capital;

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate) being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation;

"**Relevant Junior or Pari Passu Securities**" means (a) any securities issued (or guaranteed) by ZIC which have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of ZIC and/or the Zurich Insurance Group and the claims in respect of such securities (or, as applicable, guarantee) rank, or are expressed to rank, junior to (in the case of Subordinated Notes) the claims of holders of Subordinated Notes under the ZIC Subordinated Guarantee or, (in the case of Deeply Subordinated Notes) the claims of holders of Deeply Subordinated Notes under the ZIC Deeply Subordinated Guarantee; (b) any securities issued by ZIC which have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of ZIC and/or the Zurich Insurance Group and the claims in respect of such securities rank, or are expressed to rank *pari passu* with, (in the case of Subordinated Notes) the claims of holders of Subordinated Notes under the ZIC Subordinated Guarantee or, (in the case of Deeply Subordinated Notes) the claims of holders of Deeply Subordinated Notes under the ZIC Deeply Subordinated Guarantee);

"**Relevant Jurisdiction**" means (i) Australia and Switzerland, in the case of Notes issued by ZF (Australia); and (ii) the Republic of Ireland and Switzerland, in the case of Notes issued by ZF (Ireland);

"**Relevant Regulator**" means FINMA or any domestic or foreign successor to FINMA or any entity, that otherwise has primary supervisory authority over ZIC and/or ZIG and/or the Zurich Insurance Group;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement;

"**Reset Determination Date**" means, unless otherwise specified in the applicable Pricing Supplement, the second Business Day prior to each Reset Note Reset Date;

"**Reset Margin**" means the Initial Reset Margin (which shall apply to the First Reset Period) or any Subsequent Reset Margin(s) which shall apply to any Subsequent Reset Period(s), in each case as specified in the applicable Pricing Supplement;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period;

"**Senior Creditors**" for the purposes of the Subordinated Notes has the meaning given to it in Condition 3(a) and for the purposes of the Deeply Subordinated Notes has the meaning given to it in Condition 3(b);

"**SIS**" has the meaning given to it in Condition 2 (*Listed Swiss Franc Notes*);

"**SIX Swiss Exchange**" means SIX Swiss Exchange Ltd;

a "**Solvency Event**" shall be deemed to have occurred as at any date if as at such date:

(a) ZIC and/or the Zurich Insurance Group does not have appropriate funds to cover (as applicable) its required solvency margin or meet any other required level of own funds regulatory capital (or another applicable term in case of a change in Applicable Regulations) in accordance with Applicable Regulations; or

(b) ZIC and/or ZIG has reasonable grounds for concern that it is unable to pay its debts owed to its creditors as they fall due; or

(c) ZIC and/or ZIG has reasonable grounds for concern that its Assets do not exceed its Liabilities; or

(d) any other event has occurred which, under the Applicable Regulations, in order for the Notes to continue to qualify as Relevant Capital, would require payment of principal or interest, as applicable, on the Notes to be deferred; or

(e) the Relevant Regulator has given notice to ZIC and/or ZIG (in the case of the Zurich Insurance Group), that it has determined that in accordance with the Applicable Regulations at such time, action must be taken in relation to payments on subordinated notes, including the Notes;

"**Solvency Event Certificate**" means a certificate signed by two Authorised Officers of ZIC or, where applicable, ZIG confirming the occurrence and/or continuation of a Solvency Event to the Trustee;

"**Solvency Interest Deferral Date**" means each Interest Payment Date in respect of which a Solvency Event has occurred and is continuing or would occur if payment of interest were made on such Interest Payment Date;

"**Solvency Payment Deferral Certificate**" means a certificate signed by two Authorised Officers of ZIC or, where applicable, ZIG confirming that (i) a Solvency Event has occurred and is continuing, or would occur if payment of interest on the Notes were made or (ii) a Solvency Event has ceased to occur and/or payment of interest or Arrears of Interest on the Notes would not result in a Solvency Event occurring;

"**Special Event**" means any of an Accounting Event, a Rating Agency Event or a Regulatory Event or any combination of the foregoing;

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated;

"**Specified Maximum Amount**" means the amount specified as such in the applicable Pricing Supplement;

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period, the rate of interest determined by the Calculation Agent pursuant to Conditions 5(a) and 11(a) on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the applicable Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent));

"**Substitute Obligor**" has the meaning given to it in Condition 14 (*Issuer Substitution*);

"**Substituted Territory**" has the meaning given to it in Condition 14 (*Issuer Substitution*);

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto;

a "**Tax Event**" shall occur at any time if either:

(a) on the occasion of the then next payment due under the Notes, (A) the Issuer is or will become obliged to pay Additional Amounts as provided or referred to in Condition 8 (*Taxation*) or (B) if a sum in respect of such payment is claimed under the ZIC Subordinated Guarantee or, as the case may be, the ZIC Deeply Subordinated Guarantee, ZIC would be required to pay Additional Amounts, in each case (A) and (B) as a result of a Tax Law Change, and such obligation cannot be avoided by the Issuer (in respect of case (A)) or ZIC (in respect of case (B)) taking reasonable measures available to it; or

(b) in respect of a past or the then next Interest Payment Date, the payment of interest in respect of the Notes would as a result of a Tax Law Change not be deductible as interest or an expense for tax purposes of the Issuer (or the amount of such deduction is materially reduced) for reasons outside the control of, and which cannot be avoided by, the Issuer taking reasonable measures available to it;

and in each such case, prior to publication of any notice of substitution, variation or redemption pursuant to Condition 7 *(Redemption, Substitution or Variation, Purchase and Options)* by reason of either of the events above, the delivery to the Trustee by the Issuer or ZIC of a certificate signed by two of its Authorised Officers certifying that the relevant conditions precedent to the right of the Issuer to redeem, substitute or, as appropriate, vary the Notes have been satisfied and an opinion of independent legal advisers of recognised standing to the effect that, in the case of (a) above, the Issuer and/or as applicable, the Guarantor has or will become obliged to pay relevant Additional Amounts as a result of a Tax Law Change or, as appropriate, in the case of (b) above, the relevant Tax Law Change has occurred;

"**Tax Law Change**" means any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series;

"**Write-Down**" and "**Written-Down**" has the meaning given to it in Condition 9(c);

"**Write-Down Certificate**" has the meaning given to it in Condition 9(b);

"**Write-Down Date**" means the date specified as such in the Write-Down Notice on which the Notes will be Written-Down, which date shall be no less than one and no more than seven calendar days after the date of delivery of the relevant Write-Down Notice;

"**Write-Down Event**" shall bear the meaning specified in the applicable Pricing Supplement;

"Write-Down Notice" has the meaning given to it in Condition 9(b);

"**ZIC Deeply Subordinated Guarantee**" has the meaning given to it in Condition 4(b);

"**ZIC Subordinated Guarantee**" has the meaning given to it in Condition 4(a);

"**ZIG**" means Zurich Insurance Group Ltd; and

"**Zurich Insurance Group**" means ZIG together with all of its subsidiaries.

(b) Interest related definitions

"**Benchmark Gilt**" means, in respect of a Reset Period, the Benchmark Gilt specified in the applicable Pricing Supplement or, if no Benchmark Gilt is specified in the applicable Pricing Supplement or if the relevant Benchmark Gilt is no longer outstanding at the relevant time, such United Kingdom government security having a maturity date on or about the last day of such Reset Period as the Issuer, with the advice of the Reference Banks may determine to be appropriate;

"**Benchmark Gilt Rate**" means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by the Issuer following consultation with an investment bank of international repute;

"**Business Day**" means:

(a) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(b) in the case of euro, a day on which the TARGET System is operating (a "**TARGET Business Day**"); and/or

(c) in the case of a currency and/or one or more Additional Business Centres specified in the applicable Pricing Supplement, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the "Calculation Period"):

(i) if "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (\mathrm{D}_2 - \mathrm{D}_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)"** is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified in the applicable Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date; and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

"**First Reset Date**" means the date specified as such in the applicable Pricing Supplement;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the first Subsequent Reset Date or, if a Subsequent Reset Date is not specified in the applicable Pricing Supplement, the Maturity Date;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement;

"**Mid-Market Swap Rate**" means, for any Reset Period, the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Benchmark Frequency (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on (subject as otherwise provided pursuant to Condition 11(e)) the Mid-Swap Benchmark Rate for the Mid-Swap Maturity as specified in the applicable Pricing Supplement (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Swap Benchmark Rate**" means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro;

"**Mid-Swap Maturity**" has the meaning specified as such in the applicable Pricing Supplement;

"**Reference Bond**" means, for any Reset Period, the Reference Bond specified in the applicable Pricing Supplement or, if no Reference Bond is specified in the applicable Pricing Supplement or if the relevant Reference Bond is no longer outstanding at the relevant time, such government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer as having an actual or interpolated maturity date comparable with the last day of the relevant Reset Period and that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period;

"**Reference Bond Dealer**" means each of four banks (selected by the Issuer), or their affiliates which are primary government securities dealers or market makers in pricing corporate bond issuances denominated in the Specified Currency;

"**Reference Bond Dealer Quotations**" means, with respect to each Reference Bond Dealer and the relevant Reset Determination Date, the arithmetic mean, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the relevant Reset Determination Date and quoted in writing to the Calculation Agent by such Reference Bond Dealer;

"**Reference Bond Price**" means, with respect to a Reset Determination Date, (a) the arithmetic mean of the Reference Bond Dealer Quotations for that Reset Determination Date, after excluding the highest and lowest such Reference Bond Dealer Quotations, or (b) if the Calculation Agent obtains fewer than four such Reference Bond Dealer Quotations, the arithmetic mean of all such quotations or (c) if the Calculation Agent obtains only one Reference Bond Dealer Quotation, the Reference Bond Dealer Quotation obtained or (d) if the Calculation Agent obtains no Reference Bond Dealer Quotations, the Subsequent Reset Rate of Interest shall be that which was determined on the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest, in each case, as determined by the Calculation Agent;

"**Reference Bond Rate**" means, in respect of a Reset Period, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price;

"**Reset Note Reset Date**" means the First Reset Date and each Subsequent Reset Date (as applicable); "**Reset Rate**" means:

(a) if Mid-Swap Rate is specified in the applicable Pricing Supplement, the relevant Mid-Swap Rate;

(b) if Benchmark Gilt Rate is specified in the applicable Pricing Supplement, the relevant Benchmark Gilt Rate; or

(c) if Reference Bond is specified in the applicable Pricing Supplement, the relevant Reference Bond Rate;

"**Reset Rate Screen Page**" has the meaning specified in the applicable Pricing Supplement;

"**Subsequent Reset Date**" means the date or dates specified as such in the applicable Pricing Supplement; and

"**Subsequent Reset Period**" means each successive period, other than the First Reset Period, from (and including) a Reset Note Reset Date to (but excluding) the next succeeding Reset Note Reset Date or, if no such Subsequent Reset Date, the Maturity Date.

(c) Interpretation

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amount, Optional Redemption Amount, Clean-Up Redemption Price or Special Event Redemption Price and all other amounts in the nature of principal payable pursuant to Condition 7 (*Redemption, Substitution or Variation, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any Additional Amounts that may be payable under Condition 8 (*Taxation*) or any undertaking given in addition to or in substitution for it under the Trust Deed.

DESCRIPTION OF NOTES IN GLOBAL FORM

Listed Swiss Franc Note

Each Listed Swiss Franc Note will be represented exclusively by a Permanent Global SIS Note in bearer form which will be deposited with SIX SIS AG, Olten, Switzerland ("**SIS**"), or such other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (with respect to any such Permanent Global SIS Note, SIS or such other intermediary, the "**Intermediary**") on or prior to the original issue date of such Note. As a matter of Swiss law, once the Permanent Global SIS Note has been deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Listed Swiss Franc Notes represented thereby will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) the "**Intermediated Securities**"). The Permanent Global SIS Note will be exchangeable for Bearer Notes in definitive form in whole but not in part only if the Swiss Paying Agent should, after consultation with the Issuer, deem the printing of Bearer Notes in definitive form to be necessary or useful, or if the presentation of Bearer Notes in definitive form is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of Noteholders, or if the Swiss Paying Agent at any time at its discretion determines to have Bearer Notes in definitive form issued. Holders of Listed Swiss Franc Notes will not have the right to effect or demand the exchange of the Permanent Global SIS Note into Notes in definitive or un-certified form. If Bearer Notes in definitive form are delivered, the relevant Permanent Global SIS Note will be immediately cancelled by the Swiss Paying Agent and the Bearer Notes in definitive form shall be delivered to the relevant holders against cancellation of the relevant Listed Swiss Franc Notes in such holders' securities accounts. As a matter of Swiss law, a holder of an interest in the Permanent Global SIS Note retains a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global SIS Note to the extent of the Notes represented by such Permanent Global SIS Note in which such holder has an interest; provided, however, that, for so long as the Permanent Global SIS Note remains deposited with the Intermediary (i.e., for so long as the Notes represented thereby constitute Intermediated Securities), the co-ownership interest is suspended and the Notes represented thereby may only be transferred by the entry of the transferred Notes in a securities account of the transferee. For so long as Notes constitute Intermediated Securities, as a matter of Swiss law, (i) the records of the Intermediary will determine the number of Notes held through each participant of the Intermediary and (ii) the holders of such Notes will be the persons holding such Notes in a securities account (*Effektenkonto*) that is in their name or, in the case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding such Notes for their own account in a securities account (*Effektenkonto*) that is in their name.

Initial Issue of Notes

If the Global Notes in respect of any series of Senior Notes in bearer form are stated in the applicable Pricing Supplement to be issued in NGN form, the Global Notes will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. If the Global Certificates in respect of any series of Senior Notes in registered form are stated in the applicable Pricing Supplement to be issued in NSS form, the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Where the Global Notes issued in respect of any Tranche are in NGN form or are held under the NSS, Euroclear and Clearstream will be notified whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Depositing the Global Notes or Global Certificates (as the case may be) with the Common Safekeeper does not necessarily mean that the relevant Senior Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary (other than Global Certificates in NSS form, which shall be delivered to a Common Safekeeper).

If the Global Note is in CGN form, upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream (the "**Common Depositary**") or registration of Registered Notes in the name of any common nominee for Euroclear and Clearstream and delivery of the relevant Global Certificate to the Common Depositary, Euroclear or Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is in NGN form, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or such clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates subject to and

in accordance with the respective rules and procedures of Euroclear, Clearstream or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the applicable Pricing Supplement indicates that such Global Note is issued in compliance with the TEFRA C rules or in a transaction to which TEFRA is not applicable, in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, the temporary Global Note will be exchangeable upon a request as described therein either for interests in a permanent Global Note or for Definitive Notes (as indicated in the applicable Pricing Supplement and subject, in the case of Definitive Notes to such notice period as is specified in the applicable Pricing Supplement), in each case against certification to the effect that the beneficial owner of interests in such temporary Global Note is not a U.S. person or a person who has purchased for resale to any U.S. person, as required by U.S. Treasury regulations.

If the temporary Global Note is exchangeable for Definitive Notes at the option of the holder and the relevant clearing system(s) so permit, the Notes shall be tradeable only in amounts of at least the Specified Denomination specified in the applicable Pricing Supplement (such as €100,000 (or its equivalent in another currency)) plus one or more higher integral multiples of another smaller amount (such as €1,000 (or its equivalent in another currency))

Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Notes if the permanent Global Note is held on behalf of Euroclear or Clearstream or any other clearing system (an "**Alternative Clearing System**") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. Noteholders who hold Notes in the relevant clearing system in amounts that are not integral multiples of a Specified Denomination may need to purchase or sell, on or before the relevant Exchange Date, a principal amount of Notes such that their holding is an integral multiple of a Specified Denomination.

Permanent Global Certificates

If the applicable Pricing Supplement states that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 16(a) of the Senior Notes Conditions, the ZIC Subordinated Notes Conditions or the Guaranteed Subordinated Notes Conditions, may only be made in part:

(i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

Delivery of Notes

If the Global Note is in CGN form, on or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be, or if the Global Note is in NGN form, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Base Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note

may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that has not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 11(h)(iv) of the Senior Notes Conditions and the ZIC Subordinated Notes Conditions and Condition 12(h)(iv) of the Guaranteed Subordinated Notes Conditions will apply to the Definitive Notes only. If the Global Note is in NGN form, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note will be reduced accordingly. Payments under the NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "Business Day" set out in Condition 11(f) of the Senior Notes Conditions and the ZIC Subordinated Notes Conditions and Condition 12(f) of the Guaranteed Subordinated Notes Conditions.

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

Prescription

Claims in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date.

Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer, ZIC (where ZIC is not the Issuer), ZIG and any of their respective Subsidiaries (as such term is defined in the Trust Deed) if they are purchased together with the rights to receive all future payments of interest (if any) thereon.

Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions.

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent within

the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation. Where the Global Note is in NGN form, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

NGN nominal amount

Where the Global Note is in NGN form, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Senior Notes represented by such Global Note shall be adjusted accordingly.

Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of, any nominee or any common nominee, as the case may be, for a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate and, in the case of Registered Notes only, the Trustee may have regard to any other letter of confirmation, form of record, information and/or certification as the Trustee shall, in its absolute discretion, think fit as evidence that at any particular time or throughout any particular period any particular person should be regarded as having an interest in a particular nominal amount of Registered Notes and if the Trustee does so rely on such evidence, such letter of confirmation, form of record, information and/or certification shall be conclusive and binding on all concerned.

Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.

Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

(A) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Trust Deed shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders whether or not they participated in such Electronic Consent; and

(B) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by (a) accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

The following legend will appear on all Global Notes, Reg. S Global Notes, Definitive Notes and interest coupons in respect of obligations with an original maturity in excess of 365 days issued by an Issuer other than ZHCA:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

The sections referred to provide that U.S. holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes or interest coupons.

USE OF PROCEEDS

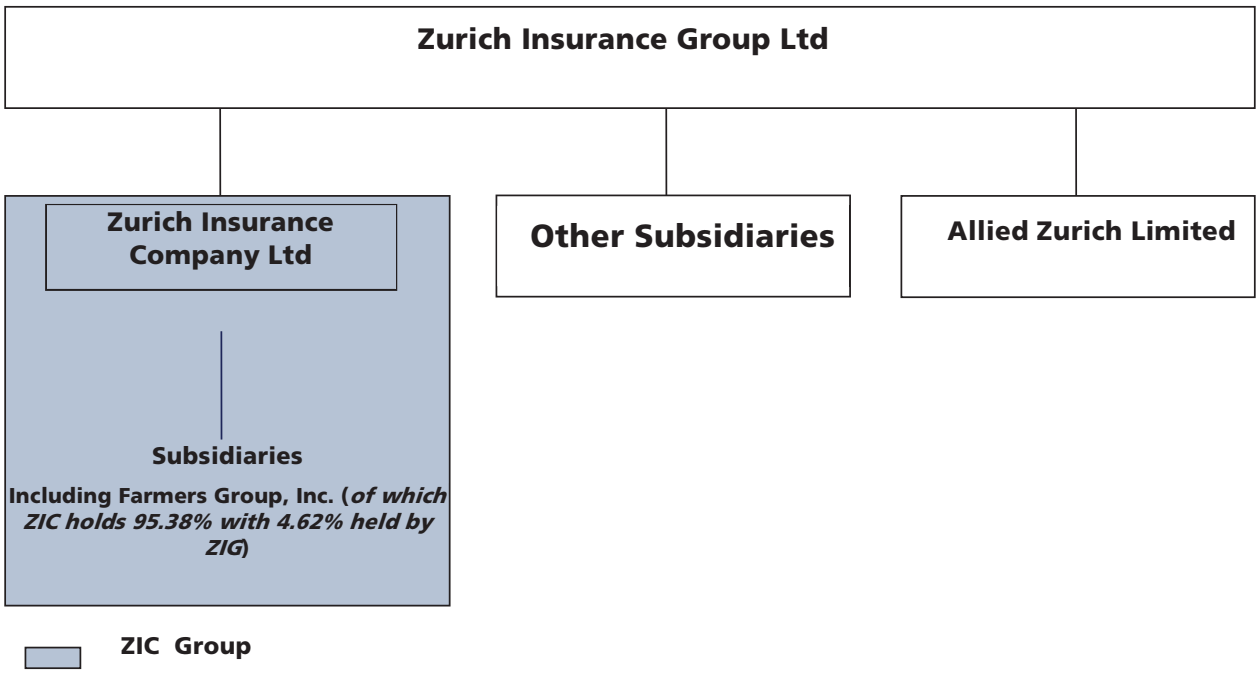
The net proceeds from each issue of Notes by ZIC will be used in Switzerland to refinance existing debt of ZIC or, alternatively, for general corporate purposes.

The net proceeds from each issue of Notes by ZF (Australia), ZF (Ireland) or ZHCA will be used either to refinance existing debt of Zurich Insurance Group or, alternatively, for general corporate purposes.

ZURICH INSURANCE COMPANY LTD

GENERAL INFORMATION

Overview of the ZIC Group structure



ZIC is a Swiss stock corporation (*Aktiengesellschaft*) according to the Swiss Code of Obligations and regulated according to Swiss insurance law and regulation. ZIC was incorporated in the commercial register of the Canton of Zurich, Switzerland on 16 July 1884. Its registered office is at Mythenquai 2, CH-8002 Zurich, Switzerland (telephone: +41 44 625 25 25) and its registered number is CHE-105.833.114. The purpose of ZIC is to conduct all kinds of insurance and reinsurance businesses, except for direct life insurance business. The fiscal year of ZIC begins on 1 January and ends on 31 December of each year.

The ZIC Group is a provider of insurance products and related services. The ZIC Group mainly operates in Europe, North America, Latin America and Asia Pacific through subsidiaries, branch and representative offices.

ZIC is fully owned by ZIG, the ultimate parent company of the ZIC Group. ZIG is a Swiss stock corporation (*Aktiengesellschaft*) according to the Swiss Code of Obligations and is incorporated in Zurich, Switzerland. Its registered office is at Mythenquai 2, CH-8002 Zurich, Switzerland and its registered number is CHE-101.236.480. ZIG is listed on the SIX Swiss Exchange (ZURN) and has a level I American Depositary Receipt (ZURVY) programme, which is traded over-the-counter on the OTCQX.

Share Information

The share capital of ZIC amounts to CHF 825,000,000, divided into 82,500,000 issued and fully paid registered shares with a par value of CHF 10 each as of 31 December 2018 and as at the date of this Base Prospectus. The transfer of shares is subject to the board of directors' consent. The board of directors may further delegate such consent.

In April 2019, ZIC paid an ordinary dividend of CHF 2.7 billion in respect of the financial year 2018. In 2018, ZIC made a partial repayment to ZIG of an existing subordinated loan in the amount of CHF 2.7 billion instead of an ordinary dividend in respect of the financial year 2017. In 2017, ZIC paid an ordinary dividend of CHF 2.3 billion in respect of the financial year 2016.

Notices

Notices are given by ZIC by publication in the Swiss Official Gazette of Commerce *(Schweizerisches Handelsamtsblatt)*. Notices to shareholders are given by ZIC by ordinary mail to the addresses registered in the share register unless otherwise provided by law or the articles of association of ZIC.

Business and Strategy

The ZIC Group's strategy is derived from Zurich Insurance Group's strategy announced in November 2016. Building on its solid foundations, the ZIC Group seeks to increase profitability and consolidate its position as a leading global underwriter for property

and casualty, and life insurance by enhancing commercial capabilities and developing a more focused retail proposition. The ZIC Group aims to expand customer relationships, simplify its business and significantly reduce costs. The ZIC Group also seeks to enhance its offerings to individuals by monitoring and aiming to increase customer satisfaction and retention.

The Structure of the ZIC Group

The business structure of the ZIC Group is focused on geographic regions in the ZIC Group's core businesses of Property and Casualty (P&C) and Life insurance, comprising Asia Pacific, Europe, Middle East and Africa (EMEA), Latin America and North America, as well as Group Reinsurance.

The ZIC Group's other core business is Farmers. Farmers Group, Inc. and its subsidiaries ("**FGI**"), provide certain non-claims administrative, management and ancillary services to the Farmers Exchanges. FGI receives fee income for the provision of services to the Farmers Exchanges, which are owned by their policyholders and managed by Farmers Group, Inc. a wholly owned subsidiary of ZIG. Farmers Exchanges are prominent writers of personal and small commercial lines of business in the U.S. This business also includes all reinsurance assumed from the Farmers Exchanges by the ZIC Group and Farmers New World Life.

In addition to these core businesses described above, the ZIC Group comprises "Group Functions and Operations" and "Non-Core Businesses". Group Functions and Operations predominantly consist of the ZIC Group's Holding and Financing and Headquarters activities. Non-Core Businesses include insurance and reinsurance businesses that the ZIC Group does not consider core to its operations and that are therefore mostly managed to achieve a beneficial run-off. Non-core businesses are mainly situated in the U.S., Bermuda and the UK.

The ZIC Group Key Financial Information

	As at or for the year ended 31 December 2018 (audited)	As at or for the year ended 31 December 2017 as restated[1] (unaudited)	Restatement[1] (unaudited)	As at or for the year ended 31 December 2017 (audited)
		(in USD millions)		
Gross written premiums and policy fee	49,485	49,114	—	49,114
Net written premiums and policy fees	41,230	41,136	—	41,136
Net investment result on Group investments	6,287	7,248	—	7,248
Net income before income taxes	5,044	5,463	—	5,463
Net income after taxes attributable to shareholders	3,597	3,257	—	3,257
Total investments	292,635	315,134	—	315,134
Liabilities for insurance contracts	249,208	263,805	2,470	261,335
Shareholders' equity	29,844	31,969	—	31,969

Note:

(1) Insurance liabilities towards policyholders and reinsurers in the total amount of USD 2,470 million at 31 December 2017 have been reclassified from other liabilities to liabilities for insurance contracts. These amounts are unaudited.

Subsequent Events

First Quarter Update

On 9 May 2019, ZIG published an update for the three months ended 31 March 2019.

2018 Dividend payment

On 3 April 2019, the ZIG Annual General Meeting approved a dividend of CHF 19.00 per share. This dividend was paid out starting 9 April 2019 out of available earnings.

Placement of EUR 500 million of Dated Subordinated Notes

On 11 February 2019, it was announced that ZIC had completed the placement of EUR 500 million of dated subordinated notes which will mature in February 2049 and are first callable in February 2029. The coupon is fixed at 2.75 per cent. until the first call date.

Placement of CHF 200 million of Senior Notes

On 16 January 2019, it was announced that ZIC had placed CHF 200,000,000 0.75 per cent. unsecured senior notes due 2027.

Amendments to and implementation of new accounting standards

The following are new accounting standards or amendments to and interpretations of standards relevant to the ZIC Group that have been implemented from the financial year beginning 1 January 2019, with no material impact on the ZIC Group's financial position or performance. In addition to the standards and amendments listed below, the ZIC Group also incorporated amendments resulting from the IASB annual improvements project, which relate primarily to disclosure enhancements.

- IFRS 16 "Leases" was effective from 1 January 2019. [1]
- IFRIC 23 "Uncertainty over Income Tax Treatments" was effective from 1 January 2019.
- Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement" was effective from 1 January 2019.
- Amendments to IAS 28 "Long-term Interest in Associates and Joint Ventures" was effective from 1 January 2019.

The following are new accounting standards or amendments to and interpretations of standards relevant to the ZIC Group, which are not yet effective and are not expected to have a material impact on the ZIC Group's financial position or performance, unless stated otherwise.

- IFRS 9 "Financial Instruments"[2] will be effective on or after 1 January 2021.
- IFRS 17 "Insurance Contracts"[3] will be effective on or after 1 January 2021.
- Amendments to IFRS 9 "Prepayment Features with Negative Compensation" will be effective on or after 1 January 2021.
- Amended standards IFRS 3 "Definition of a Business" will be effective on or after 1 January 2020.
- Amended standards IAS 1/IAS 8 "Definition of Material" will be effective on or after 1 January 2020.

---

[1] The ZIC Group expects the new standard to impact the accounting of contracts where it acts as a lessee (and intermediate lessor). Under IFRS 16, the ZIC Group will recognize a right-of-use asset and a lease liability for real estate rental contracts which are mainly classified as operating leases under IAS 17 "Leases". For the transitions to IFRS16, ZIC will apply the modified retrospective approach with no significant impact on the opening balance of retained earnings. Based on the volume of in-force non-cancellable operating leases as of 31 December 2018, recognition of the right-of-use assets and corresponding discounted lease liability will result in an increase of both assets and liabilities of less than USD 2 billion.

[2] Expected to result in a significant portion of financial assets currently classified as available-for-sale being classified as at fair value through profit or loss. Credit allowances for financial assets carried at amortised cost and debt securities measured at fair value, with changes in fair value recognised in other comprehensive income, are expected to increase due to the introduction of the expected credit loss methodology.

[3] IFRS 17 "Insurance contracts" was published on 18 May 2017 with the effective date of 1 January 2021 (retrospective application). IFRS 17 provides comprehensive guidance on accounting for insurance contracts and investment contracts with discretionary participation features. For non-life and short-term life insurance contracts IFRS 17 introduces mandatory discounting of loss reserves as well as a risk adjustment for non-financial risk, for which confidence level equivalent disclosure will be required. Further, IFRS 17 will change the presentation of insurance contract revenue, as gross written premium will no longer be presented in profit or loss.

Board of Directors of ZIC

Name	Nationality	Function	Principal Occupation
Michael M. Liès	Luxembourg	Chairman of the Board	**Skills and experience** Michel Liès has forty years' experience in global insurance and reinsurance, life insurance, and property and casualty insurance. He has held a number of positions in the industry, including Group CEO of Swiss Re. He began his career at the reinsurer in 1978, working first in the life market in Latin America before moving to Europe in 1983, where he held a number of senior positions within Swiss Re's life businesses. In 1994 he moved into Swiss Re's non-life sector, with responsibility for southern Europe and Latin America. From 1998 he served as Swiss Re's Head of Latin America Division until 2000, when he was appointed Head of the Europe Division of its Property & Casualty Business Group. In 2005 he became Swiss Re's Head Client Markets with responsibility for client relationships worldwide, and was also appointed as a member of the reinsurer's Group Executive Committee. From 2011 to 2012 Mr. Liès served as Swiss Re's Chairman of Global Partnerships, which works with governments, international development bodies and non-governmental organizations (NGOs) to mitigate and address global risks and increase resilience. He was appointed Swiss Re's Group CEO in February 2012 and served in that role until his retirement from Swiss Re in 2016. He became Chairman of the Board of Zurich Insurance Group Ltd and Zurich Insurance Company Ltd in April 2018. **Committee membership** Governance, Nominations and Sustainability Committee (Chairman), Remuneration Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Mr. Liès is a member of the board of the Institute of International Finance (IIF), advisory board member of the Beirat Zukunft Finanzplatz, trustees' board member of Avenir Suisse and of The Swiss Institute of International Studies. He is also a member of the European Financial Services Round Table. **Educational background** Mr. Liès holds a master's degree in mathematics from the Swiss Federal Institute of Technology in Zurich (ETH).
Christoph Franz	Swiss and German	Vice-Chairman of the Board	**Skills and experience** Christoph Franz started his professional career in 1990 at Deutsche Lufthansa AG. From 1994 until 2003 he held different executive functions at Deutsche Bahn AG, including as member of the executive board and CEO of the passenger transport division. In 2004 he became CEO of Swiss International Air Lines Ltd, and in 2009 was promoted to the role of deputy chairman of the executive board of Deutsche Lufthansa AG and CEO Passenger Airlines. From 2011 to 2014, Mr. Franz was chairman of the executive board and CEO

Name	Nationality	Function	Principal Occupation
			of Deutsche Lufthansa AG. He became a member of the boards of Zurich Insurance Group Ltd and Zurich Insurance Company Ltd in April 2014. He was elected Vice-Chairman in April 2018. **Committee membership** Remuneration Committee (chairman), Governance, Nominations and Sustainability Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Mr. Franz was elected chairman of the board of Roche Holding Ltd in March 2014. He is also a member of the board of directors of Chugai Pharmaceuticals Ltd, and of Stadler Rail. Mr. Franz serves as a member of the board of trustees of the Ernst-Goehner-Foundation, of Avenir Suisse, of the Swiss Study Foundation and of the Lucerne Festival and is a member of the advisory board of the University of St. Gallen (HSG). He was named as an honorary professor of business administration at the University of St. Gallen in May 2017. In September 2017, the International Committee of the Red Cross (ICRC) appointed Mr. Franz as a member of its Assembly, the organization's top governing body, and in May 2018 he was elected to the Assembly Council. **Educational background** Mr. Franz studied industrial engineering at the Technical University Darmstadt (Germany) and completed his studies with a Ph.D. in economic sciences (Dr. rer. pol.) at the same university. He also studied at the Ecole Centrale de Lyon (France) and conducted post-doctorate reseach at the University of California, Berkeley.
Joan Amble	American	Member of the Board	**Skills and experience** Joan Amble has substantial financial industry experience. She started her professional career as an accountant with Ernst & Ernst (currently Ernst & Young) in 1977. From 1984 to 1989 she served at the Financial Accounting Standards Board (FASB), specializing in pensions, derivatives and other financial instruments. She then spent 14 years with the General Electric Company (GE) in various leadership roles, including CFO GE Real Estate, COO and CFO GE Capital Markets, and as vice president and chief accounting officer GE Financial Services. From 2004 to May 2011, Ms. Amble served as executive vice president and principle accounting officer, and until the end of 2011 as executive vice president, Finance, of the American Express Company. In December 2011, Ms. Amble completed a four-year term as a member of the Financial Accounting Standards Advisory Council (FASAC). She has been a member of the Boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd since April 2015. **Committee membership** Risk and Investment Committee

Name	Nationality	Function	Principal Occupation
			Other directorships within the Zurich Insurance Group Zurich Insurance Group Ltd **External appointments** Ms. Amble is a member of the board of Sirius XM Satellite Radio, where she chairs the audit committee. In addition, she is a member of the board and the audit committee at Booz Allen Hamilton. In January 2015, Ms. Amble was appointed to the Public Company Accounting Oversight Board's Standing Advisory Group, which advises on the development of auditing and professional practice standards. Since October 2016, Ms. Amble has been an independent adviser to the Control and Risk Committee of the Executive Committee of the U.S. affiliate of Société Générale S.A., a French multinational banking and financial services company. She is also involved in developing women in business, including as chair emeritus and co-founder of W.O.M.E.N in America, LLC and through her various speaking engagements. Ms. Amble also participates in forums and speaks on corporate governance. **Educational background** Ms. Amble received a Bachelor of Science in accounting from The Pennsylvania State University, and later became a certified public accountant (currently inactive).
Catherine Bessant	American	Member of the Board	**Skills and experience** Catherine Bessant is chief operations and technology officer at Bank of America and a member of the Bank of America's executive management team. Since joining Bank of America in 1982 as a corporate banker, she has held numerous senior leadership positions within that company: president of Global Product Solutions and Global Treasury Services; chief marketing officer; president of Consumer Real Estate and Community Development Banking; national Small Business Segment executive; and market president of Bank of America, Florida. Prior to being appointed to her current position, Ms. Bessant served as president of Global Corporate Banking. Ms. Bessant has led Bank of America's Global Technology and Operations since 2010. In that role she is responsible for end-to-end technology and operating services across the company, overseeing nearly 95,000 employees and contractors in more than 35 countries. She became a member of the Board of Zurich Insurance Group Ltd and Zurich Insurance Company Ltd in March 2017. **Committee membership** Remuneration Committee, Audit Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Ms. Bessant is on the advisory board of the Ross School of Business at the University of Michigan. She

Name	Nationality	Function	Principal Occupation
			previously served 16 years on the board of directors of Florida Blue, formerly Blue Cross Blue Shield of Florida, including serving as lead independent director. **Educational background** Ms. Bessant holds a Bachelor of Business Administration from the University of Michigan Ross School of Business.
Dame Alison Carnwath	British	Member of the Board	**Skills and experience** Dame Alison Carnwath has substantial financial industry experience. She began her career with Peat Marwick Mitchell, now KPMG, where she practiced as a chartered accountant from 1975 to 1980. From 1980 to 1982, she worked as a corporate financier for Lloyds Bank International. From 1982 to 1993, she was assistant director, then director, at J. Henry Schroder Wagg & Co in London and New York. From 1993 to 1997, Ms. Carnwath was a senior partner at the financial advisory firm Phoenix Partnership. The firm was taken over by Donaldson, Lufkin & Jenrette (DLJ) in late 1997; she continued working for DLJ until 2000. Ms. Carnwath has held several board offices. From 2000 to 2005, she was the chairman of the board of Vitec Group plc, from 2001 to 2006 a director of Welsh Water, from 2004 to 2007 of Friends Provident plc, from 2004 to 2007 of Gallaher Group and from 2007 to 2010, she was the independent chairman of MF Global Inc. She also served on the boards of directors of Barclays from 2010 to 2012, and of Man Group plc from 2001 to 2013. She has been a member of the boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd since March 2012. **Committee membership** Audit Committee (chairman), Governance, Nominations and Sustainability Committee, Risk and Investment Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Ms. Carnwath has been a senior advisor of Evercore Partners since 2011. She has been a member of the board of PACCAR Inc. since 2005 and since September 2013 a member of the advisory council of the St. George's Society of New York. Since May 2014 she has been a member of the supervisory board of BASF SE and Chairman of the Audit Committee of BASF SE. In May 2018 she was appointed as independent non-executive director and member of the Audit Committee of BP plc. **Educational background** Ms. Carnwath graduated in economics and German from the University of Reading. She was awarded honorary doctorates (LLB) from the University of Reading and the University of Exeter.
Michael Halbherr	Swiss	Member of the Board	**Skills and experience** Michael Halbherr has extensive experience in the technology industry, serving as an investor, active

Name	Nationality	Function	Principal Occupation
			board member and advisor for young, aspiring companies in many different areas including digital mapping, mobility technology, mobile operating systems, and industrial applications. He held leadership roles in Nokia Corporation from 2006 to 2014, including serving from 2011 to 2014 as member of Nokia's leadership team and later as CEO of HERE BV, a fully owned Nokia company and a leading company in automotive location technologies. From 2001 to 2006 he served as CEO of gate5, a Berlin-based mobile phone software startup, which Nokia acquired in 2006. From 2000 to 2001 he was a managing director at Europeatweb, an investor into gate5 and the venture arm of Groupe Arnault. Prior to that he was a manager at the Boston Consulting Group (BCG) from 1994 to 2000, in the company's Zurich and Boston offices, where he was an active member of BCG's technology practice. He began his career at the Laboratory for Computer Science at Massachusetts Institute of Technology (MIT), where he worked as a visiting scientist and post-doctoral researcher from 1992 to 1994 with a focus on programming paradigms for massively parallel computers. He joined the boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd in April 2019. **Committee membership** Risk and Investment Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Mr. Halbherr is a non-executive director and chairman of German Bionic Systems GmbH in Augsburg, Trafi Ltd. in Vilnius, FATMAP Ltd. in Berlin, and a strategic advisor of Zeotap GmbH. He is chairman of the board of trustees of the Institute for Mobility Research (ifmo), a research facility of the BMW Group. **Educational background** Mr. Halbherr holds a Ph.D. in electrical engineering from the Swiss Federal Institute of Technology (ETH) in Zurich.
Jeffrey Hayman	American	Member of the Board	**Skills and experience** Mr. Hayman began his career as a claims representative in the property and casualty department of Travelers Companies in the U.S. in 1983, where he later held several positions. In 1998 he joined AIG as regional vice president, personal lines at AIU Far East in Japan. Beginning in 2003, he held various leadership positions within AIG, including as chairman of AIU Insurance Company in Japan and president and CEO of AIU Far East Holdings, Japan and Korea. From 2009 to 2011, Mr. Hayman served as senior vice president and chief administrative officer, and from 2011 to 2013 as executive vice president and CEO, Global Consumer Insurance, at AIG. In 2013 he served as president of international insurance operations at Starr Companies. He then became an independent consultant and advisor. He has been a member of the

Name	Nationality	Function	Principal Occupation
			boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd since March 2016. **Committee membership** Risk and Investment Committee (chairman), Governance, Nominations and Sustainability Committee, Audit Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** None **Educational background** Mr. Hayman holds an MBA in finance from the University of Hartford, Barney School of Business and Public Administration, West Hartford, and a bachelor's degree in arts, economics and political science from Saint Olaf College, Northfield. He is a chartered life underwriter and a chartered financial consultant.
Monica Mächler	Swiss	Member of the Board	**Skills and experience** Monica Mächler has substantial legal, regulatory and governance expertise in a national and international context. From 2012 until 2018, she was a member of the supervisory board of directors of Deutsche Börse AG. She served as vice-chair of the board of directors of the integrated Swiss Financial Market Supervisory Authority (FINMA) from 2009 to 2012, after having been the director of the Swiss Federal Office of Private Insurance from 2007 to 2008. From 2010 to 2012, Ms. Mächler chaired the Technical Committee of the International Association of Insurance Supervisors (IAIS). She assumed the roles of Group General Counsel and Head of the Board Secretariat of Zurich Insurance Group from 1999 to 2006 and was appointed a member of the Group Management Board in 2001 after joining in 1990. During the years 1985 to 1990 she was in private practice specializing in banking and business law. Ms. Mächler has been a member of several Swiss federal expert commissions on regulatory projects and regularly speaks, lectures and publishes on matters related to international business law and regulation, and their impact. She has been a member of the boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd since April 2013. **Committee membership** Governance, Nominations and Sustainability Committee, Audit Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Ms. Mächler has been a member of the board of directors of Cembra Money Bank AG since April 2015. She also chairs the advisory board of the International Center for Insurance Regulation at the Goethe University Frankfurt am Main and serves on the boards

Name	Nationality	Function	Principal Occupation
			of the Stiftung für schweizerische Rechtspflege and of the Europa Institut at the University of Zurich.
Kishore Mahbubani	Singapore	Member of the Board	**Skills and experience** Kishore Mahbubani began his career in 1971 as a diplomat with the Singapore Foreign Service, in which he served until 2004, with postings in Cambodia, Malaysia, Washington D.C. and New York. He served two postings as Singapore's ambassador to the UN and as President of the UN Security Council in January 2001 and May 2002. Mr. Mahbubani was permanent secretary of the Singapore Foreign Ministry from 1993 to 1998. He served as dean at the Lee Kuan Yew School of Public Policy of the National University of Singapore (NUS) from its founding in 2004 until end of 2017. He continues to be a professor in the practice of public policy at the NUS. He has spoken and has published extensively on geopolitical and economic issues. In 2013 the Financial Times chose one of his books, 'The Great Convergence: Asia, the West and the Logic of One World,' as one of the best books about economics in that year. His latest book, 'The ASEAN Miracle,' was published in March 2017. He has been a member of the Boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd since April 2015. **Committee membership** Remuneration Committee, Risk and Investment Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** In September 2017 Mr. Mahbubani was appointed non-executive chairman of the board of Aggregate Asset Management. Since January 2016 he has also been an independent director of the board of Wilmar International Limited, Singapore. In addition, he has served on boards and councils of several institutions in Singapore, Europe and North America, and is currently a member of Yale's President's Council on International Activities (PCIA), the World Economic Forum's Global Agenda Council on Geo-economics and the Singapore Social Science Research Council. **Educational background** Mr. Mahbubani graduated with a first-class honors degree in philosophy from the University of Singapore and an M.A. in philosophy from Dalhousie University, Canada, where he was also awarded an honorary doctorate.
Jasmin Staiblin	German	Member of the Board	**Skills and experience** Jasmin Staiblin brings to her role extensive knowledge of how business sectors transform and the growing importance of digitalization and sustainability as a competitive differentiator. She is recognized as one of Europe's top experts in the field of energy and served as CEO of Alpiq, a leading Swiss energy services provider and electricity producer in Europe, until 31

Name	Nationality	Function	Principal Occupation
			December 2018. She began her career in 1997 at the ABB Group, the Swedish-Swiss global technology company, starting in ABB's group research center. She subsequently took on the role of sales engineer at ABB's high-voltage technology business in 1999 and from 2000 to 2005 she served in various global functions as a member of the management team for ABB's power technologies division. She held the position of CEO of ABB Switzerland from 2006 to 2012. In 2013 she became CEO of Alpiq Holding Ltd. She joined the boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd in April 2019. **Committee membership** Remuneration Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments** Ms. Staiblin is a board member of Georg Fischer Ltd., Schaffhausen, a board member of Rolls-Royce plc, London and a board member of Seves Group S.à.r.l., Luxembourg. **Educational background** Ms. Staiblin studied physics and electrical engineering at the Karlsruhe Institute of Technology, Germany and the Royal Institute of Technology in Stockholm, Sweden. She completed her studies with a degree in physics and has a Master of Science in electrical engineering.
Barry Stowe	American	Member of the Board	**Skills and experience** Barry Stowe has extensive business experience and knowledge gained through executive roles in the insurance industry in North America and Asia. Between 2006 and 2018 he was a member of the board of directors and the group executive committee of Prudential plc. From 2015 to 2018 he served as chairman and CEO of Jackson Holdings Ltd, a subsidiary of Prudential plc, and from 2006 to 2015, as CEO of Prudential Corporation Asia. From 1995 to 2006 he held senior executive positions at American International Group (AIG), including serving as president of AIG Life Companies Accident & Health Worldwide based in Hong-Kong from 2001 to 2006. From 1992 to 1995 he served as president of NISUS, a subsidiary of Pan-American Life Insurance Group. From 1980 to 1992 he held several positions at Willis Corroon Group plc in the U.S., an insurance and reinsurance brokerage services company. He joined the boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd in April 2019. **Committee membership** Audit Committee **Other directorships within the Zurich Insurance Group** Zurich Insurance Group Ltd **External appointments**

Name	Nationality	Function	Principal Occupation
			Mr. Stowe acts as senior advisor to Prudential plc. **Educational background** Mr. Stowe has a Bachelor of Arts in politics and classical studies from Lipscomb University in Nashville, Tennessee.

The business address of each member of the Board of Directors is Mythenquai 2, CH-8002 Zurich, Switzerland.

The Board of Directors consists entirely of directors who are non-executive, independent from the management and who – except for Monica Mächler – have never held an executive position in the Zurich Insurance Group. Monica Mächler held an executive position until 2006 and was elected in 2013 as a non-executive board member. According to the guidelines of the Swiss Code of Best Practice for Corporate Governance, she is considered independent.

All directors also serve on the Board of Directors of ZIG. As at the date of this Base Prospectus, there are no potential conflicts of interests between the duties of any member of the Board of Directors of ZIC owed to ZIC and their private interests and/or other duties. If a potential conflict arises in the future, it would be subject to the applicable provisions of Swiss company law and the organisational rules of ZIC relating to proceedings at meetings of the Board of Directors.

Executive Committee of ZIC

Name	Nationality	Function
Mario Greco	Italian	Group Chief Executive Officer
Urban Angehrn	Swiss	Group Chief Investment Officer
Amanda Blanc	British	CEO EMEA (Europe, Middle East & Africa)
Jeff Dailey	U.S. American	CEO of Farmers Group, Inc.
Claudia Dill	Swiss	CEO Latin America
Jack Howell	U.S. American	CEO Asia Pacific
Alison Martin	British	Group Chief Risk Officer
George Quinn	British	Group Chief Financial Officer
Kathleen Savio	U.S. American	CEO North America
James Shea	Canadian	CEO Commercial Insurance
Kristof Terryn	Belgian	Group Chief Operating Officer

The business address of each member of the Executive Committee of ZIC is Mythenquai 2, CH-8002 Zurich, Switzerland. As at the date of this Base Prospectus, there are no potential conflicts of interests between the duties of any member of the Executive Committee of ZIC owed to ZIC and their private interests and/or other duties. If a potential conflict arises in the future, it would be subject to the applicable provisions of Swiss company law and the organisational rules of ZIC relating to proceedings at meetings of the Executive Committee of ZIC.

Regulation

ZIC conducts its operations in Switzerland under operating licenses for all lines of general insurance business. The operations of ZIC are subject to continued supervision by the Swiss Financial Market Supervisory Authority ("**FINMA**") based on the Swiss ISA (as defined on page 6) that came into force on 1 January 2006. Under Swiss law, risk-based capital requirements (target capital) under the SST (as defined on page 6) were introduced on 1 January 2011, similar to the Solvency II regime in the European Union ("**EU**"). Under the SST regime, Swiss insurance companies must always maintain risk-bearing capital exceeding the amount of the calculated target capital. Swiss insurers also have to maintain tied assets that secure all known and estimated liabilities of the insurance company vis-à-vis the insured arising out of insurance contracts. The law requires Swiss supervised insurance companies and groups to maintain a risk management system appropriate to its business activities and to establish effective internal control systems. It also requires every Swiss insurance company to designate an appointed actuary who has to provide certain reports to management. Swiss law further introduces rules regarding the supervision of insurance groups and insurance conglomerates. These include the requirement to calculate a group solvency margin as well as a group risk based capital based on an internal model. The reporting of intra-group transactions is also required. Under the group supervision rules and based on a FINMA decree of 28 December 2011 the Zurich Insurance Group qualifies as an insurance group.

The different insurance and financial services subsidiaries of the Zurich Insurance Group are supervised by their relevant local regulators and may be subject to regulatory restrictions on the amount of dividends, cash loans and advances which can be remitted to ZIC or ZIG respectively.

LEGAL, COMPLIANCE AND REGULATORY DEVELOPMENTS, PROCEEDINGS AND INVESTIGATIONS

Legal Compliance and Regulatory Developments

In recent years there has been an increase in the number of legislative initiatives that require information gathering and tax reporting regarding the Zurich Insurance Group's customers and their contracts, including FATCA (as defined on page 15), and the expected introduction of other automatic tax information exchange regimes based on the CRS (as defined on page 15). The Zurich Insurance Group's compliance activities in this area could result in higher compliance costs, remedial actions and other related expenses for its life insurance, savings and pension business. There has also been increased scrutiny by various tax and law enforcement officials regarding cross-border business activities, including in particular by U.S. government authorities looking into activities of U.S. taxpayers with investments held outside the United States and activities of non-U.S. financial institutions that hold such investments.

The Zurich Insurance Group, on its own initiative, undertook an internal review of the life insurance, savings and pension business sold by its non-U.S. operating companies with relevant cross-border business to customers with a nexus to the United States. The Zurich Insurance Group engaged outside counsel and other advisors to assist in this review, which was focused on assessing compliance with relevant U.S. tax laws. The review confirmed that the Zurich Insurance Group's cross-border business with U.S. persons was very limited and of a legacy nature, with the large majority of sales having occurred more than a decade ago. The review also confirmed that the Zurich Insurance Group's U.S. operating companies were not involved in or connected to those activities.

The Zurich Insurance Group has voluntarily disclosed the results of the review and the regulatory issues presented by sales to U.S. residents to FINMA, the U.S. Department of Justice (the "**DOJ**") and other authorities and is cooperating with these authorities.

On 25 April 2019, the DOJ announced that Zurich Life Insurance Company Ltd ("**ZLIC**") and Zurich International Life Limited ("**ZILL**") entered into a non-prosecution agreement (NPA) with the DOJ, which memorialises the DOJ's decision not to prosecute these entities for any U.S. tax-related offenses in connection with legacy cross-border sales to U.S. persons. Under the terms of the NPA, ZLIC and ZILL have agreed to pay USD 5,115,000 to the U.S. Treasury and to comply with certain specified conditions during the four-year term of the NPA.

This resolution has not had and will not have an adverse effect on the ZIC Group's business or consolidated financial condition.

Legal Proceedings and Regulatory Investigations

The Zurich Insurance Group's business is subject to extensive supervision, and the Zurich Insurance Group is in regular contact with various regulatory authorities. The Zurich Insurance Group is continuously involved in legal proceedings, claims and regulatory investigations arising, for the most part, in the ordinary course of its business operations.

General

While the ZIC Group believes that it is not a party to, nor are any of its subsidiaries the subject of, any unresolved current legal proceedings, claims, litigation and investigations that will have a material adverse effect on the ZIC Group's consolidated financial condition, proceedings are inherently unpredictable, and it is possible that the outcome of any proceeding could have a material impact on results of operations in the particular reporting period in which it is resolved.

ZURICH FINANCE (AUSTRALIA) LIMITED

Zurich Finance (Australia) Limited ("**ZF (Australia)**") is a wholly owned subsidiary of ZIC. It operates and was incorporated and registered in Australia on 29 March 2017 under the Corporations Act 2001 of Australia as a public company, limited by shares with Australian Company Number (ACN) 618 177 423. The registered office of ZF (Australia) is 5 Blue Street, North Sydney 2060, New South Wales, Australia and its telephone number is +61 2 9995 1041. ZF (Australia) has no subsidiaries. ZF (Australia) is a group financing company and does not propose to engage in any activity other than issuing Notes and entering into other financing transactions.

The issued and fully paid up capital of ZF (Australia) is A$2,200,001.00 comprising two million, two hundred thousand and one ordinary shares of A$1.00 each.

The primary purpose of ZF (Australia) is to raise capital to finance the operations of members of the Zurich Insurance Group.

The members of the Board of Directors of ZF (Australia) are:

Name	**Function**	**Business Address**
Alan Louey	Director	5 Blue Street, North Sydney 2060, New South Wales, Australia
Michael Vos	Director	5 Blue Street, North Sydney 2060, New South Wales, Australia
Ashley Wilson	Director	5 Blue Street, North Sydney 2060, New South Wales, Australia

As at the date of this Base Prospectus, there are no potential conflicts of interests between the duties owed by any member of the Board of Directors of ZF (Australia) to ZF (Australia) and his or her private interests or other duties. If a potential conflict arises in the future, it would be subject to the provisions of the constitution of ZF (Australia) relating to proceedings at meetings of the Board of Directors.

The fiscal year of ZF (Australia) begins on 1 January and terminates on 31 December of each year.

ZURICH FINANCE (IRELAND) DAC

Zurich Finance (Ireland) DAC ("**ZF (Ireland)**") is a wholly owned subsidiary of ZIC. It operates and was incorporated and registered in Ireland on 9 April 2019 under the Companies Act 2014 of Ireland as a designated activity company, limited by shares. The registered office of ZF (Ireland) is La Touche House, IFSC, Dublin 1, Ireland and its telephone number is +353 (1) 5008400. ZF (Ireland) has no subsidiaries. ZF (Ireland) is a group financing company and does not propose to engage in any activity other than issuing Notes and entering into other financing transactions.

The issued and fully paid up capital of ZF (Ireland) is €1,000 comprising one thousand shares of €1.00 each.

The primary purpose of ZF (Ireland) is to raise capital to finance the operations of members of the Zurich Insurance Group.

The members of the Board of Directors of ZF (Ireland) are:

Name	Function	Business Address
Ann Marie Callanan	Director	La Touche House, IFSC, Dublin 1, Ireland
Philip Lynch	Director	La Touche House, IFSC, Dublin 1, Ireland
Michael O'Donovan	Director	La Touche House, IFSC, Dublin 1, Ireland

As at the date of this Base Prospectus, there are no potential conflicts of interests between the duties owed by any member of the Board of Directors of ZF (Ireland) to ZF (Ireland) and his or her private interests or other duties. If a potential conflict arises in the future, it would be subject to the provisions of the constitution of ZF (Ireland) relating to proceedings at meetings of the Board of Directors.

The fiscal year of ZF (Ireland) begins on 1 January and terminates on 31 December of each year.

Balance Sheet

The opening balance sheet of ZF (Ireland) as at 9 April 2019 is as follows (amounts in euro):

	9 April 2019
	€
Assets	
Receivables	1,000
Total Assets	**1,000**
Liabilities	
Total Liabilities	-
Net Assets	**1,000**
Equity	
Contributed equity	1,000
Total Contributed equity	1,000
Total Equity	**1,000**

ZURICH HOLDING COMPANY OF AMERICA, INC.

GENERAL INFORMATION

Zurich Holding Company of America, Inc. ("**ZHCA**") was incorporated in the state of Delaware, USA, on 22 September 1980 as a for profit corporation for an unlimited duration under the Delaware General Corporation Law. The registered office of ZHCA in Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, USA. ZHCA is registered with the Delaware Secretary of State under number 0899665. ZHCA's corporate offices are located at 1299 Zurich Way, Schaumburg, IL 60196, USA (telephone number +1 847-605-6000).

Share capital and shareholding

ZHCA is a for profit corporation and is an indirect wholly-owned subsidiary of ZIG and ZIC. ZHCA is authorised to issue 50,000 common shares all of which are without par value. The issued and fully paid up capital of ZHCA as at the date of this Base Prospectus is $20,308 comprising of 20,308 shares.

Article 6 of the by-laws of ZHCA regulates the transferability of ZHCA's shares.

Group structure

ZHCA is 100 per cent. indirectly owned by ZIG, and therefore ZHCA and its subsidiaries are members of the Zurich Insurance Group. ZIG is a publicly traded Swiss holding company listed on the SIX Swiss Exchange.

To the extent known to ZHCA, there are no arrangements which may at a subsequent date result in a change in control of ZHCA.

Financial information

Under the laws of ZHCA's jurisdiction of incorporation, the financial statements of ZHCA are not required to be audited as at the date of this Base Prospectus.

ZHCA's financial statements are therefore unaudited but conform to International Accounting Standards and to ZIG's internal accounting policies. In particular, these financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, ("**IFRS**") except that no notes have been prepared.

ZHCA's consolidated unaudited financial information for the years ended 31 December 2018 and 2017 are incorporated by reference herein, and are accessible on the Luxembourg Stock Exchange (www.bourse.lu).

Management

As at the date of this Base Prospectus, the board of directors of ZHCA (all of whom, except for Richard P. Kearns, are employees of ZHCA or some other entity within the Zurich Insurance Group) comprise:

Name	Title	Principal outside activity (if any) of significance to the Issuer/Zurich Insurance Group
Kathleen A. Savio	Chairperson	None
David Dietz	Director	None
Richard P. Kearns	Director	None
Dalynn J. Hoch	Director	None
Mark E. Knipfer	Director	None

The business address of Kathleen A. Savio, Richard P. Kearns, Dalynn J. Hoch and Mark E. Knipfer is 1299 Zurich Way, Schaumburg, IL 60196. The business address of David Deitz is One Liberty Plaza, 150 Greenwich Street, New York, NY 10007.

Other than as disclosed above, none of the directors listed above has any significant principal activities outside ZHCA (or, as the case may be, the Zurich Insurance Group). To the extent known to ZHCA, there are no potential conflicts of interest between duties owed by the directors listed above to ZHCA (or, as the case may be, the Zurich Insurance Group) and their private interests or other duties.

ZHCA complies with all applicable rules relating to corporate governance in force from time to time under the laws of its state of incorporation, Delaware, USA.

Principal activities

The main activity of ZHCA is to act as the holding company for certain of ZIG's principal operating subsidiaries in the United States of America.

Pursuant to Article 3 of its Certificate of Incorporation, the purpose of ZHCA is to engage in any lawful act or activity for which a corporation may be organised under the General Corporate Law of Delaware.

ZHCA's two main operating insurance company subsidiaries are Zurich American Insurance Company ("**ZAIC**") and Zurich American Life Insurance Company ("**ZALICO**"). ZAIC is a commercial property-casualty insurance provider domiciled in New York. ZALICO is a life and disability insurance company domiciled in Illinois.

Zurich American Insurance Company

ZAIC is the lead company and ultimate parent of a group of wholly-owned property and casualty insurance companies based in the United States of America. ZAIC was incorporated under the insurance laws of the State of New York on 3 June 1998. All of the outstanding shares of ZAIC are owned by ZHCA.

ZAIC and its insurance subsidiaries contribute a substantial part of the worldwide general insurance premiums of ZIG and are integral to its international insurance strategy. As such ZAIC and its insurance subsidiaries market a variety of commercial property and casualty insurance products including professional liability and workers' compensation insurance, as well as risk management products and services, primarily through independent insurance agents and brokers, to domestic and international companies in all 50 states of the United States of America, the U.S. territories and foreign markets.

Central to ZAIC's business strategies are its customer-focused business units, which are supported by shared service units. These customer-focused business units operate through independent agents and brokers that have access to products and services through a nationwide network of regional offices and field offices.

ZAIC is divided into two business units:

- U.S. Commercial Insurance; and
- Alternative Markets.

U.S. Commercial Insurance:

U.S. Commercial Insurance (formerly known as North America Commercial Insurance) was formed on 1 January 2017 by combining the "Global Corporate in North America" and "North America Commercial" businesses. U.S. Commercial Insurance comprises five business segments: property, casualty, construction, middle markets and specialty products.

U.S. Commercial Insurance's core property and casualty lines provide a broad variety of insurance and risk management services including custom-tailored casualty programs to large customers with global exposures based in North America. The business unit also provides standard property and casualty and industry specific specialty lines for targeted customer industry segments.

Specialty Products offers insurance and risk management services, comprising coverage for emerging, potentially volatile and unique third-party liability exposures through five strategic business segments – (a) Accident and Health, (b) Casualty and Property, (c) Credit and Political Risk, (d) Management Solutions, and (e) Surety.

Alternative Markets:

Alternative Markets is a distinct business comprised of Programs, Direct Markets, Group Captives, and Crop that capitalises on its distinctive operating and distribution models to effectively deliver products and services that meet its customers' needs.

- Programs provides a variety of coverage including commercial auto, general liability, professional liability, excess liability and property exposures for various target businesses and industry segments.
- Direct Markets specialises in providing insurance for businesses that sell or service autos, trucks, motorcycles and equipment, and also provides insurance to auto recyclers. The business was started by a group of auto dealers in 1922.
- For more than 20 years, Zurich Group Captives has been delivering a wide range of services to member-owned, agency, association, and segregated portfolio captives.
- Zurich Crop (doing business as: Rural Community Insurance Services or RCIS) provides insurance and customer-focused services through leading agents to protect America's farmers and ranchers through Rural Community Insurance Company.

Zurich American Life Insurance Company

ZALICO is a stock life insurance company founded in 1947. ZALICO is a wholly owned subsidiary of Zurich American Corporation, a non-operating holding company, which itself is fully owned by ZHCA. ZALICO is incorporated under the insurance laws of the State of Illinois and is licensed in the District of Columbia and all states of the United States of America, with the exception of New York. ZALICO has three operating segments – Affluent Markets Group ("**AMG**"), Corporate Life and Pensions ("**CLP**") and Private Placements (PP).

In late 2010, the company established a new subsidiary, Zurich American Life Insurance Company of New York ("**ZALICONY**"), to serve the New York market and was granted its license on 1 January 2012 from the New York State Department of Insurance. ZALICONY was capitalised by its parent, ZALICO, and ZALICO is its sole shareholder.

ZALICO and ZALICONY focus on growing the AMG, CLP and PP businesses. AMG products include universal life and term life products sold through independent life insurance brokers via wholesale distributors (i.e. brokerage general agencies). PP products include private placement universal life and private placement variable annuities sold through U.S. based private banking groups and broker-dealer affiliated registered representatives/brokers. The CLP segment targets the large case U.S. domestic market and offers group term life, long/short term disability and absence management services.

Payments in relation to Notes issued by ZHCA

It is anticipated that all scheduled payments of principal, premium (if any) and interest (and any additional amounts with respect thereto) due under any Notes issued by ZHCA will be made by ZHCA out of cash flow derived from the operations of the ZHCA and its subsidiaries.

FORM OF ZIC SENIOR GUARANTEE

This senior guarantee is made on the date of issue of the relevant tranche of notes as specified in the Schedule hereto between:

(1) ZURICH INSURANCE COMPANY LTD of Mythenquai 2, CH-8002 Zurich, Switzerland, a company incorporated with limited liability under the laws of Switzerland (the "**Guarantor**"); and

(2) CITICORP TRUSTEE COMPANY LIMITED, of 14th Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, acting as trustee for the Noteholders (as defined below) (the "**Trustee**", which expression shall, where the context so admits, include such company and all other persons or companies for the time being the trustee or trustees under the amended and restated trust deed dated 22 May 2019, as it may be further amended or supplemented (the "**Trust Deed**"), between, inter alia, the Guarantor, the Trustee and the Issuer (as defined below)).

WHEREAS

(A) Zurich Insurance Company Ltd, as issuer and guarantor, and Zurich Finance (Australia) Limited, Zurich Finance (Ireland) DAC and Zurich Holding Company of America, Inc., as issuers, have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of Euro Medium Term Notes in an aggregate principal amount of up to USD18,000,000,000 (or its equivalent in other currencies).

(B) The issuer specified in the Schedule hereto (the "**Issuer**") proposes to issue the relevant tranche of notes described in the Schedule hereto (the "**Senior Notes**") on the issue date specified in the Schedule hereto (the "**Issue Date**").

(C) The Guarantor has agreed to guarantee to the Trustee up to a specified maximum amount the obligations of the Issuer to pay principal, interest and all other amounts payable on all outstanding Senior Notes and under the Trust Deed (the "**ZIC Senior Guarantee**") for the benefit of the Trustee and the holders of the Senior Notes (the "**Noteholders**").

References in this ZIC Senior Guarantee to a "Condition" are to the corresponding condition of the "Terms and Conditions of the Senior Notes" as set out in Schedule 1 Part A of the Trust Deed. Capitalised terms that are not defined in this ZIC Senior Guarantee will have the meanings given to them in the Terms and Conditions of the Senior Notes.

Any references in this ZIC Senior Guarantee to Senior Notes which are in bearer form shall, unless the context otherwise requires, include any related Coupons and Talons. In respect of Senior Notes which are in bearer form, any references to "Noteholders" shall, unless the context otherwise requires, include any holders of related Coupons.

1. GUARANTEE

(1) ZIC Senior Guarantee

The Guarantor hereby irrevocably and unconditionally undertakes in its capacity as primary obligor and not merely as a surety, pursuant to Art. 111 of the Swiss Federal Code of Obligations, irrespective of the validity of the Senior Notes and the Trust Deed and waiving all rights of set off and of objection and defence arising from the Senior Notes and the Trust Deed to pay to the Trustee, acting on behalf of the Noteholders, within seven days after the receipt by the Guarantor of the Trustee's first written demand for payment and the Trustee's confirmation in writing that an amount due under the Senior Notes or the Trust Deed which is equivalent to the amount claimed under this ZIC Senior Guarantee has remained unpaid on the due date (the last day of such period of seven days being hereinafter referred to as the "**Seventh Day**"), such amount upon the following terms:

(a) **(Status)** This ZIC Senior Guarantee constitutes a direct, non-accessory, unconditional, unsubordinated and unsecured obligation of the Guarantor ranking (subject as aforesaid) *pari passu* with all its other outstanding unsecured and unsubordinated obligations, present and future, save for statutorily preferred exceptions, but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights;

(b) **(Maximum Aggregate Liability)** The maximum liability of the Guarantor under this ZIC Senior Guarantee (including, in particular, all amounts payable under Clause 3 of this ZIC Senior Guarantee and all other amounts payable under this ZIC Senior Guarantee) shall not exceed in aggregate [*insert currency and amount*] (the "**Specified Maximum Amount**"), calculated in accordance with Note 1 of this ZIC Senior Guarantee (and as set out in the applicable Pricing Supplement for the Senior Notes) which may not be reduced for so long as any sum remains payable under the Senior Notes.

(c) **(Rights held by the Trustee)** All rights arising from this ZIC Senior Guarantee shall be held exclusively by the Trustee and no Noteholder may take action directly against the Guarantor under this ZIC Senior Guarantee unless the Trustee having become Noteholder Mandated to take action, fails to do so within a reasonable period and such failure is continuing, in which case the Noteholders shall be entitled to exercise only the same rights against the Guarantor as those which the Trustee is entitled to exercise.

(d) **(Payments)** The Guarantor agrees that any payments to be made by it hereunder shall be made to or to the order of the Trustee in the place of payment and in the currency specified in the Schedule hereto in immediately available funds before close of business in that city on the Seventh Day and any such payment shall to that extent, satisfy the obligation of the Guarantor under this ZIC Senior Guarantee.

(2) Guarantor's Obligations Continuing

Subject to Clause 1(1)(b), the Guarantor's obligations under this ZIC Senior Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable under the Senior Notes. Furthermore, the obligations of the Guarantor hereunder are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise, and may be enforced without first having recourse to the Issuer, any other person, any security or any other guarantee or indemnity.

(3) Exercise of Guarantor's Rights

So long as any sum remains payable by the Issuer under the Senior Notes, no right of the Guarantor, by reason of the performance of any of its obligations under this ZIC Senior Guarantee, to be indemnified by the Issuer or to take the benefit of or enforce any security or other guarantee or indemnity shall be exercised or enforced. Until all amounts which may be or become payable in respect of the Senior Notes have been irrevocably paid in full, the Guarantor shall not by virtue of this ZIC Senior Guarantee be subrogated to any rights of the Trustee or any Noteholder or claim in competition with the Trustee or the Noteholders against the Issuer.

(4) Avoidance of Payments

Any settlement or discharge between the Guarantor and the Trustee in respect of this ZIC Senior Guarantee shall be conditional upon no payment to the Trustee or any Noteholder by the Issuer or any person on the Issuer's behalf being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Trustee shall be entitled to recover from the Guarantor the amount by which such payment is so avoided or reduced as if such settlement or discharge had not occurred.

2. ACCEPTANCE

The Trustee accepts this ZIC Senior Guarantee in its capacity as trustee for the Noteholders. Subject to Clause 1(1)(b), the Guarantor agrees to be bound by the provisions of Condition 8 (*Taxation*) as if set out in full in this ZIC Senior Guarantee.

3. CURRENCY INDEMNITY

(1) Currency of Account and Payment

The currency of the Senior Notes (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Guarantor under or in connection with this ZIC Senior Guarantee, including damages.

(2) Extent of Discharge

Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of the enforcement of a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Guarantor or otherwise), by the Trustee in respect of any sum expressed to be due to it from the Guarantor will only discharge the Guarantor to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that day, on the first date on which it is practicable to do so).

(3) Indemnity

If the Contractual Currency amount so purchased by the recipient is less than the Contractual Currency amount expressed to be due to the recipient under this ZIC Senior Guarantee, the Guarantor will, subject to Clause 1(1)(b), indemnify the recipient against any loss sustained by it as a result and will indemnify it against the cost of making any such purchase.

(4) Indemnity separate

This indemnity constitutes a separate and independent obligation from the other obligations in this ZIC Senior Guarantee, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Trustee and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this ZIC Senior Guarantee or any judgment or order, subject always to Clause 1(1)(b).

4. NOTICES

Each notice or demand under this ZIC Senior Guarantee shall be made in writing. Each notice or demand to be made or sent to the Guarantor under this ZIC Senior Guarantee shall be made or sent (airmail, postage prepaid, if sent by post to another country) to the Guarantor at the address, and for the attention of the person, from time to time designated by the Guarantor for the purposes of this ZIC Senior Guarantee. Any such notice or demand shall be effective when actually delivered to such address. The address, attention and email address of the Guarantor for notices or demands under this ZIC Senior Guarantee for the time being are as follows:

Zurich Insurance Company Ltd
Mythenquai 2
CH-8002 Zurich

Email:	group.legal@zurich.com
Attention:	Yannick Hausmann, Group General Counsel
With a copy to:	Email: treasurynotices@zurich.com
Attention:	Head of Group Treasury and Capital Management

5. RIGHT OF PRODUCTION

A copy of this ZIC Senior Guarantee will be deposited by the Guarantor with each of the paying agents appointed under the Agency Agreement. The Guarantor hereby acknowledges the right of each Noteholder to the production of a copy of this ZIC Senior Guarantee.

6. GOVERNING LAW AND JURISDICTION

(1) Governing law

This ZIC Senior Guarantee is governed by, and shall be construed in accordance with, the substantive laws of Switzerland.

(2) Jurisdiction

Any dispute arising out of this ZIC Senior Guarantee between the Guarantor and the Trustee, or between the Guarantor and a Noteholder who is entitled to proceed against the Guarantor pursuant to Clause 1(1)(c), shall fall exclusively within the jurisdiction of the courts of the City of Zurich, venue Zurich 1.

This ZIC Senior Guarantee has been entered into on the date stated at the beginning.

ZURICH INSURANCE COMPANY LTD

By: By:

CITICORP TRUSTEE COMPANY LIMITED

By: By:

Note 1: *The Specified Maximum Amount in respect of a relevant tranche of Senior Notes (other than Variable Notes (as defined below)) will be calculated as follows:

For Fixed Rate Notes:	For Floating Rate Notes:	For Zero Coupon Notes:
SMA = RA + (3 × I) + AA	SMA = RA + (3 × EI) + AA	SMA = RA + AA

where:

"**SMA**" means Specified Maximum Amount;

"**RA**" means the Final Redemption Amount of the Senior Notes, as defined in the applicable Pricing Supplement;

"**I**" means the amount of interest payable on the Senior Notes up to the first anniversary of the Issue Date;

"**EI**" means the estimated amount of interest payable on the Senior Notes up to the first anniversary of the Issue Date calculated on the basis that interest is payable for each interest period ending on or prior to such first anniversary at 1.5 times the rate fixed for the first interest period; and

"**AA**" means USD100,000 (or its equivalent in the currency of the Specified Maximum Amount) representing an additional amount to guarantee the payments of the Issuer to be due under the Trust Deed but not under the Senior Notes.

For Senior Notes with a variable or partial redemption amount or for Senior Notes (other than Floating Rate Notes) where the amount of interest is not determinable at the Issue Date ("**Variable Notes**"), the Specified Maximum Amount will be as specified in the Pricing Supplement as agreed between the Guarantor and the relevant Dealer on or before the Issue Date.

[Pricing Supplement annexed]

THE SCHEDULE

Issuer:	[●]
Title of Senior Notes being issued:	[Specify details of the Senior Notes]
Date of issue of relevant Tranche:	[●]
Specified Maximum Amount:	[●]
Place of payment and specified currency for the purposes of Clause 1(1)(d):	[●]

FORM OF ZIC SUBORDINATED GUARANTEE

This subordinated guarantee is made on the date of issue of the relevant tranche of notes as specified in the Schedule hereto between:

(1) ZURICH INSURANCE COMPANY LTD of Mythenquai 2, CH-8002 Zurich, Switzerland, a company incorporated with limited liability under the laws of Switzerland (the "**Guarantor**"); and

(2) CITICORP TRUSTEE COMPANY LIMITED, of 14th Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, acting as trustee for the Noteholders (as defined below) (the "**Trustee**", which expression shall, where the context so admits, include such company and all other persons or companies for the time being the trustee or trustees under the amended and restated trust deed dated 22 May 2019, as it may be further amended or supplemented (the "**Trust Deed**"), between, inter alia, the Guarantor, the Trustee and the Issuer (as defined below)).

WHEREAS

(A) Zurich Insurance Company Ltd, as issuer and guarantor, and Zurich Finance (Australia) Limited, Zurich Finance (Ireland) DAC and Zurich Holding Company of America, Inc., as issuers, have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of Euro Medium Term Notes in an aggregate principal amount of up to USD18,000,000,000 (or its equivalent in other currencies).

(B) The issuer specified in the Schedule hereto (the "**Issuer**") proposes to issue the relevant tranche of notes described in the Schedule hereto (the "**Subordinated Notes**") on the issue date specified in the Schedule hereto (the "**Issue Date**").

(C) The Guarantor has agreed to guarantee to the Trustee up to a specified maximum amount the obligations of the Issuer to pay principal, interest and all other amounts payable on all outstanding Subordinated Notes and under the Trust Deed (the "**ZIC Subordinated Guarantee**") for the benefit of the Trustee and the holders of the Subordinated Notes (the "**Noteholders**").

References in this ZIC Subordinated Guarantee to a "Condition" are to the corresponding condition of the "Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes" as set out in Schedule 1 Part C of the Trust Deed (the "**Conditions**"). Capitalised terms that are not defined in this ZIC Subordinated Guarantee will have the meanings given to them in the Conditions.

Any references in this ZIC Subordinated Guarantee to Subordinated Notes which are in bearer form shall, unless the context otherwise requires, include any related Coupons and Talons. In respect of Subordinated Notes which are in bearer form, any references to "Noteholders" shall, unless the context otherwise requires, include any holders of related Coupons.

1. GUARANTEE

(1) ZIC Subordinated Guarantee

The Guarantor hereby irrevocably and, subject to Clause 1(1)(b), unconditionally undertakes on a subordinated basis in its capacity as primary obligor and not merely as a surety, pursuant to Art. 111 of the Swiss Federal Code of Obligations, irrespective of the validity of the Subordinated Notes and the Trust Deed and waiving all rights of set off and of objection and defence arising from the Subordinated Notes and the Trust Deed to pay to the Trustee, acting on behalf of the Noteholders, within seven days after the receipt by the Guarantor of the Trustee's first written demand for payment and the Trustee's confirmation in writing that an amount due under the Subordinated Notes or the Trust Deed which is equivalent to the amount claimed under this ZIC Subordinated Guarantee has remained unpaid on the due date (the last day of such period of seven days being hereinafter referred to as the "**Seventh Day**"), such amount upon the following terms:

(a) **(Status)** Claims in respect of this ZIC Subordinated Guarantee will, in the event of a voluntary or involuntary insolvency, winding up, liquidation, dissolution with liquidation, bankruptcy (*Konkurs*), composition (*Nachlassvertrag*) or other similar proceedings against the Guarantor, rank after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined below).

As used above:

"**Junior Instruments**" means:

(i) all securities or other obligations of the Guarantor ranking or expressed to rank junior to claims of beneficiaries of this ZIC Subordinated Guarantee (including the claims of beneficiaries under any ZIC Deeply Subordinated Guarantee and any other creditors whose claims rank or are expressed to rank *pari passu* with claims of beneficiaries of any ZIC Deeply Subordinated Guarantee); and

(ii) all classes of issued shares in the share capital of the Guarantor.

"**Pari Passu Instruments**" means any securities or other obligations of the Guarantor ranking or expressed to rank *pari passu* with the claims of the beneficiaries of this ZIC Subordinated Guarantee.

"**Senior Creditors**" means:

(i) all unsubordinated creditors of the Guarantor, including policyholders (and beneficiaries of a policy) of the Guarantor;

(ii) all creditors of the Guarantor whose claims are subordinated, by operation of law or pursuant to their terms, to the claims of other unsubordinated creditors of that entity but not further or otherwise; and

(iii) all other subordinated creditors of the Guarantor except those whose claims rank or are expressed to rank *pari passu* with, or junior to, claims of beneficiaries of this ZIC Subordinated Guarantee.

The subordination provisions set out above are irrevocable.

(b) **(Guarantor Solvency Condition)**

(i) The Guarantor shall defer any payment under this ZIC Subordinated Guarantee if on the date such payment would otherwise fall due either (A) a Solvency Event has occurred and is continuing or (B) would occur on such date as a result of such payment (such deferred payment, a "**Deferred Guarantee Payment**").

(ii) Any Deferred Guarantee Payment shall only become due and payable following the date on which no Solvency Event is continuing (or would occur on such date as a result of such payment) or, subject to Clause 1(1)(g), if a resolution is passed or an order of a court of competent jurisdiction is made that the Guarantor be wound up or dissolved (any such resolution or order, a "**Liquidation Ruling**").

(iii) The deferral of any Deferred Guarantee Payment in accordance with these provisions, will not constitute a default by the Guarantor and, without prejudice to Condition 10 (*Remedies*) or Clause 1(1)(g), will not give the Noteholders or the Trustee any right to accelerate the repayment of the Subordinated Notes or take any action under the Trust Deed or this ZIC Subordinated Guarantee.

(iv) The Guarantor shall give notice of any such deferral to the Trustee (together with a Guarantor Solvency Payment Deferral Certificate (as defined below)), and to the Noteholders in accordance with Condition 19 (*Notices*) by not later than seven days following the relevant claim under this ZIC Subordinated Guarantee.

In this Guarantee, "**Guarantor Solvency Payment Deferral Certificate**" means a certificate signed by two Authorised Officers of ZIC or, where applicable, ZIG confirming that a Solvency Event has occurred and is continuing, or would occur if the relevant payment under this ZIC Subordinated Guarantee were made.

(c) **(No Set-Off)** Neither the Trustee nor any Noteholder may set-off any claims in respect of any amount owed to it by the Guarantor arising under or in connection with this ZIC Subordinated Guarantee, and each Noteholder shall, by virtue of being the holder of any Note, be deemed to have irrevocably waived all such rights of set-off.

(d) **(No Security)** No security of whatever kind is, or will at any time be, provided by the Guarantor or any other person to secure the claims of the Noteholders under this ZIC Subordinated Guarantee.

(e) **(Maximum Aggregate Liability)** The maximum liability of the Guarantor under this ZIC Subordinated Guarantee (including, in particular, all amounts payable under Clause 3 of this ZIC Subordinated Guarantee and all other amounts payable under this ZIC Subordinated Guarantee) shall not exceed in aggregate [*insert currency and amount*] (the "**Specified Maximum Amount**"), calculated in accordance with Note 1 of this ZIC Subordinated Guarantee (and as set out in the applicable Pricing Supplement for the Subordinated Notes) which may not be reduced for so long as any sum remains payable under the Subordinated Notes.

(f) **(Rights held by the Trustee)** All rights arising from this ZIC Subordinated Guarantee shall be held exclusively by the Trustee and no Noteholder may take action directly against the Guarantor under this ZIC Subordinated Guarantee unless the Trustee having become Noteholder Mandated to take action, fails to do so within a reasonable period and such failure is continuing, in which case the Noteholders shall be entitled to exercise only the same rights against the Guarantor as those which the Trustee is entitled to exercise.

(g) (**Remedies**)

(i) If the Guarantor fails to pay an amount claimed in accordance with this ZIC Subordinated Guarantee, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the Guarantor in respect of such unpaid amounts provided that the Trustee and the Noteholders have no right to claim any sums in respect of or enforce an early redemption of the Subordinated Notes or institute winding-up proceedings of the Guarantor.

(ii) The Trustee may at its discretion, subject to Condition 10(c), participate in, but not itself institute, any winding-up proceedings of the Guarantor to enforce the obligations of the Guarantor under this ZIC Subordinated Guarantee. In particular, the Trustee and the Noteholders shall not be entitled, and they hereby waive any statutory right conferred on them, to file for the opening of bankruptcy proceedings (*Konkursbegehren*) with respect to the

Guarantor or other winding-up proceedings or to make other similar filings or motions which, if approved, would lead to a redemption of the Subordinated Notes.

(iii) In the event that the Trustee gives notice that the Subordinated Notes are immediately due and repayable in accordance with Condition 10(c) as a result of a Liquidation Ruling in respect of the Guarantor:

a. if, on or following the date of any such Liquidation Ruling, a Solvency Event in relation to the Zurich Insurance Group (a "**Group Solvency Event**") has occurred and is continuing or would occur as a result of the Subordinated Notes becoming due and payable pursuant to Condition 10(c), then payment in respect of the Subordinated Notes pursuant to this ZIC Subordinated Guarantee shall become due and payable upon such Group Solvency Event ceasing to occur and if such payment would not result in a Group Solvency Event occurring provided that, for the avoidance of doubt, such payment in respect of the Subordinated Notes shall in addition become due and payable in the proceedings which implement such Liquidation Ruling upon any amounts in respect of any Relevant Junior or Pari Passu Securities (as defined below) becoming due and payable in such proceedings; and

b. no payment in respect of the Subordinated Notes may be made by the Guarantor pursuant to this ZIC Subordinated Guarantee, nor will the Trustee accept the same, otherwise than during or after the relevant winding-up proceedings.

(iv) No remedy against the Guarantor, other than as referred to in Condition 10 (Remedies) or this Clause 1(1)(g), shall be available to the Trustee or the Noteholders for the recovery of amounts owing under this ZIC Subordinated Guarantee.

As used above, "**Relevant Junior or Pari Passu Securities**" means (a) any securities issued (or guaranteed) by the Guarantor which have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of ZIC and/or the Zurich Insurance Group and the claims in respect of such securities (or, as applicable, guarantee) rank, or are expressed to rank, junior to the claims of holders of Subordinated Notes under this ZIC Subordinated Guarantee; (b) any securities issued by the Guarantor which have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of the Guarantor and/or the Zurich Insurance Group and the claims in respect of such securities rank, or are expressed to rank *pari passu* with, the claims of holders of Subordinated Notes under this ZIC Subordinated Guarantee;

(h) **(Payments)** The Guarantor agrees that any payments to be made by it hereunder shall be made to or to the order of the Trustee in the place of payment and in the currency specified in the Schedule hereto in immediately available funds before close of business in that city on the Seventh Day and any such payment shall to that extent, satisfy the obligation of the Guarantor under this ZIC Subordinated Guarantee.

(2) Guarantor's Obligations Continuing

Subject to Clause 1(1)(e), the Guarantor's obligations under this ZIC Subordinated Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable under the Subordinated Notes. Furthermore, the obligations of the Guarantor hereunder are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise, and may be enforced without first having recourse to the Issuer, any other person, any security or any other guarantee or indemnity.

(3) Exercise of Guarantor's Rights

So long as any sum remains payable by the Issuer under the Subordinated Notes, no right of the Guarantor, by reason of the performance of any of its obligations under this ZIC Subordinated Guarantee, to be indemnified by the Issuer or to take the benefit of or enforce any security or other guarantee or indemnity shall be exercised or enforced. Until all amounts which may be or become payable in respect of the Subordinated Notes have been irrevocably paid in full, the Guarantor shall not by virtue of this ZIC Subordinated Guarantee be subrogated to any rights of the Trustee or any Noteholder or claim in competition with the Trustee or the Noteholders against the Issuer.

(4) Avoidance of Payments

Any settlement or discharge between the Guarantor and the Trustee in respect of this ZIC Subordinated Guarantee shall be conditional upon no payment to the Trustee or any Noteholder by the Issuer or any person on the Issuer's behalf being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Trustee shall be entitled to recover from the Guarantor the amount by which such payment is so avoided or reduced as if such settlement or discharge had not occurred.

2. ACCEPTANCE

The Trustee accepts this ZIC Subordinated Guarantee in its capacity as trustee for the Noteholders. Subject to Clause 1(1)(e), the Guarantor agrees to be bound by the provisions of Condition 8 (*Taxation*) as if set out in full in this ZIC Subordinated Guarantee.

3. CURRENCY INDEMNITY

(1) Currency of Account and Payment

The currency of the Subordinated Notes (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Guarantor under or in connection with this ZIC Subordinated Guarantee, including damages.

(2) Extent of Discharge

Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of the enforcement of a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Guarantor or otherwise), by the Trustee in respect of any sum expressed to be due to it from the Guarantor will only discharge the Guarantor to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that day, on the first date on which it is practicable to do so).

(3) Indemnity

If the Contractual Currency amount so purchased by the recipient is less than the Contractual Currency amount expressed to be due to the recipient under this ZIC Subordinated Guarantee, the Guarantor will, subject to Clause 1(1)(e), indemnify the recipient against any loss sustained by it as a result and will indemnify it against the cost of making any such purchase.

(4) Indemnity separate

This indemnity constitutes a separate and independent obligation from the other obligations in this ZIC Subordinated Guarantee, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Trustee and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this ZIC Subordinated Guarantee or any judgment or order, subject always to Clause 1(1)(e).

4. NOTICES

Each notice or demand under this ZIC Subordinated Guarantee shall be made in writing. Each notice or demand to be made or sent to the Guarantor under this ZIC Subordinated Guarantee shall be made or sent (airmail, postage prepaid, if sent by post to another country) to the Guarantor at the address, and for the attention of the person, from time to time designated by the Guarantor for the purposes of this ZIC Subordinated Guarantee. Any such notice or demand shall be effective when actually delivered to such address. The address, attention and email address of the Guarantor for notices or demands under this ZIC Subordinated Guarantee for the time being are as follows:

Zurich Insurance Company Ltd
Mythenquai 2
CH-8002 Zurich

Email:	group.legal@zurich.com
Attention:	Yannick Hausmann, Group General Counsel
With a copy to:	Email: treasurynotices@zurich.com
Attention:	Head of Group Treasury and Capital Management

5. RIGHT OF PRODUCTION

A copy of this ZIC Subordinated Guarantee will be deposited by the Guarantor with each of the paying agents appointed under the Agency Agreement. The Guarantor hereby acknowledges the right of each Noteholder to the production of a copy of this ZIC Subordinated Guarantee.

6. GOVERNING LAW AND JURISDICTION

(1) Governing law

This ZIC Subordinated Guarantee is governed by, and shall be construed in accordance with, the substantive laws of Switzerland.

(2) Jurisdiction

Any dispute arising out of this ZIC Subordinated Guarantee between the Guarantor and the Trustee, or between the Guarantor and a Noteholder who is entitled to proceed against the Guarantor pursuant to Clause 1(1)(f), shall fall exclusively within the jurisdiction of the courts of the City of Zurich, venue Zurich 1.

This ZIC Subordinated Guarantee has been entered into on the date stated at the beginning.

ZURICH INSURANCE COMPANY LTD

By: By:

CITICORP TRUSTEE COMPANY LIMITED

By: By:

Note 1: *The Specified Maximum Amount in respect of a relevant tranche of Subordinated Notes (other than Variable Notes (as defined below)) will be calculated as follows:

For Fixed Rate Notes:	For Floating Rate Notes:	For Zero Coupon Notes:
SMA = RA + (3 × I) + AA	SMA = RA + (3 × EI) + AA	SMA = RA + AA

where:

"**SMA**" means Specified Maximum Amount;

"**RA**" means the Final Redemption Amount of the Subordinated Notes, as defined in the applicable Pricing Supplement;

"**I**" means the amount of interest payable on the Subordinated Notes up to the first anniversary of the Issue Date;

"**EI**" means the estimated amount of interest payable on the Subordinated Notes up to the first anniversary of the Issue Date calculated on the basis that interest is payable for each interest period ending on or prior to such first anniversary at 1.5 times the rate fixed for the first interest period; and

"**AA**" means USD100,000 (or its equivalent in the currency of the Specified Maximum Amount) representing an additional amount to guarantee the payments of the Issuer to be due under the Trust Deed but not under the Subordinated Notes.

For Subordinated Notes with a variable or partial redemption amount or for Subordinated Notes (other than Floating Rate Notes) where the amount of interest is not determinable at the Issue Date ("**Variable Notes**"), the Specified Maximum Amount will be as specified in the Pricing Supplement as agreed between the Guarantor and the relevant Dealer on or before the Issue Date.

[Pricing Supplement annexed]

THE SCHEDULE

Issuer:	[●]
Title of Subordinated Notes being issued:	[Specify details of the Subordinated Notes]
Date of issue of relevant Tranche:	[●]
Specified Maximum Amount:	[●]
Place of payment and specified currency for the purposes of Clause 1(1)(h):	[●]

FORM OF ZIC DEEPLY SUBORDINATED GUARANTEE

This deeply subordinated guarantee is made on the date of issue of the relevant tranche of notes as specified in the Schedule hereto between:

(1) ZURICH INSURANCE COMPANY LTD of Mythenquai 2, CH-8002 Zurich, Switzerland, a company incorporated with limited liability under the laws of Switzerland (the "**Guarantor**"); and

(2) CITICORP TRUSTEE COMPANY LIMITED, of 14th Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, acting as trustee for the Noteholders (as defined below) (the "**Trustee**", which expression shall, where the context so admits, include such company and all other persons or companies for the time being the trustee or trustees under the amended and restated trust deed dated 22 May 2019, as it may be further amended or supplemented (the "**Trust Deed**"), between, inter alia, the Guarantor, the Trustee and the Issuer (as defined below)).

WHEREAS

(A) Zurich Insurance Company Ltd, as issuer and guarantor, and Zurich Finance (Ireland) DAC, as issuer, have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of Euro Medium Term Notes in an aggregate principal amount of up to USD18,000,000,000 (or its equivalent in other currencies).

(B) The issuer specified in the Schedule hereto (the "**Issuer**") proposes to issue the relevant tranche of notes described in the Schedule hereto (the "**Deeply Subordinated Notes**") on the issue date specified in the Schedule hereto (the "**Issue Date**").

(C) The Guarantor has agreed to guarantee to the Trustee up to a specified maximum amount the obligations of the Issuer to pay principal, interest and all other amounts payable on all outstanding Deeply Subordinated Notes and under the Trust Deed (the "**ZIC Deeply Subordinated Guarantee**") for the benefit of the Trustee and the holders of the Deeply Subordinated Notes (the "**Noteholders**").

References in this ZIC Deeply Subordinated Guarantee to a "Condition" are to the corresponding condition of the "Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes" as set out in Schedule 1 Part C of the Trust Deed (the "**Conditions**"). Capitalised terms that are not defined in this ZIC Deeply Subordinated Guarantee will have the meanings given to them in the Conditions.

Any references in this ZIC Deeply Subordinated Guarantee to Deeply Subordinated Notes which are in bearer form shall, unless the context otherwise requires, include any related Coupons and Talons. In respect of Deeply Subordinated Notes which are in bearer form, any references to "Noteholders" shall, unless the context otherwise requires, include any holders of related Coupons.

1. GUARANTEE

(1) ZIC Deeply Subordinated Guarantee

The Guarantor hereby irrevocably and, subject to Clause 1(1)(b), unconditionally undertakes on a subordinated basis in its capacity as primary obligor and not merely as a surety, pursuant to Art. 111 of the Swiss Federal Code of Obligations, irrespective of the validity of the Deeply Subordinated Notes and the Trust Deed and waiving all rights of set off and of objection and defence arising from the Deeply Subordinated Notes and the Trust Deed to pay to the Trustee, acting on behalf of the Noteholders, within seven days after the receipt by the Guarantor of the Trustee's first written demand for payment and the Trustee's confirmation in writing that an amount due under the Deeply Subordinated Notes or the Trust Deed which is equivalent to the amount claimed under this ZIC Deeply Subordinated Guarantee has remained unpaid on the due date (the last day of such period of seven days being hereinafter referred to as the "**Seventh Day**"), such amount upon the following terms:

(a) **(Status)** Claims in respect of this ZIC Deeply Subordinated Guarantee will, in the event of a voluntary or involuntary insolvency, winding up, liquidation, dissolution with liquidation, bankruptcy (*Konkurs*), composition (*Nachlassvertrag*) or other similar proceedings against the Guarantor, rank after the claims of any Senior Creditors, *pari passu* with the claims under Pari Passu Instruments and prior to the claims under Junior Instruments (each as defined below).

As used above:

"**Junior Instruments**" means all classes of issued shares in the share capital of the Guarantor.

"**Pari Passu Instruments**" means any securities or other obligations of the Guarantor ranking or expressed to rank *pari passu* with the claims of the beneficiaries of this ZIC Deeply Subordinated Guarantee.

"**Senior Creditors**" means:

(i) all unsubordinated creditors of the Guarantor, including policyholders (and beneficiaries of a policy) of the Guarantor;

(ii) all creditors of the Guarantor whose claims are subordinated, by operation of law or pursuant to their terms, to the claims of other unsubordinated creditors of that entity but not further or otherwise; and

(iii) all other subordinated creditors of the Guarantor (including the claims of beneficiaries under any ZIC Subordinated Guarantee and any other creditors whose claims rank or are expressed to rank *pari passu* with claims of beneficiaries of any ZIC Subordinated Guarantee) except those whose claims rank or are expressed to rank *pari passu* with, or junior to, claims of beneficiaries of this ZIC Deeply Subordinated Guarantee.

The subordination provisions set out above are irrevocable.

(b) **(Guarantor Solvency Condition)**

(i) The Guarantor shall defer any payment under this ZIC Deeply Subordinated Guarantee if on the date such payment would otherwise fall due either (A) a Solvency Event has occurred and is continuing or (B) would occur on such date as a result of such payment (such deferred payment, a "**Deferred Guarantee Payment**").

(ii) Any Deferred Guarantee Payment shall only become due and payable following the date on which no Solvency Event is continuing (or would occur on such date as a result of such payment) or, subject to Clause 1(1)(g), if a resolution is passed or an order of a court of competent jurisdiction is made that the Guarantor be wound up or dissolved (any such resolution or order, a "**Liquidation Ruling**").

(iii) The deferral of any Deferred Guarantee Payment in accordance with these provisions, will not constitute a default by the Guarantor and, without prejudice to Condition 10 (*Remedies*) or Clause 1(1)(g), will not give the Noteholders or the Trustee any right to accelerate the repayment of the Deeply Subordinated Notes or take any action under the Trust Deed or this ZIC Deeply Subordinated Guarantee.

(iv) The Guarantor shall give notice of any such deferral to the Trustee (together with a Guarantor Solvency Payment Deferral Certificate (as defined below)), and to the Noteholders in accordance with Condition 19 (*Notices*) by not later than seven days following the relevant claim under this ZIC Deeply Subordinated Guarantee.

In this Guarantee, "**Guarantor Solvency Payment Deferral Certificate**" means a certificate signed by two Authorised Officers of ZIC or, where applicable, ZIG confirming that a Solvency Event has occurred and is continuing, or would occur if the relevant payment under this ZIC Deeply Subordinated Guarantee were made.

(c) **(No Set-Off)** Neither the Trustee nor any Noteholder may set-off any claims in respect of any amount owed to it by the Guarantor arising under or in connection with this ZIC Deeply Subordinated Guarantee, and each Noteholder shall, by virtue of being the holder of any Note, be deemed to have irrevocably waived all such rights of set-off.

(d) **(No Security)** No security of whatever kind is, or will at any time be, provided by the Guarantor or any other person to secure the claims of the Noteholders under this ZIC Deeply Subordinated Guarantee.

(e) **(Maximum Aggregate Liability)** The maximum liability of the Guarantor under this ZIC Deeply Subordinated Guarantee (including, in particular, all amounts payable under Clause 3 of this ZIC Deeply Subordinated Guarantee and all other amounts payable under this ZIC Deeply Subordinated Guarantee) shall not exceed in aggregate [*insert currency and amount*] (the "**Specified Maximum Amount**"), calculated in accordance with Note 1 of this ZIC Deeply Subordinated Guarantee (and as set out in the applicable Pricing Supplement for the Deeply Subordinated Notes) which may not be reduced for so long as any sum remains payable under the Deeply Subordinated Notes.

(f) **(Rights held by the Trustee)** All rights arising from this ZIC Deeply Subordinated Guarantee shall be held exclusively by the Trustee and no Noteholder may take action directly against the Guarantor under this ZIC Deeply Subordinated Guarantee unless the Trustee having become Noteholder Mandated to take action, fails to do so within a reasonable period and such failure is continuing, in which case the Noteholders shall be entitled to exercise only the same rights against the Guarantor as those which the Trustee is entitled to exercise.

(g) **(Remedies)**

(i) If the Guarantor fails to pay an amount claimed in accordance with this ZIC Deeply Subordinated Guarantee, the Trustee, at its discretion, may, and, if Noteholder Mandated, shall (in each case subject to being indemnified and/or secured and/or prefunded to its satisfaction), take action to enforce the obligations of the Guarantor in respect of such unpaid amounts provided that the Trustee and the Noteholders have no right to claim any sums in respect of or enforce an early redemption of the Deeply Subordinated Notes or institute winding-up proceedings of the Guarantor.

(ii) The Trustee may at its discretion, subject to Condition 10(c), participate in, but not itself institute, any winding-up proceedings of the Guarantor to enforce the obligations of the Guarantor under this ZIC Deeply Subordinated Guarantee. In particular, the Trustee and the Noteholders shall not be entitled, and they hereby waive any statutory right conferred on them, to file for the opening of bankruptcy proceedings (*Konkursbegehren*) with respect to the Guarantor or other winding-up proceedings or to make other similar filings or motions which, if approved, would lead to a redemption of the Deeply Subordinated Notes.

(iii) In the event that the Trustee gives notice that the Deeply Subordinated Notes are immediately due and repayable in accordance with Condition 10(c) as a result of a Liquidation Ruling in respect of the Guarantor:

a. if, on or following the date of any such Liquidation Ruling, a Solvency Event in relation to the Zurich Insurance Group (a "**Group Solvency Event**") has occurred and is continuing or would occur as a result of the Deeply Subordinated Notes becoming due and payable pursuant to Condition 10(c), then payment in respect of the Deeply Subordinated Notes pursuant to this ZIC Deeply Subordinated Guarantee shall become due and payable upon such Group Solvency Event ceasing to occur and if such payment would not result in a Group Solvency Event occurring provided that, for the avoidance of doubt, such payment in respect of the Deeply Subordinated Notes shall in addition become due and payable in the proceedings which implement such Liquidation Ruling upon any amounts in respect of any Relevant Junior or Pari Passu Securities (as defined below) becoming due and payable in such proceedings; and

b. no payment in respect of the Deeply Subordinated Notes may be made by the Guarantor pursuant to this ZIC Deeply Subordinated Guarantee, nor will the Trustee accept the same, otherwise than during or after the relevant winding-up proceedings.

(iv) No remedy against the Guarantor, other than as referred to in Condition 10 (*Remedies*) or this Clause 1(1)(g), shall be available to the Trustee or the Noteholders for the recovery of amounts owing under this ZIC Deeply Subordinated Guarantee.

As used above, "**Relevant Junior or Pari Passu Securities**" means (a) any securities issued (or guaranteed) by the Guarantor which have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of ZIC and/or the Zurich Insurance Group and the claims in respect of such securities (or, as applicable, guarantee) rank, or are expressed to rank, junior to the claims of holders of Deeply Subordinated Notes under this ZIC Deeply Subordinated Guarantee; or (b) any securities issued by the Guarantor which have been approved by the Relevant Regulator in accordance with the Applicable Regulations as eligible Relevant Capital of the Guarantor and/or the Zurich Insurance Group and the claims in respect of such securities rank, or are expressed to rank *pari passu* with, the claims of holders of Deeply Subordinated Notes under this ZIC Deeply Subordinated Guarantee;

(h) **(Payments)** The Guarantor agrees that any payments to be made by it hereunder shall be made to or to the order of the Trustee in the place of payment and in the currency specified in the Schedule hereto in immediately available funds before close of business in that city on the Seventh Day and any such payment shall to that extent, satisfy the obligation of the Guarantor under this ZIC Deeply Subordinated Guarantee.

(2) Guarantor's Obligations Continuing

Subject to Clause 1(1)(e), the Guarantor's obligations under this ZIC Deeply Subordinated Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable under the Deeply Subordinated Notes. Furthermore, the obligations of the Guarantor hereunder are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise, and may be enforced without first having recourse to the Issuer, any other person, any security or any other guarantee or indemnity.

(3) Exercise of Guarantor's Rights

So long as any sum remains payable by the Issuer under the Deeply Subordinated Notes, no right of the Guarantor, by reason of the performance of any of its obligations under this ZIC Deeply Subordinated Guarantee, to be indemnified by the Issuer or to take the benefit of or enforce any security or other guarantee or indemnity shall be exercised or enforced. Until all amounts which may be or become payable in respect of the Deeply Subordinated Notes have been irrevocably paid in full, the Guarantor shall not by virtue of this ZIC Deeply Subordinated Guarantee be subrogated to any rights of the Trustee or any Noteholder or claim in competition with the Trustee or the Noteholders against the Issuer.

(4) Avoidance of Payments

Any settlement or discharge between the Guarantor and the Trustee in respect of this ZIC Deeply Subordinated Guarantee shall be conditional upon no payment to the Trustee or any Noteholder by the Issuer or any person on the Issuer's behalf being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Trustee shall be entitled to recover from the Guarantor the amount by which such payment is so avoided or reduced as if such settlement or discharge had not occurred.

2. ACCEPTANCE

The Trustee accepts this ZIC Deeply Subordinated Guarantee in its capacity as trustee for the Noteholders. Subject to Clause 1(1)(e), the Guarantor agrees to be bound by the provisions of Condition 8 (*Taxation*) as if set out in full in this ZIC Deeply Subordinated Guarantee.

3. CURRENCY INDEMNITY

(1) Currency of Account and Payment

The currency of the Deeply Subordinated Notes (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Guarantor under or in connection with this ZIC Deeply Subordinated Guarantee, including damages.

(2) Extent of Discharge

Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of the enforcement of a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Guarantor or otherwise), by the Trustee in respect of any sum expressed to be due to it from the Guarantor will only discharge the Guarantor to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that day, on the first date on which it is practicable to do so).

(3) Indemnity

If the Contractual Currency amount so purchased by the recipient is less than the Contractual Currency amount expressed to be due to the recipient under this ZIC Deeply Subordinated Guarantee, the Guarantor will, subject to Clause 1(1)(e), indemnify the recipient against any loss sustained by it as a result and will indemnify it against the cost of making any such purchase.

(4) Indemnity separate

This indemnity constitutes a separate and independent obligation from the other obligations in this ZIC Deeply Subordinated Guarantee, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Trustee and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this ZIC Deeply Subordinated Guarantee or any judgment or order, subject always to Clause 1(1)(e).

4. NOTICES

Each notice or demand under this ZIC Deeply Subordinated Guarantee shall be made in writing. Each notice or demand to be made or sent to the Guarantor under this ZIC Deeply Subordinated Guarantee shall be made or sent (airmail, postage prepaid, if sent by post to another country) to the Guarantor at the address, and for the attention of the person, from time to time designated by the Guarantor for the purposes of this ZIC Deeply Subordinated Guarantee. Any such notice or demand shall be effective when actually delivered to such address. The address, attention and email address of the Guarantor for notices or demands under this ZIC Deeply Subordinated Guarantee for the time being are as follows:

Zurich Insurance Company Ltd
Mythenquai 2
CH-8002 Zurich

Email:	group.legal@zurich.com
Attention:	Yannick Hausmann, Group General Counsel
With a copy to:	Email: treasurynotices@zurich.com
Attention:	Head of Group Treasury and Capital Management

5. RIGHT OF PRODUCTION

A copy of this ZIC Deeply Subordinated Guarantee will be deposited by the Guarantor with each of the paying agents appointed under the Agency Agreement. The Guarantor hereby acknowledges the right of each Noteholder to the production of a copy of this ZIC Deeply Subordinated Guarantee.

6. GOVERNING LAW AND JURISDICTION

(1) Governing law

This ZIC Deeply Subordinated Guarantee is governed by, and shall be construed in accordance with, the substantive laws of Switzerland.

(2) Jurisdiction

Any dispute arising out of this ZIC Deeply Subordinated Guarantee between the Guarantor and the Trustee, or between the Guarantor and a Noteholder who is entitled to proceed against the Guarantor pursuant to Clause 1(1)(f), shall fall exclusively within the jurisdiction of the courts of the City of Zurich, venue Zurich 1.

This ZIC Deeply Subordinated Guarantee has been entered into on the date stated at the beginning.

ZURICH INSURANCE COMPANY LTD

By: By:

CITICORP TRUSTEE COMPANY LIMITED

By: By:

_____

Note 1: *The Specified Maximum Amount in respect of a relevant tranche of Deeply Subordinated Notes (other than Variable Notes (as defined below)) will be calculated as follows:

For Fixed Rate Notes:	For Floating Rate Notes:	For Zero Coupon Notes:
SMA = RA + (3 × I) + AA	SMA = RA + (3 × EI) + AA	SMA = RA + AA

where:

"**SMA**" means Specified Maximum Amount;

"**RA**" means the Final Redemption Amount of the Deeply Subordinated Notes, as defined in the applicable Pricing Supplement;

"**I**" means the amount of interest payable on the Deeply Subordinated Notes up to the first anniversary of the Issue Date;

"**EI**" means the estimated amount of interest payable on the Deeply Subordinated Notes up to the first anniversary of the Issue Date calculated on the basis that interest is payable for each interest period ending on or prior to such first anniversary at 1.5 times the rate fixed for the first interest period; and

"**AA**" means USD100,000 (or its equivalent in the currency of the Specified Maximum Amount) representing an additional amount to guarantee the payments of the Issuer to be due under the Trust Deed but not under the Deeply Subordinated Notes.

For Deeply Subordinated Notes with a variable or partial redemption amount or for Deeply Subordinated Notes (other than Floating Rate Notes) where the amount of interest is not determinable at the Issue Date ("**Variable Notes**"), the Specified Maximum Amount will be as specified in the Pricing Supplement as agreed between the Guarantor and the relevant Dealer on or before the Issue Date.

[Pricing Supplement annexed]

THE SCHEDULE

Issuer:	[●]
Title of Deeply Subordinated Notes being issued: .	[Specify details of the Deeply Subordinated Notes]
Date of issue of relevant Tranche:	[●]
Specified Maximum Amount:	[●]
Place of payment and specified currency for the purposes of Clause 1(1)(h):	[●]

TAXATION

General

The information below is of a general nature and is not intended to be exhaustive. They assume that there will be no substitution of the Issuers and do not address the consequences of any such substitution (notwithstanding that such substitution may be permitted by the terms and conditions of the Notes). Any Noteholders who are in doubt as to their own tax position should consult their professional advisers.

Irish Taxation

The following is a summary based on the laws and practices currently in force in Ireland regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

(a) Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest. However, an exemption from withholding on interest payments exists under Section 64 of the Taxes Consolidation Act, 1997 (the "**1997 Act**") for certain interest bearing securities issued by a body corporate (such as ZF Ireland) which are quoted on a recognised stock exchange (which would include the Luxembourg Stock Exchange's Euro MTF Market) ("**quoted Eurobonds**").

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

(i) the person by or through whom the payment is made is not in Ireland; or

(ii) the payment is made by or through a person in Ireland, and either:

  (I) the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners (e.g. Euroclear, Clearstream and Clearstream Banking AG); or

  (II) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to the person by or through whom the payment is made in the prescribed form.

So long as the Notes are quoted on a recognised stock exchange and are held in a recognised clearing system such as Euroclear, Clearstream or Clearstream Banking AG (or, if not so held, payments on the Notes are made through a paying agent not in Ireland), interest on the Notes can be paid by ZF Ireland and any paying agent acting on behalf of ZF Ireland without any withholding or deduction for or on account of Irish income tax.

If, for any reason, the quoted Eurobond exemption referred to above does not or ceases to apply, ZF Ireland can still pay interest on the Notes free of withholding tax provided it is a qualifying company within the meaning of Section 110 of the 1997 Act (a "**Qualifying Company**") and provided the interest is paid to a person resident in either (i) a member state of the European Union (other than Ireland) or (ii) a country with which Ireland has signed a comprehensive double taxation agreement (such a country mentioned in either (i) or (ii) being a "**Relevant Territory**"). For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

In certain limited circumstances a payment of interest by ZF Ireland which is considered dependent on the results of ZF Ireland's business or which represents more than a reasonable commercial return can be re-characterised as a distribution subject to dividend withholding tax.

A payment of profit dependent or excessive interest on the Notes will not be re-characterised as a distribution to which dividend withholding tax could apply where, broadly, the Noteholder is either

(i) an Irish tax resident person;

(ii) a person who in respect of the interest is subject under the laws of a Relevant Territory to tax which generally applies to profits, income or gains received from sources outside that territory without any reduction computed by reference to the amount of the interest payment;

(iii) neither a person which is a company which directly or indirectly controls ZF Ireland or which is controlled by a third company which directly or indirectly controls ZF Ireland nor is a person (including any connected person) (a) from whom ZF Ireland has acquired assets, (b) to whom ZF Ireland has made loans or advances, or (c) with whom ZF Ireland has entered into a return agreement (as defined in section 110(1) of the 1997 Act) where the aggregate value of such assets, loans, advances or agreements represents 75 per cent. or more of the assets of ZF Ireland (such a person falling within this category of person being a "**Specified Person**"); or

(iv) an exempt pension fund, government body or other resident in a Relevant Territory person (which is not a Specified Person).

In certain circumstances, Irish tax will be required to be withheld at the standard rate from interest on any quoted Eurobond, where such interest is collected by a bank or other agent in Ireland on behalf of any Noteholder.

(b) Qualifying Companies Holding Irish Specified Mortgages

The Irish Finance Acts 2016 and 2017 amended Section 110 TCA. The amendments apply to qualifying companies which carry on a business of holding, managing or both holding and managing of "specified mortgages", units in an IREF (within the meaning of Chapter 1B of Part 27 TCA) or shares that derive their value or the greater part of their value directly or indirectly from Irish real estate.

A "specified mortgage" for this purpose is:

(i) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, land in Ireland;

(ii) a specified agreement which derives all of its value, or the greater part of its value, directly or indirectly, from land in Ireland or a loan to which paragraph (a) applies. A specified agreement is defined in Section 110 TCA and includes certain derivatives, swaps or similar arrangements. A specified mortgage does not include a specified agreement which derives its value or the greater part of its value from a CLO transaction, a CMBS/RMBS transaction, a loan origination business or a sub-participation transaction (as defined in Section 110 TCA); or

(iii) any portion of a specified security issued by another qualifying company which carries on the business of holding or managing specified mortgages and which carries a right to results dependent or non-commercial interest.

Such activity is defined as a "specified property business". Where the qualifying company carries on a specified property business in addition to other activities, it must treat the specified property business as a separate business and apportion its expenses on a just and reasonable basis between the separate businesses.

Where the qualifying company has financed itself with loans carrying interest which is dependent on the results of that company's business or interest which represents more than a reasonable commercial return for the use of the principal, or has entered into specified agreements (such as swaps) then the interest or return payable will not be deductible for Irish tax purposes to the extent it exceeds a reasonable commercial return which is not dependent on the results of the qualifying company.

As such the restriction on deductibility is subject to a number of exceptions and should not apply if, for example, either:

(i) ZF Ireland does not hold or manage specific mortgages, units in an IREF or shares deriving the greater part of their value from Irish real estate; or

(ii) interest paid on the Notes is not profit dependent and does not exceed a reasonable commercial return.

(c) Taxation of Noteholders

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax. Interest paid on the Notes may have an Irish source and therefore be within the charge to Irish income tax and the universal social charge. Ireland operates a self-assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in a Relevant Territory provided either (i) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above and the

recipient is not a resident of Ireland (ii) in the event of the Notes not being or ceasing to be quoted Eurobonds exempt from withholding tax, if ZF Ireland is a Qualifying Company, or (iii) if ZF Ireland has ceased to be a Qualifying Company, the recipient of the interest is a company and the jurisdiction concerned imposes a tax that generally applies to interest receivable in that jurisdiction by companies from sources outside that jurisdiction.

In addition, provided that the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, the interest on the Notes will be exempt from Irish income tax if the recipient of the interest is (i) a company under the control, directly or indirectly, of persons who by virtue of the law of a relevant territory are resident in that country and that person or persons are not themselves under the control whether directly or indirectly of a person who is not resident in such a country, or (ii) a company, the principal class of shares of such company, or another company of which the recipient company is a 75 per cent. subsidiary, is substantially and regularly traded on one or more recognised stock exchanges in Ireland or a relevant territory or a stock exchange approved by the Irish Minister for Finance.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Noteholders receiving interest on the Notes which does not fall within any of the above exemptions may be liable to Irish income tax and the universal social charge on such interest.

(d) Capital Gains Tax

A Noteholder will not be subject to Irish tax on capital gains on a disposal of Notes unless such holder is resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes are used or held.

(e) Capital Acquisitions Tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland.

Bearer Notes are generally regarded as situated where they are physically located at any particular time. Registered Notes are generally regarded as situated where the principal register of Noteholders is maintained or is required to be maintained, but the Notes may be regarded as situated in Ireland regardless of their physical location or the location of the register as they secure a debt due by an Irish resident debtor and they may be secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponer or the donee/successor.

(f) Stamp Duty

Provided ZF Ireland remains a Qualifying Company no stamp duty or similar tax is imposed in Ireland on the issue, transfer or redemption of the Notes provided the money raised on the issue of the Notes is used in the course of ZF Ireland's business.

(g) Automatic exchange of information

Irish reporting financial institutions, which may include ZF Ireland, have reporting obligations in respect of a Noteholder under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

(h) Information exchange and the implementation of FATCA in Ireland

ZF Ireland may be obliged to report certain information in respect of certain U.S. investors (i.e. the Noteholders) in ZF Ireland to the Irish Revenue Commissioners who will then share that information with the U.S. tax authorities. FATCA may impose a 30 per cent. US withholding tax on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the IRS to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement (the "**IGA**") with the United States to improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this

information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 as amended (the "**Irish Regulations**") implementing the information disclosure obligations Irish reporting financial institutions are required to report certain information with respect to U.S. account holders to the Irish Revenue Commissioners. The Irish Revenue Commissioners will automatically provide that information annually to the IRS. To the extent ZF Ireland is an Irish reporting financial institution it will need to obtain the necessary information from Noteholders required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information may be sought from each Noteholder and beneficial owner of the Notes. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Irish Revenue Commissioners regardless as to whether ZF Ireland holds any U.S. assets or has any U.S. investors. Holders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

(i) Common Reporting Standard ("CRS")

The CRS framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "Standard") was published, involving the use of two main elements, the Competent Authority Agreement (the "**CAA**") and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions ("FIs") relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information, which was entered into by Ireland in its capacity as a signatory to the Convention on Mutual Administrative Assistance in Tax Matters and which relates to the automatic exchange of financial account information in respect of CRS, while sections 891F and 891G of the 1997 Act and regulations made thereunder contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**"), gave effect to the CRS from 1 January 2016. Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("**DAC II**") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year. The Irish Finance Act 2015 contained measures necessary to implement the DAC II. regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (together with the CRS Regulations, the "Regulations"), gave effect to DAC II from 1 January 2016.

Under the Regulations reporting financial institutions are required to collect certain information on accountholders and on certain Controlling Persons (as defined in the Regulations) in the case of the accountholder(s) being an Entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Where Notes are held in a clearing system it is understood that either the clearing system itself or the relevant clearing participants are likely to be considered FIs and accordingly ZF Ireland should not have reporting obligations in respect of Noteholders holding those Notes. In that event ZF Ireland will make a nil return for that year to the Irish Revenue Commissioners. Further information in relation to CRS and DAC II can be found on the Automatic exchange of Information webpage on www.revenue.ie.

Swiss Taxation

The following is a summary of certain Swiss tax consequences of the purchase, beneficial ownership and disposition of Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons. The summary is based upon Swiss tax laws and tax practice as in effect on the date of this Base Prospectus, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should

consult their own advisors as to the Swiss or other tax consequences of the purchase, beneficial ownership and disposition of the Notes.

(a) Withholding Tax

(i) *Notes issued by ZF (Australia), ZF (Ireland) and ZHCA*

Payments by the Issuers (other than ZIC), or by ZIC as Guarantor (in respect of Notes issued by ZF (Australia), ZF (Ireland) and ZHCA (any such Notes hereinafter in this Swiss taxation section, "**Guaranteed Notes**")), of interest on, and repayment of principal of, the Notes, will not be subject to Swiss withholding tax. So long as any Guaranteed Notes are outstanding, ZIC will ensure that the aggregate amount of proceeds from the issuance of all outstanding debt instruments issued by a non-Swiss member of the Zurich Insurance Group with the parental guarantee of a Swiss member of the Group (including the Guaranteed Notes) that is being applied by any member of the Zurich Insurance Group in Switzerland does not exceed the amount that is permissible under the taxation laws in effect at such time in Switzerland without subjecting interest payments due under the Guaranteed Notes (or any payments under the ZIC Senior Guarantee or the ZIC Subordinated Guarantee (in this Swiss taxation section, together, "**Guarantees**") in respect thereof) to Swiss federal withholding tax. As of the date of this Base Prospectus, the Swiss Federal Tax Administration has confirmed that the amount permissible at any time will be equal to the equity of all direct and indirect non-Swiss subsidiaries of ZIG at such time as determined in accordance with IFRS.

(ii) Notes issued by ZIC

Non-Restricted Notes

Payments of interest on Notes issued by ZIC will be subject to Swiss federal withholding tax at a rate of 35 per cent. Certain types of Notes issued by ZIC may classify as notes with a "predominant one-time interest payment" (*Obligationen mit überwiegender Einmalverzinsung;* see below "*—Income Taxation on Principal or Interest*"). A "one-time interest payment" will be subject to the Swiss federal withholding tax upon redemption of the Notes.

A holder of a Note issued by ZIC who resides in Switzerland and who, at the time the payment of interest is due, is the beneficial recipient of the payment of interest and, in the case of a holder who is an individual, duly reports the gross payment of interest in his or her tax return and, in the case of a holder who is a legal entity or an individual required to keep accounting books, includes such payment as earnings in its income statement, is entitled to a full refund of or a full tax credit for the Swiss federal withholding tax. A holder of a Note issued by ZIC who does not reside in Switzerland may be able to claim a full or partial refund of the Swiss federal withholding tax by virtue of the provisions of an applicable double taxation treaty, if any, between Switzerland and the country of residence of such holder.

Restricted Notes

Restricted Notes will not be subject to the Swiss federal withholding tax provided that ZIC complies at all times while any such Restricted Notes are outstanding with the Non-Bank Rules (as defined in Condition 23 of the Senior Notes Conditions and Condition 23 of the ZIC Subordinated Notes Conditions), which it is required to do pursuant to Condition 15(a)(vi) of the Senior Notes Conditions and Condition 15(a)(vi) of the Guaranteed Subordinated Notes Conditions, and further provided that the Noteholders comply at all times while any such Restricted Notes are outstanding with the limitations set out in Condition 15(a) and Condition 15(b) of the Senior Notes Conditions and Condition 15(a) and Condition 15(b) of the ZIC Subordinated Notes Conditions.

(iii) *Potential Change of Withholding Tax Legislation*

In 2015, the Swiss Federal Finance Department, mandated by the Swiss Federal Council, appointed a group of experts to prepare a proposal for a reform of the Swiss withholding tax system. The proposal is expected to, among other things, replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Further, on 23 October 2017, the Swiss Federal Economic Affairs and Taxation Committee of the Swiss National Council filed a parliamentary initiative reintroducing the request to replace the current debtor-based regime for a paying agent-based regime. The initiative requests, among other things, a paying agent-based system that (i) subjects all interest payments made by paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) provides an exemption from Swiss withholding tax for interest payments to all other persons (including Swiss corporations). On 21 August 2018, the Economic Affairs and Taxation Committee of the Swiss Council of States consented to the parliamentary initiative and on 13 November 2018, the Swiss Federal Economic Affairs and Taxation Committee of the Swiss National Council thereon resolved to appoint a sub-commission to prepare a preliminary draft for fullfillment of the parliamentary imitative. If any such new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any payment of interest in respect of a Note (or in respect of any payments under the ZIC Senior Guarantee or the ZIC Subordinated Guarantee in respect thereof), neither the Issuer nor the Guarantor nor any paying agent nor any other person would pursuant to the applicable Conditions be obliged to pay additional amounts with respect to any Note as a result of the deduction or imposition of such withholding tax.

(b) Stamp Taxes

The issue of Notes by the Issuers, and the issue of the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, as the case may be, by ZIC as Guarantor, on the relevant closing date will not be subject to Swiss stamp duty on the dealing in securities (primary market). Secondary market dealings in Notes with a maturity in excess of 12 months, where a Swiss domestic bank or a Swiss domestic securities dealer (as defined in the Swiss stamp duty act) is a party, or acts as an intermediary, to the transaction, may be subject to Swiss stamp duty on dealings in securities at a rate of up to 0.15 per cent. of the purchase price of the Notes in the case of Notes issued by ZIC, and at a rate of up to 0.3 per cent. of such purchase price in the case of Notes issued by the other Issuers. Where both the seller and the purchaser of the Notes (whether or not issued by ZIC) are non-residents of Switzerland or the Principality of Liechtenstein, no Swiss stamp duty on dealing in securities will be payable.

Restricted Notes will not be subject to Swiss stamp duty on dealings in securities provided that ZIC complies at all times while any such Restricted Notes are outstanding with the Non-Bank Rules (as defined in Condition 23 of the Senior Notes Conditions and Condition 23 of the ZIC Subordinated Notes Conditions), which it is required to do pursuant to Condition 15(a)(vi) of the Senior Notes Conditions and Condition 15(a)(vi) of the ZIC Subordinated Notes Conditions, and further provided that the Noteholders comply at all times while any such Restricted Notes are outstanding with the limitations set out in Condition 15(a) and Condition 15(b) of the Senior Notes Conditions and Condition 15(a) and Condition 15(b) of the ZIC Subordinated Notes Conditions.

(c) Income Taxation on Principal or Interest

(i) *Notes held by non-Swiss holders*

Payments by the Issuers, or by ZIC as Guarantor (in respect of Guaranteed Notes), of interest and repayment of principal to, and gain realised on the sale or redemption of Notes by, a holder of Notes who is not a resident of Switzerland and who during the current taxation year has not engaged in trade or business through a permanent establishment in Switzerland to which such Note is attributable will not be subject to any Swiss federal, cantonal or communal income tax (as concerns the Swiss withholding tax see above "*—Withholding Tax*"), as concerns the international automatic exchange of information in tax matters, see below under "*—International Automatic Exchange of Information in Tax Matters*" and as concerns the Swiss facilitation of the implementation of FATCA, see below under "*—Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act*").

(ii) *Notes held by Swiss resident holders as private assets*

Notes without a "*predominant one-time interest payment*": If the yield-to-maturity of a Note predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium (see below "Notes with a predominant one-time interest payment"), then a holder who is an individual resident in Switzerland and who holds the Note as a private asset is required to include in his or her personal income tax return for the relevant tax period any periodic interest payments and any one-time interest payment received on the Note in such period, converted into Swiss Francs at the exchange rate prevailing at the time of payment, as the case may be, and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain (which may include interest accrued) realised on the sale of such a Note is a tax-free private capital gain, and a loss realised on the sale of such a Note or, in relation to Subordinated Notes or Deeply Subordinated Notes, a loss resulting from a Write-Down of Notes is a non-tax deductible private capital loss. *Notes with a* "*predominant one-time interest payment*": If the yield-to-maturity of a Note predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a holder who is an individual resident in Switzerland and holds the Note as a private asset, is required to include in his or her personal income tax return for the relevant tax period any periodic interest payments received on the Note and, in addition, any amount equal to the difference between the value of the Note at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Any value decreases realised on such Note on sale or redemption may be offset by such a holder against any gains (including periodic interest payments) realised by him or her within the same taxation period from other securities with a predominant one-time interest payment. A loss resulting from a Write-Down of Notes is a non-tax deductible private capital loss.

See "*—Notes held as Swiss business assets*" below for a summary on the tax treatment of individuals classified as "professional securities dealers."

(iii) *Notes held as Swiss business assets*

Individuals who hold Notes as part of a business in Switzerland and Swiss-resident corporate taxpayers and corporate taxpayers residing abroad holding Notes as part of a Swiss permanent establishment in Switzerland, are required to recognise the payments of interest and any capital gain or loss realised on the sale or other disposition of such Notes or a loss resulting from a Write-Down of Notes in their financial statements for the respective tax period and will be taxable on any net taxable earnings for such period. The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealings and leveraged transactions in securities.

(d) International Automatic Exchange of Information in Tax Matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("**AEOI**") in tax matters (the "**AEOI Agreement**"), which applies to all EU member states. Further, Switzerland has concluded the multilateral competent authority agreement on the automatic exchange of financial account information ("**MCAA**") in line with the Common Reporting Standard (see below "*—Common Reporting Standard*"), and based on the MCAA, a number of bilateral AEOI agreements with other countries. Based on the AEOI Agreement and the bilateral AEOI agreements and the implementing laws of Switzerland, Switzerland began to collect data in respect of financial assets, including, as the case may be, Notes, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of residents in an EU member state or another treaty state from 2017, or a later date, and began, or will begin, to exchange it from 2018, or a later date, depending, in each case, on the effectiveness of the applicable agreement. Switzerland has signed and will sign further AEOI agreements with further countries. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective can be found on the website of the State Secretariat for International Financial Matters SIF.

(e) Swiss Facilitation of the Implementation of FATCA

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. For further information on FATCA, see below under "*—U.S. Taxation (in respect of Notes issued by ZHCA)—FATCA Withholding*".

(f) Common Reporting Standard

On15 July 2014, the Organisation for Economic Co-operation and Development approved the Common Reporting Standard (the "**CRS**") designed to create a global standard for the automatic exchange of financial account information. Pursuant to the CRS requirements, financial institutions must identify and report FATCA-like information in respect of specified persons who are resident in the jurisdictions that sign and implement the CRS. On 29 October 2014, fifty-one jurisdictions signed the MCAA that activates this automatic exchange of information in line with the CRS. Since then further jurisdictions have signed the MCAA and in total over 90 jurisdictions have committed to adopting the CRS. The first information exchanges took place in September 2017. Certain other signatories followed with information exchange in 2018 or will follow at a later date (see above "*—International Automatic Exchange of Information in Tax Matters*" for information on the adoption of the CRS by Switzerland).

The proposed financial transaction tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia (which has since ceased to participate), Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, other than Estonia, a "**participating Member State**").

The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (i) by transacting with a person established in a participating Member State or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

U.S. Taxation (in respect of Notes issued by ZHCA)

The following is a general discussion of the material U.S. Federal income tax considerations applicable to initial Non-U.S. Holders of the Notes issued by ZHCA. This summary is based upon current provisions of the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations of the Treasury Department ("**Treasury Regulations**"), administrative rulings and pronouncements of the Internal Revenue Service ("**IRS**") and judicial decisions currently in effect, all of which are subject to change, possibly with retroactive effect.

For purposes of this discussion, a "**U.S. person**" means (i) a citizen or resident (as defined in Section 7701(b)(1) of the Code) of the U.S., (ii) a corporation or other entity taxable as a corporation created or organised under the laws of the U.S. or any State thereof (including the District of Columbia), (iii) an estate or trust described in Section 7701(a)(30) of the Code, or (iv) a person

whose worldwide income or gain is otherwise subject to U.S. Federal income taxation on a net income basis and a "**Non-U.S. Holder**" means any beneficial owner of a Note that is not a U.S. person.

This discussion does not address the tax consequences that may be relevant to holders that are partnerships or other entities classified as partnerships for U.S. federal income tax purposes. The following discussion is based upon certain of the facts set forth in this Base Prospectus and other documents related to the issuance of Notes and upon compliance with the provisions thereof and the representations and agreements therein.

The tax discussion set forth below may not be always applicable depending upon a Noteholder's particular situation. In addition, the discussion does not consider the effect of any foreign, state, local, gift, estate or other tax laws that may be applicable to a particular investor. Noteholders are urged to consult their own tax advisors with respect to the particular consequences to them of holding and disposing of Notes in light of their own particular circumstances including the tax consequences under local, state, foreign and other tax laws and possible effects of changes in U.S. Federal income or other tax laws.

(a) Taxation of Non-U.S. Holders

Under present U.S. Federal income and estate tax laws and subject to the discussion of backup withholding and FATCA below:

(a) A Non-U.S. Holder generally will not be subject to U.S. Federal income or withholding tax on payments of interest on a Note (including original issue discount), provided that (i) the Non-U.S. Holder is not (A) a 10 per cent. shareholder of ZHCA within the meaning of Section 871(h)(3)(B) of the Code or (B) a controlled foreign corporation that is a related person of ZHCA within the meaning of Section 864(d)(4) of the Code, (ii) such interest payments are not effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the U.S., (iii) the Non-U.S. Holder is not a bank receiving interest described in Section 881(c)(3)(A) of the Code, (iv) the interest is not contingent interest described in Section 871(h)(4) of the Code, related primarily to interest based on or determined by reference to income, profits, cash flow and other comparable attributes of the obligor or a party related to the obligor, (v) the Note is issued in "registered form" for U.S. Federal income tax purposes, and (vi) ZHCA or its paying agent receives appropriate documentation (generally an IRS Form W-8BEN or W-8BEN-E as applicable) establishing that the Non-U.S. Holder is not a U.S. person. It is intended that Notes issued by ZHCA will be treated as in "registered form" for U.S. Federal income tax purposes. Although Bearer Global Notes may in some cases be issued by ZHCA, such Bearer Global Notes will meet IRS guidance so as to be treated as being in "registered" form for U.S. Federal income tax purposes.

(b) A Non-U.S. Holder generally will not be subject to U.S. Federal income or withholding tax on gains from the sale or other disposition of a Note, provided that (i) such gains are not effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the U.S. and (ii) such Non-U.S. Holder is not an individual who is present in the U.S. for 183 days or more in the taxable year of disposition and meets certain other requirements.

(c) Any Note beneficially owned by an individual who at the time of death is not a citizen or resident of the U.S. will not be subject to U.S. Federal estate tax provided that, at the time of death, such individual does not actually or constructively own 10 per cent. or more of the total combined voting power of ZHCA entitled to vote and interest on the Notes was not effectively connected with a U.S. trade or business conducted by such individual.

If a Non-U.S. Holder cannot satisfy the requirements of the "portfolio interest" exception described in (a) above, payments of premium, if any, and interest made to such Non-U.S. Holder will be subject to a 30 per cent. withholding tax unless such holder provides ZHCA, or its paying agent as the case may be, with a properly executed (1) IRS Form W-8BEN or W-8BEN-E, as applicable, or any successor form the IRS may prescribe, claiming an exemption from withholding under the benefit of a tax treaty or (2) IRS Form W-8ECI stating that interest paid on the Note is not subject to withholding tax because it is effectively connected with the holder's conduct of a trade or business in the U.S.

If a Non-U.S. Holder is engaged in a trade or business in the U.S. and interest on the Notes is effectively connected with the conduct of such trade or business, such holder, although exempt from the withholding tax discussed above, will be subject to U.S. Federal income tax on such interest on a net income basis in the same manner as if it were a U.S. person. In addition, if such Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30 per cent. of its effectively connected earnings and profits for the taxable year, subject to adjustments. For this purpose, premium, if any, and interest on a Note will be included in such foreign corporation's earnings and profits.

(b) Backup Withholding

In the case of a Non-U.S. Holder, backup withholding and information reporting will generally not apply to payments of principal and interest (including OID) on a Note issued by ZHCA for U.S. Federal income tax purposes if such Non-U.S. Holder complies with required certification and identification procedures to establish an exemption from the withholding of U.S. Federal income tax or otherwise establishes an exemption, provided that ZHCA or its paying agent, as the case may be, does not have actual knowledge that the payee is a U.S. Person and certain other conditions are satisfied. Any amount withheld under the backup withholding rules from a payment to a holder is allowable as a credit against such holder's U.S. Federal income tax (which might entitle such holder to a refund), provided that such holder furnishes the required information to the IRS.

(c) FATCA Withholding

Sections 1471 through 1474 of the Code (commonly referred to as the "FATCA provisions") generally impose a withholding tax of 30 per cent. on interest income (including OID) from debt obligations of U.S. issuers paid to a foreign financial institution (other than with respect to interest (including OID) that is effectively connected with the conduct of a trade or business within the United States), unless such institution either (i) enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which would include certain account holders that are foreign entities with U.S. owners) or (ii) in the event that an applicable intergovernmental agreement and implementing legislation are adopted, complies with modified requirements, including in some cases providing local revenue authorities with similar account holder information.

The FATCA provisions also generally impose a withholding tax of 30 per cent. on interest income from such obligations paid to a non-financial foreign entity (other than with respect to interest that is effectively connected with the conduct of a trade or business within the United States) unless such entity provides the withholding agent with a certification that it does not have any substantial U.S. owners or a certification identifying the direct and indirect substantial U.S. owners of the entity or unless certain exceptions apply or they agree to provide certain information to other revenue authorities for transmittal to the IRS. Under certain circumstances (for example, if the recipient is resident in a country having a tax treaty with the United States), a holder of such obligation might be eligible for refunds or credits of such taxes. ZHCA will not be required to pay Additional Amounts with respect to any taxes withheld from payments on the Notes as a result of the enactment and implementation of the FATCA provisions.

Recently released proposed Treasury Regulations provide that no FATCA withholding will be required with respect to payments of gross proceeds on the disposition of obligations of a U.S. issuer. The preamble to these proposed Treasury Regulations specifies that taxpayers are permitted to rely on the proposed Treasury Regulations pending finalization.

Form W-8BEN-E generally requires certain non-U.S. entities to certify as to their FATCA status, and if applicable, provide their Global Intermediary Identification Number. Noteholders are urged to consult with their own tax advisors regarding the possible implications of FATCA provisions on their investment in the Notes.

Australian Taxation

The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together the "**Australian Tax Act**") and the Taxation Administration Act 1953 of Australia, as at the date of this Base Prospectus, of payments of interest (as defined in the Australian Tax Act) by ZF (Australia) on the Notes and certain other Australian tax matters.

A term used below but not otherwise defined has the meaning given to it in the Senior Notes Conditions or the Guaranteed Subordinated Notes Conditions, as the case may be (the "**Conditions**").

This summary applies to Noteholders that are:

- residents of Australia for tax purposes that do not hold their Notes, and do not derive any payments under the Notes, in carrying on a business at or through a permanent establishment outside of Australia, and non-residents of Australia for tax purposes that hold their Notes, and derive all payments under the Notes, in carrying on a business at or through a permanent establishment in Australia ("**Australian Holders**"); and
- non-residents of Australia for tax purposes that do not hold their Notes, and do not derive any payments under the Notes, in carrying on a business at or through a permanent establishment in Australia, and residents of Australia for tax purposes that hold their Notes, and derive all payments under the Notes, in carrying on a business at or through a permanent establishment outside of Australia ("**Non-Australian Holders**").

The summary is not exhaustive and, in particular, does not deal with the position of certain classes of Holders (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of any person) and, unless expressly stated, this summary does not consider the Australian tax consequences for persons who hold interests in any Clearing System.

Prospective holders of the Notes should also be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that Series of Notes. Information regarding taxes in respect of Notes may also be set out in the relevant Pricing Supplement.

This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of a Note. Each Noteholder should seek professional tax advice in relation to their particular circumstances.

(a) Australian interest withholding tax

The Australian Tax Act characterises securities as either "debt interests" (for all entities) or "equity interests" (for companies), including for the purposes of Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act ("**Australian IWT**") and dividend withholding tax.

For Australian IWT purposes, "interest" is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts. ZF (Australia) intends to issue Notes which are to be characterised as "debt interests" for the purposes of the tests contained in Division 974 of the Australian Tax Act, and the returns paid on the Notes are to be "interest" for the purpose of section 128F, of the Australian Tax Act.

Australian Holders

Payments of interest in respect of the Notes to Australian Holders should not be subject to Australian IWT.

Non-Australian Holders

Australian IWT is payable at a rate of 10 per cent. of the gross amount of interest paid by ZF (Australia) to a Non-Australian Holder, unless an exemption is available.

(i) *Section 128F exemption from Australian IWT*

An exemption from Australian IWT is available in respect of interest paid on the Notes if the requirements of section 128F of the Australian Tax Act are satisfied.

Unless otherwise specified in any relevant Pricing Supplement (or another relevant supplement to this Base Prospectus), ZF (Australia) intends to issue the Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act

In broad terms, the requirements of section 128F are as follows:

(a) ZF (Australia) is a resident of Australia and a company (as defined in section 128F(9) of the Australian Tax Act) when it issues the Notes and when interest is paid;

(b) the Notes are issued in a manner which satisfies the "public offer" test in section 128F of the Australian Tax Act.

In relation to the Notes, there are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that ZF (Australia) is offering the Notes for issue. In summary, the five methods are:

(i) offers to 10 or more unrelated persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;

(ii) offers to 100 or more investors of a certain type;

(iii) offers of listed Notes;

(iv) offers via publicly available information sources; or

(v) offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods;

(c) ZF (Australia) does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes (or interests in the Notes) were being, or would later be, acquired, directly or indirectly, by an "associate" of ZF (Australia), except as permitted by section 128F(5) of the Australian Tax Act (see below); and

(d) at the time of the payment of interest, ZF (Australia) does not know, or have reasonable grounds to suspect, that the payee is an "associate" of ZF (Australia), except as permitted by section 128F(6) of the Australian Tax Act (see below).

An "associate" of ZF (Australia) for the purposes of section 128F of the Australian Tax Act includes:

(A) a person or entity which holds more than 50 per cent. of the voting shares of, or otherwise controls, ZF (Australia);

(B) an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, ZF (Australia);

(C) a trustee of a trust where ZF (Australia) is capable of benefiting (whether directly or indirectly) under that trust; and

(D) a person or entity who is an "associate" of another person or company which is an "associate" of ZF (Australia) under paragraph (A) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) above), an "associate" of ZF (Australia) does not include:

(A) an Australian Holder; or

(B) a Non-Australian Holder that is acting in the capacity of:

- in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act 2001 of Australia); or

- in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (for the purposes of the Corporations Act 2001 of Australia).

(ii) *Exemptions under certain double tax conventions*

The Australian Government has signed double tax conventions ("**Relevant Treaties**") with certain countries (each a "**Specified Country**"), under which an exemption from Australian IWT is available in certain circumstances. The Relevant Treaties apply to interest derived by a resident of a Specified Country.

Broadly, the Relevant Treaties effectively prevent the application of Australian IWT to interest derived by:

(a) governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and

(b) a "financial institution" resident in a Specified Country which is unrelated to and dealing wholly independently with ZF (Australia).

The term "**financial institution**" refers to either a bank or any other enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back to back loan or an economically equivalent arrangement will not qualify for this exemption.

The Australian Federal Treasury maintains a listing of Australia's double tax conventions which is available to the public on the Federal Treasury Department website.

(b) Payments under the ZIC Senior Guarantee, the ZIC Subordinated Guarantee and the ZIC Deeply Subordinated Guarantee

Payments by ZIC under the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, as the case may be, are not subject to Australian IWT, on the basis that ZIC is not a resident of Australia for Australian tax purposes, and does not make payments under the ZIC Senior Guarantee, the ZIC Subordinated Guarantee or the ZIC Deeply Subordinated Guarantee, as the case may be, in carrying on business through a permanent establishment in Australia.

(c) Notes in bearer form

Section 126 of the Australian Tax Act imposes a type of withholding tax (see below in relation to the rate of withholding tax) on the payment of interest on debentures in bearer form (such as the Bearer Notes) if the issuer fails to disclose the names and addresses of the holders of the debentures to the ATO.

Section 126 does not, however, apply to the payment of interest on Bearer Notes held by non-Australian residents who do not carry on business at or through a permanent establishment in Australia where the issue of those Bearer Notes has satisfied the requirements of section 128F or Australian IWT is payable.

In addition, the ATO has confirmed that for the purpose of section 126, the holder of debentures in bearer form is the person in possession of the debentures. Section 126 is, therefore, limited in its application to persons in possession of Bearer Notes who are residents of Australia or non-Australian residents who are engaged in carrying on business at or through a permanent establishment in Australia. Where interests in Bearer Notes are held through Euroclear, Clearstream or another Clearing System, ZF (Australia) intends to treat the relevant operator of the Clearing System (or its nominee) as the holder of the Bearer Notes for the purposes of section 126.

The current rate of withholding tax is 45 per cent.

(d) Payment of additional amounts

As set out in more detail in the Senior Notes Conditions or Guaranteed Subordinated Notes Conditions, as the case may be, and unless expressly provided to the contrary in any relevant Pricing Supplement (or other relevant supplement to this Base Prospectus), if ZF (Australia) is at any time required by law to withhold or deduct an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia, or any political subdivision thereof or therein, in respect of the Notes, ZF (Australia) must, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that each Noteholder is entitled to receive (at the time the payment is due) the amount it would have received if no withholdings or deductions had been required to be made. If, as a result of any change in law of the Commonwealth of Australia, or any political subdivision thereof or therein, ZF (Australia) is required by law in relation to any Notes to withhold or deduct an amount in respect of any withholding taxes, ZF (Australia) will have the option to redeem those Notes in accordance with the Senior Notes Conditions or the Guaranteed Subordinated Notes Conditions, as the case may be.

(e) Other Australian tax matters

Under Australian laws as presently in effect:

- *death duties* – no Notes will be subject to death, estate or succession duties imposed or levied by the Commonwealth of Australia, or any political subdivision or authority thereof or therein having power to tax, if held at the time of death;

- *stamp duty and other taxes* – no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of any Notes;

- *TFN/ABN withholding* – withholding tax is imposed (see below for the rate of withholding tax) on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (in certain circumstances) an Australian Business Number ("**ABN**") or proof of some other exception (as appropriate).

  Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then such withholding should not apply to payments to a non-resident of Australia for tax purposes that does not derive the interest in connection with a business carried on at or through a permanent establishment in Australia.

  The current rate of withholding tax is 47 per cent.;

- *additional withholdings from certain payments to non-residents* – the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current Australian IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents;

- *garnishee directions by the Commissioner of Taxation* – the Commissioner of Taxation may give a direction requiring ZF (Australia) to deduct from any payment to a Holder any amount in respect of Australian tax payable by the Holder. If ZF (Australia) is served with such a direction, then the ZF (Australia) will comply with that direction and make any deduction required by that direction, and no additional amount will be payable to the Noteholder, as set out in more detail in the Conditions;

- *supply withholding tax* – payments in respect of the Notes can be made free and clear of any "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act 1953 of Australia; and

- *goods and services tax ("GST")* – neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of a supply to a non-resident Noteholder outside Australia and certain areas offshore of Australia, which together comprise the "indirect tax zone") a GST-free supply. Furthermore, neither the payment of principal or interest by ZF (Australia), nor the disposal of the Notes, should give rise to any GST liability in Australia.

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated dealer agreement (as further amended or supplemented from time to time, the "**Dealer Agreement**") dated 22 May 2019 agreed with the Issuers as to the basis upon which they or any of them may from time to time agree to subscribe for Notes. Any such agreement will extend to those matters stated under "*Description of Notes in Global Form*", "*Terms and Conditions of the Senior Notes*", "*Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes (Directly Issued by Zurich Insurance Company Ltd)*" and "*Terms and Conditions of the Subordinated Notes and Deeply Subordinated Notes*" above. In the Dealer Agreement, the Issuers have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe for Notes in certain cicumstances prior to the payment for such Notes being made to the relevant Issuer.

United States

The Notes have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in accordance with Regulation S under the U.S. Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder. The applicable Pricing Supplement will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed that it will offer, sell and deliver Notes (i) as part of their distribution at any time and (ii) otherwise until forty days after the completion of the distribution of all Reg. S Notes of the Tranche of which such Notes are a part, as determined and certified to the Agent or the Issuer by the Relevant Dealer (or, in the case of a sale of a series of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Series purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager, in which case the Agent or the Issuer shall notify each such Dealer when all such Dealers have, or the Lead Manager has, so certified), only outside the United States to non-U.S. persons in accordance with Rules 903 and 904 of Regulation S under the U.S. Securities Act. Accordingly, each Dealer has represented and agreed that neither it, nor its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts (as defined in Rule 902 of Regulation S) with respect to the Notes, and that it and they have complied and will comply with the offering restrictions of Regulation S. Each Dealer has also agreed that, at or prior to confirmation of sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Reg. S Notes from it or through it during the distribution compliance period a confirmation or notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the above paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold only outside the United States to persons other than U.S. persons ("**foreign purchasers**", which term includes dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners, other than an estate or trust) in reliance upon Regulation S. As used in this discussion of "*Subscription and Sale—United States*", the terms "**Offshore transaction**", "**United States**" and "**U.S. person**" have the meanings given to them in Regulation S.

Each purchaser of Notes will be deemed to have represented and agreed as follows:

(1) It is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a foreign purchaser that is outside the United States (or a foreign purchaser that is a dealer or other fiduciary as referred to above).

(2) It acknowledges that the Notes have not been registered under the U.S. Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.

(3) It agrees that the Issuer has no obligation to register the Notes under the U.S. Securities Act.

(4) It will not resell or otherwise transfer any Notes within two years after the original issuance of the Notes except (A) to the Issuer or any subsidiary of the Issuer, (B) outside the United States in an Offshore transaction in compliance with Rule 904 under the U.S. Securities Act, (C) pursuant to the exemption from registration provided by Rule 144 under the U.S. Securities Act (if available) or (D) pursuant to an effective registration statement under the U.S. Securities Act.

(5) It will give to each person to whom it transfers Notes notice of any restrictions on transfer of those Notes.

(6) It understands that the Reg. S Notes offered will be represented by a Reg. S Global Note. Before any interest in a Reg. S. Global Note may be offered, sold, pledged or otherwise transferred to a person who is not a foreign purchaser, the transferee will be required to provide the Trustee with a written certification (the form of which certification can be obtained from the Trustee) as to compliance with the transfer restrictions referred to above.

(7) It understands that each of the Reg. S Notes will bear a legend substantially to the following effect unless otherwise agreed by the Issuer and the holder of particular Notes:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OF BENEFIT OF, U.S. PERSONS. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE U.S. SECURITIES ACT, (2) AGREES THAT IT WILL NOT, PRIOR TO THE DATE THAT IS TWO YEARS AFTER THE LATER OF THE ORIGINAL ISSUANCE OF THIS SECURITY AND THE LAST DATE ON WHICH THE ISSUER OF THIS SECURITY OR ANY AFFILIATED PERSON OF THE ISSUER WAS THE OWNER OF THIS SECURITY, RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY OF THE ISSUER, (B) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE U.S. SECURITIES ACT, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT (IF AVAILABLE) OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED IN THIS STATEMENT, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE U.S. SECURITIES ACT.

(8) It will not sell or otherwise transfer Notes to, and each purchaser represents and covenants that it is not acquiring the Notes for or on behalf of, and will not transfer Notes to, any "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 ("**ERISA**") which is subject to Title I of ERISA or any "plan" as defined in Section 4975 of the Code, which is subject to Section 4975 of the Code (in such case, a "**Plan**"), or any entity the assets of which constitute "plan assets" of any Plan for the purposes of ERISA or Section 4975 of the Code (a "**Plan Entity**").

(9) It acknowledges that the Trustee for the Notes will not be required to accept for registration of transfer any Notes acquired by it, except upon presentation of evidence satisfactory to the Issuer and the Trustee that the restrictions described above have been complied with.

(10) It acknowledges that the Issuers, the Dealers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of the acknowledgments, representations and agreements deemed to have been made by its purchase of Notes are no longer accurate, it will promptly notify the Issuer and the Dealers. If it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each account.

Prohibition of Sales to EEA Retail Investors

Unless the relevant Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"); and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the relevant Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive

(each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) **No deposit-taking:** in relation to any Notes which have a maturity of less than one year:

  (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

  (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

    (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

    (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

  where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the relevant Issuer;

(b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) **received** by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; and

(c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Ireland

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite or do anything in Ireland in respect of any Notes other than in conformity with the provisions of:

(a) the Irish European Union (Markets in Financial Instruments) Regulations 2017 (as amended) ("**MiFID II Regulations**"), including, without limitation, Regulation 5 (Requirement for authorisation (and certain provisions concerning MTFs and OTFs)) thereof, or any rules or codes of conduct made under the MiFID II Regulations and the provisions of the Investor Compensation Act 1998 (as amended);

(b) the Irish Central Bank Acts 1942 – 2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);

(c) the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules and guidance issued under Section 1363 of Companies Act 2014 of Ireland (as amended) (the "**Companies Act 2014**"), by the Central Bank of Ireland (the "**CBI**");

(d) the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued under Section 1370 of the Companies Act 2014 by the CBI;

(e) the Companies Act 2014; and

(f) in relation to any Notes with a maturity of less than one year, the terms of the CBI's implementation notice for credit institutions BSD C 01/02 of 12 November 2002 (as may be amended, replaced or up-dated from time to time) issued pursuant to Section 8(2) of the Irish Central Bank Act 1971 (as amended).

Japan

The Notes have not been and will not be registered under Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**") and disclosure under the Financial Instruments and Exchange Act has not been and will not be made with respect to the Notes. Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it has not, directly or indirectly, offered, sold, resold or otherwise transferred and will not, directly or indirectly, offer sell, resell or otherwise transfer any Notes or any interest therein, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering resale or otherwise transferring, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and all other applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001) in relation to the Programme or offer of the Notes has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it:

(a) has not made or invited, and will not make or invite, an offer of the Notes for issue, sale or purchase in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, any offering circular, information memorandum or any other offering material or advertisement relating to the Notes in Australia,

in each case unless:

(i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001;

(ii) such offer is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act;

(iii) such action complies with all applicable laws and directives in Australia; and

(iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will comply with all applicable laws and regulations in force in any country or jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes any offering material in relation to such Notes and will obtain any consent, approval or permission required by it for the subscription, offer, sale or delivery by it of Notes or possession or distribution of such offering material under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such subscription, offer or sale.

No Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the relevant Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Pricing Supplement.

FORM OF PRICING SUPPLEMENT OF THE SENIOR NOTES

Pricing Supplement dated [●]

[Zurich Finance Australia Limited ("ZF (Australia)")]/[Zurich Finance (Ireland) DAC ("ZF (Ireland)")]/[Zurich Holding Company of America, Inc. ("ZHCA")]/[Zurich Insurance Company Ltd]
(Legal Entity Identifier: [5493000MG51V5MO6LH60 / 549300E0FVHYR37EGX65 / 549300UWJXVWVO6BRM06 / 81560058C3C0CEB63B79])

Issue of [Aggregate Nominal Amount of Tranche] [Title of Senior Notes]
[Guaranteed by Zurich Insurance Company Ltd]
under the USD18,000,000,000
Euro Medium Term Note Programme
Part A Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 May 2019 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a prospectus for purposes of Part IV of the Luxembourg act dated 10 July 2005 relating to prospectuses for securities, as amended (the "**Prospectus Act 2005**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus [as so supplemented]. [The Base Prospectus [, the supplement[s] to the Base Prospectus, the Pricing Supplement] [are] available for viewing on the website of the Luxembourg Stock Exchange www.bourse.lu and at [website] [and] during normal business hours at [address] [and copies may be obtained from [address].]

[***IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS –*** *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.*]

[***MIFID II PRODUCT GOVERNANCE/TARGET MARKET*** *– [appropriate target market legend to be included.]*]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.*]

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and are Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).] [*For any offers made in Singapore, relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA. If there is a change as to product classification for the relevant drawdown, from the upfront classification embedded in the programme documentation, then the legend is to be completed and used (if no change as to product classification, then the legend may be deleted in its entirety).*]

1	Issuer:	[●]
2	Guarantor:	[Zurich Insurance Company Ltd/Not Applicable]
3	(i) Series Number:	[●]
	(ii) Tranche Number:	[●]
	[(iii) Date on which the Notes will be consolidated and form a single Series:	The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [*date*]]
4	Specified Currency or Currencies:	[●]

5	Aggregate Nominal Amount of Notes admitted to trading:	[●]
	(i) Series:	[●]
	(ii) Tranche:	[●]
6	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
7	(i) Specified Denominations:	[●] [and integral multiples of [●] in excess thereof] [up to and including [●]]. [No notes in definitive form will be issued with a denomination above [●]]
	(ii) Calculation Amount:	[●]
8	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[●] [Not Applicable]
9	Maturity Date:	[[●]/The Interest Payment Date falling in or nearest to [●]/Not Applicable]
10	Interest Basis:	[[●] per cent. Fixed Rate] [[●] month LIBOR/EURIBOR/[other]] +/- [●] per cent. Floating Rate] [Fixed Rate Reset] [Fixed to Floating Rate] [Zero Coupon] (*further particulars specified below*)
11	Change of Interest or Redemption/Payment Basis:	[●]/Fixed Rate Reset Notes/Fixed to Floating Rate Notes]
12	Call Options:	[Issuer Call (*further particulars specified below*)] [Not Applicable]
13	[(i)] Status of the Notes:	Senior
	[(ii)] Status of the Guarantee:	[Senior/Not Applicable]
	[(iii)]Specified Maximum Amount:	[●]
	[(iv)][Date [Board] approval for issuance of Notes obtained:]	[●] [*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*]
14	Initial Permitted Non-Qualifying Lender[s]:	[●]
Provisions Relating to Interest (if any) Payable		
15	Fixed Rate Note and Fixed to Floating Rate Note Provisions:	[Applicable/Not Applicable/Applicable for the period from and including [●] to, but excluding, [●] (the "**Fixed Rate End Date**")] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
	(ii) Interest Payment Date(s):	[●] in each year commencing on [●] to and including [●]
	(iii) Fixed Coupon Amount[(s)]:	[●] per Calculation Amount
	(iv) Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
	(v) Fixed Day Count Fraction:	[30/360/Actual/Actual (ICMA)/[other] (*please specify*)]
	(vi) Determination Dates:	[●] in each year
16	Floating Rate Note and Fixed to Floating Rate Note Provisions:	[Applicable/Not Applicable/Applicable for the period from, and including, the Fixed Rate End Date to, but excluding, [●]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)

	(i) Interest Period(s):	[●]
	(ii) Specified Interest Payment Dates:	[●]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iv) Additional Business Centre(s):	[●]
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
	(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[●]
	(vii) Screen Rate Determination:	[Offered quotation/Arithmetic mean of offered quotations]
	- Reference Rate:	[●] month [LIBOR/EURIBOR/[other] (*please specify*)
	- Interest Determination Date(s):	[●]
	- Relevant Screen Page:	[●]
	(viii) ISDA Determination:	
	- Floating Rate Option:	[LIBOR/EURIBOR/[other] (*please specify*)]
	- Designated Maturity:	[●]
	- Reset Date:	[●]
	(ix) Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
	(x) Margin(s):	[+/-][●] per cent. per annum
	(xi) Margin Step-Up Date(s):	[[●] [and [●]]/Not Applicable]
	(xii) Step-Up Margin:	[[+/-][●] per cent. per annum/Margin [+/-] [1.00]/[●] per cent. per annum/[●]/Not Applicable]
	(xiii) Maximum Rate of Interest:	[●] per cent. per annum
	(xiv) Day Count Fraction:	[[Actual/Actual]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[360/360]/[Bond Basis][Eurobond Basis]/[30E/360 (ISDA)]]
17	Fixed Rate Reset Note Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Initial Rate of Interest:	[●] per cent. per annum payable in arrear [on each Interest Payment Date]
	(ii) Reset Rate:	[Mid-Swap Rate/Benchmark Gilt/Reference Bond Rate]
	(iii) Initial Reset Margin:	[+/-][●] per cent. per annum
	(iv) Subsequent Reset Margin:	[[+/-][●] per cent. per annum/Initial Reset Margin [+/-][1.00]/[●] per cent. per annum/Not Applicable]
	(v) Interest Payment Date(s):	[●] [and [●]] in each year up to and including the Maturity Date
	(vi) Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[●] per Calculation Amount/Not Applicable]
	(vii) Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]]/Not Applicable]
	(viii) First Reset Date:	[●]
	(ix) Subsequent Reset Date(s):	[[●] [and [●]]/Not Applicable]
	(x) Reset Rate Screen Page:	[[●]/Not Applicable]

	(xi) Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate/Not Applicable]
	(xii) Mid-Swap Maturity:	[[●]/Not Applicable]
	(xiii) Reference Banks:	[●]
	(xiv) Day Count Fraction:	[Actual/Actual]/[Actual/Actual(ICMA)]/[Actual/Actual (ISDA)]/[Actual/365(Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30 E/360 (ISDA)]
	(xv) Reset Determination Dates:	[●]
	(xvi) Calculation Agent:	[●]
	(xvii) Mid-Swap Benchmark Rate:	[EURIBOR/LIBOR/[other] (*please specify*)/Not Applicable]
	(xviii) Benchmark Gilt:	[[●]/Not Applicable]
	(xix) Reference Bond:	[[●]/Not Applicable]
	(xx) Benchmark Frequency:	[●]
Zero Coupon Note Provisions		
18	(i) [Amortisation Yield:]	[[●] per cent. per annum]
	(ii) [Amortised Face Amount:]	[●]
	(iii) [Day Count Fraction:]	[Actual/Actual]/[Actual/Actual(ICMA)]/[Actual/Actual (ISDA)]/[Actual/365(Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30 E/360 (ISDA)]]
Provisions Relating to Redemption		
19	Call Option:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period:	[As per Condition 7(e)/[●]]
	(iv) Clean-Up Event Call:	[Applicable/Not Applicable]
	(v) Clean-Up Threshold Percentage:	[[●] per cent./Not Applicable]
	(vi) Clean-Up Redemption Price:	[[●] per Calculation Amount/Not Applicable]
	(vii) Early Event Call Period:	[As per Condition 7(f)/[●]]
20	Put Option:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) [Optional Redemption Date(s):]	[●]
	(ii) [Optional Redemption Amount(s) of each Note:]	[[●] per Calculation Amount]
	(iii) [Notice period:]	[●]
21	Final Redemption Amount of each Note:	[●] per Calculation Amount
22	Early Redemption Amount:	[●]
General Provisions Applicable to the Notes		
23	Form of Notes:	Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 40 days' notice/in the limited circumstances specified in the Permanent Global Note]] [In the case of Notes issued by ZHCA: A Permanent Global Note may only be exchangeable (free of charge), in whole but not in part, for Definitive Bearer Notes with, where applicable, Coupons and Talons attached (i) if an Event of Default occurs in respect of any Note or (ii) if Euroclear or

		Clearstream ceases business permanently and no alternative clearing system satisfactory to the Trustee is available.] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] Registered Notes: [Registered Note exchangeable into [Individual Registered Notes] if requested by the holder upon not less than 40 days' notice/only in the limited circumstances described in the Base Prospectus] [[Individual Registered Notes]]
	[In the case of Listed Swiss Franc Notes:]	[Permanent Global SIS Note]
24	New Global Note Form:	[Yes/No]
25	Additional Financial Centres or other special provisions relating to Payment Days for the purpose of Condition 11(f):	[Not Applicable/[●]]
26	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No]
27	Consolidation provisions:	
	(i) Listed Swiss Franc Note:	[Yes/No]
	(ii) Identity of Principal Swiss Paying Agent and other Paying Agents:	[●]
28	Restricted Note (Condition 15(a) shall apply):	[Yes/No]
	(i) Restricted Note Minimum Denomination Amount:	[●]
	(ii) Restricted Note Transfer Amount:	[●]
	(iii) Number of Permitted Non-Qualifying Lenders:	[●]
29	Meetings of Noteholders:	[As per Condition 12(a)/12(b)(i)/12(b)(ii)]
30	Relevant Benchmark(s):	[[specify benchmark] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]

Responsibility

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from (specify source). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By: ……

Duly authorised

[By: ……

Duly authorised

[*Signed on behalf of the Guarantor*:

By: ……

Duly authorised

[By: ……

Duly authorised]]

PART B — OTHER INFORMATION

1	**Listing and Admission to Trading**	
	(i) Listing:	[Luxembourg/other (*specify*)/None]
	(ii) Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange with effect from [●].] [Not Applicable.] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
	(iii) Estimate of total expenses related to admission to trading:	[●]
2	**Ratings**	
	Ratings:	The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [[Other]: [●]] [and endorsed by [insert details]]
3	**[Interests of Natural and Legal Persons Involved in the [Issue/Offer]]**	
	[*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:* *"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."*]	
4	**[Reasons for the Offer, Estimated Net Proceeds and Total Expenses]**	
	[(i) Reasons for the offer:	[●] (*See ["Use of Proceeds"] wording in Base Prospectus — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)]
	[(ii) Estimated net proceeds:	[●] (*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)]
	[(iii) Estimated total expenses:	[●][*Include breakdown of expenses*] (*Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.*)]
5	**[Yield (*Fixed Rate Notes only*)**	
	Indication of yield:	[●]] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
6	**Operational Information**	
	(i) ISIN Code:	[●]
	(ii) Common Code:	[●]
	(iii) FISN:	[[●], as updated, as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]
	(iv) CFI Code:	[[●], as updated, as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable] (*If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable"*)

	(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/[●]]
	(vi) Delivery:	Delivery [against/free of] payment
	(vii) Names and addresses of initial Paying Agent(s):	[●]
	(viii) Names and addresses of additional Paying Agent(s) (if any):	[●]
	(ix) Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/ [No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

Distribution

7	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilisation Manager(s) (if any):	[Not Applicable/*give names*]
8	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
9	U.S. Selling Restrictions:	[Reg. S Compliance Category: TEFRA C/TEFRA D/TEFRA not applicable]
10	Additional selling restrictions:	[Not Applicable/Regulation S category 1/Regulation S category/Regulation S category 3/*give details*]
11	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable]

FORM OF PRICING SUPPLEMENT OF THE ZIC SUBORDINATED NOTES AND ZIC DEEPLY SUBORDINATED NOTES

Pricing Supplement dated [●]

Zurich Insurance Company Ltd
(Legal Entity Identifier: 81560058C3C0CEB63B79)

Issue of [Aggregate Nominal Amount of Tranche] [Title of [Deeply] Subordinated Notes]
under the USD18,000,000,000
Euro Medium Term Note Programme
Part A Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 May 2019 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a prospectus for purposes of Part IV of the Luxembourg act dated 10 July 2005 relating to prospectuses for securities, as amended (the "**Prospectus Act 2005**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus [as so supplemented]. [The Base Prospectus [, the supplement[s] to the Base Prospectus, the Pricing Supplement] [are] available for viewing on the website of the Luxembourg Stock Exchange www.bourse.lu and at [website] [and] during normal business hours at [address] [and copies may be obtained from [address].]

[***IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS –*** *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.*]

[***MIFID II PRODUCT GOVERNANCE/TARGET MARKET*** *– [appropriate target market legend to be included.]*]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.*]

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and are Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).] [*For any offers made in Singapore, relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA. If there is a change as to product classification for the relevant drawdown, from the upfront classification embedded in the programme documentation, then the legend is to be completed and used (if no change as to product classification, then the legend may be deleted in its entirety).*]

1	Issuer:	Zurich Insurance Company Ltd
2	(i) Series Number:	[●]
	(ii) Tranche Number:	[●]
	(iii) [Date on which the Notes will be consolidated and form a single Series:	The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 21 below, which is expected to occur on or about [*date*]]
3	Specified Currency or Currencies:	[●]
4	Aggregate Nominal Amount of Notes admitted to trading:	[●]
	(i) Series:	[●]

	(ii) Tranche:	[●]
5	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
6	(i) Specified Denominations:	[●] [and integral multiples of [●] in excess thereof] [up to and including [●]]. [No notes in definitive form will be issued with a denomination above [●]]
	(ii) Calculation Amount:	[●]
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[●] [Not Applicable]
8	Maturity Date:	[[●]/The Interest Payment Date falling in or nearest to [●]/Not Applicable]
9	(i) Interest Basis:	[[●] per cent. Fixed Rate] [[●] month LIBOR/EURIBOR/[other]] +/- [●] per cent. Floating Rate] [Fixed Rate Reset] [Fixed to Floating Rate] (*further particulars specified below*)
	(ii) Optional Deferral of interest:	[Applicable/Not Applicable]
	(iii) Optional Deferral limited to five years upon loss of regulatory capital credit:	[Yes/No]
	(iv) Mandatory settlement of Arrears of Interest:	[As per Condition 5(e)(iv)/[other] (*please specify*)]
10	Redemption/Payment Basis:	[Redemption at par/[●] per cent. of par] (*N.B. only relevant for dated Subordinated Notes*)
11	Change of Interest or Redemption/Payment Basis:	[●]/Fixed Rate Reset Notes/Fixed to Floating Rate Notes
12	Write-Down Event:	[Applicable/Not Applicable] *(If Not Applicable, delete the remaining subparagraph of this paragraph)*
	[Description of Write-Down Event]	[ZIC and/or the Zurich Insurance Group does not have appropriate funds to cover [●] per cent. of the required minimum solvency margin or meet any other required level of own funds regulatory capital (or another applicable term in case of a change in Applicable Regulations) in accordance with the Applicable Regulations, as shown in the most recent FINMA Submission (and the date of such FINMA Submission shall be considered as the date on which the Write-Down Event occurs)/[*specify details of any provision concerning an alternative Write-Down Event*] "**FINMA Submission**" means [●].
13	Call Options:	[Issuer Call (*further particulars specified below*)] [Not Applicable]
14	[(i)] Status of the Notes:	[Deeply] Subordinated
	[(ii)] [Date [Board] approval for issuance of Notes obtained:]	[●] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)]
15	[Initial Permitted Non-Qualifying Lender[s]:	[●]]
Provisions Relating to Interest (if any) Payable		
16	Fixed Rate Note and Fixed to Floating Rate Note Provisions:	[Applicable/Not Applicable/Applicable for the period from and including [●] to, but excluding, [●] (the "**Fixed Rate End Date**")] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

	(i) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
	(ii) Interest Payment Date(s):	[●] in each year commencing on [●] to and including [●]
	(iii) Fixed Coupon Amount[(s)]:	[●] per Calculation Amount
	(iv) Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
	(v) Fixed Day Count Fraction:	[30/360/Actual/Actual (ICMA)/[other] (*please specify*)]
	(vi) Determination Dates:	[●] in each year
17	Floating Rate Note and Fixed to Floating Rate Note Provisions:	[Applicable/Not Applicable/Applicable for the period from, and including, the Fixed Rate End Date to, but excluding, [●]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
	(i) Interest Period(s):	[●]
	(ii) Specified Interest Payment Dates:	[●]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iv) Additional Business Centre(s):	[●]
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
	(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[●]
	(vii) Screen Rate Determination:	[Offered quotation/Arithmetic mean of offered quotations]
	- Reference Rate:	[●] month [LIBOR/EURIBOR/[other] (*please specify*)
	- Interest Determination Date(s):	[●]
	- Relevant Screen Page:	[●]
	(viii) ISDA Determination:	
	- Floating Rate Option:	[LIBOR/EURIBOR/[other] (*please specify*)]
	- Designated Maturity:	[●]
	- Reset Date:	[●]
	(ix) Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
	(x) Margin(s):	[+/-][●] per cent. per annum
	(xi) Margin Step-Up Date(s):	[[●] [and [●]]/Not Applicable]
	(xii) Step-Up Margin:	[[+/-][●] per cent. per annum/Margin [+/-] [1.00]/[●] per cent. per annum/[●]/Not Applicable]
	(xiii) Maximum Rate of Interest:	[●] per cent. per annum
	(xiv) Day Count Fraction:	[Actual/Actual]/[Actual/Actual(ICMA)]/[Actual/Actual (ISDA)]/[Actual/365(Fixed)]/[Actual/360]/[30/360]/[360/360] /[Bond Basis]/[30E/360]/[Eurobond Basis]/[30 E/360 (ISDA)]]
18	Fixed Rate Reset Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Initial Rate of Interest:	[●] per cent. per annum payable in arrear [on each Interest Payment Date]
	(ii) Reset Rate:	[Mid-Swap Rate/Benchmark Gilt Rate/Reference Bond]

	(iii) Initial Reset Margin:	[+/-][●] per cent. per annum
	(iv) Subsequent Reset Margin:	[[+/-][●] per cent. per annum/Initial Reset Margin [+/-][1.00]/[●] per cent. per annum/Not Applicable]
	(v) Interest Payment Date(s):	[●] [and [●]] in each year up to and including the Maturity Date
	(vi) Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[●] per Calculation Amount/Not Applicable]
	(vii) Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]]/Not Applicable]
	(viii) First Reset Date:	[●]
	(ix) Subsequent Reset Date(s):	[[●] [and [●]]/Not Applicable]
	(x) Reset Rate Screen Page:	[[●]/Not Applicable]
	(xi) Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate/Not Applicable]
	(xii) Mid-Swap Maturity:	[[●]/Not Applicable]
	(xiii) Reference Banks:	[●]
	(xiv) Day Count Fraction:	[[Actual/Actual]/[Actual/Actual/ISDA]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[EurobondBasis]/[30E/360(ISDA)]/[Actual/Actual-ICMA]]
	(xv) Reset Determination Dates:	[●]
	(xvi) Calculation Agent:	[●]
	(xvii) Mid-Swap Benchmark Rate:	[EURIBOR/LIBOR/[other] (*please specify*)/Not Applicable]
	(xviii) Benchmark Gilt:	[[●]/Not Applicable]
	(xix) Reference Bond:	[[●]/Not Applicable]
	(xx) Benchmark Frequency:	[●]
Provisions Relating to Redemption		
19	Call Option:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period:	[As per Condition 6(c)/[●]]
	(iv) Accounting Event Call:	[Applicable/Not Applicable]
	(v) Initial Accounting Treatment Methodology:	[liabilities/equity]
	(vi) Rating Agency Event Call:	[Applicable/Not Applicable]
	(vii) Regulatory Event Call:	[Applicable/Not Applicable]
	(viii) Clean-Up Event Call:	[Applicable/Not Applicable]
	(ix) Clean-Up Threshold Percentage:	[[●] per cent./Not Applicable]
	(x) Clean-Up Redemption Price:	[[●] per Calculation Amount/Not Applicable]
	(xi) Special Event Redemption Price:	[[●] per Calculation Amount/Not Applicable]
	(xii) Early Event Call Period:	[As per Condition 6(f)/[●]]
20	Final Redemption Amount of each Note:	[●] per Calculation Amount
General Provisions Applicable to the Notes		
21	Form of Notes:	Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note [which is exchangeable for Definitive Notes on 40 days' notice/in the limited circumstances specified in the Permanent Global Note]]

		[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] Registered Notes: [Registered Note exchangeable into [Individual Registered Notes] if requested by the holder upon not less than 40 days' notice/only in the limited circumstances described in the Base Prospectus] [[Individual Registered Notes]]
	[In the case of Listed Swiss Franc Notes:]	[Permanent Global SIS Note]
22	New Global Note Form:	[Yes/No]
23	Additional Financial Centres or other special provisions relating to Payment Days for the purpose of Condition 11(f):	[Not Applicable/[●]]
24	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No]
25	Consolidation provisions:	
	(i) Listed Swiss Franc Note:	[Yes/No]
	(ii) Identity of Principal Swiss Paying Agent and other Paying Agents:	[●]
26	Restricted Note (Condition 15(a) shall apply):	[Yes/No]
	(i) Restricted Note Minimum Denomination Amount:	[●]
	(ii) Restricted Note Transfer Amount:	[●]
	(iii) Number of Permitted Non-Qualifying Lenders:	[●]
27	Meetings of Noteholders:	[As per Condition 12(a)/12(b)(i)/12(b)(ii)]
28	Relevant Benchmark(s):	[[specify benchmark] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]

Responsibility

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from (specify source). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By: ……

Duly authorised

[By: ……

Duly authorised

PART B — OTHER INFORMATION

1	**Listing and Admission to Trading**	
	(i) Listing:	[Luxembourg/other (*specify*)/None].
	(ii) Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange with effect from [●].] [Not Applicable.] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
	(iii) Estimate of total expenses related to admission to trading:	[●]
2	**Ratings**	
	Ratings:	The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [[Other]: [●]] [and endorsed by [insert details]]
3	**[Interests of Natural and Legal Persons Involved in the [Issue/Offer]**	
	Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement: *"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."]*	
4	**[Reasons for the Offer, Estimated Net Proceeds and Total Expenses]**	
	[(i) Reasons for the offer:	[●] (*See ["Use of Proceeds"] wording in Base Prospectus — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)]
	[(ii) Estimated net proceeds:	[●] (*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)]
	[(iii) Estimated total expenses:	[●][*Include breakdown of expenses.*] (*Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.*)]
5	**[Yield *(Fixed Rate Notes only)***	[●]]
	Indication of yield:	The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
6	**Operational Information**	
	(i) ISIN Code:	[●]
	(ii) Common Code:	[●]
	(iii) FISN:	[[●], as updated, as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]
	(iv) CFI Code:	[[●], as updated as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable] (*If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable"*)

	(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/[●]]
	(vi) Delivery:	Delivery [against/free of] payment
	(vii) Names and addresses of initial Paying Agent(s):	[●]
	(viii) Names and addresses of additional Paying Agent(s) (if any):	[●]
	(ix) Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/ [No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

Distribution

7	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilisation Manager(s) (if any):	[Not Applicable/*give names*]
8	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
9	U.S. Selling Restrictions:	[Reg. S Compliance Category: TEFRA C/TEFRA D/TEFRA not applicable]
10	Additional selling restrictions:	[Not Applicable/Regulation S category 1/Regulation S category/Regulation S category 3/*give details*]
11	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable]

FORM OF PRICING SUPPLEMENT OF THE GUARANTEED SUBORDINATED NOTES AND GUARANTEED DEEPLY SUBORDINATED NOTES

Pricing Supplement dated [●]

[Zurich Finance Australia Limited ("ZF (Australia)")]/[Zurich Finance (Ireland) DAC ("ZF (Ireland)")]
(Legal Entity Identifier: [5493000MG51V5MO6LH60 / 549300E0FVHYR37EGX65])

Issue of [Aggregate Nominal Amount of Tranche] [Title of Subordinated Notes]
[Guaranteed by Zurich Insurance Company Ltd]
under the USD18,000,000,000
Euro Medium Term Note Programme
Part A Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22 May 2019 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a prospectus for purposes of Part IV of the Luxembourg act dated 10 July 2005 relating to prospectuses for securities, as amended (the "**Prospectus Act 2005**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus [as so supplemented]. [The Base Prospectus [, the supplement[s] to the Base Prospectus, the Pricing Supplement] [are] available for viewing on the website of the Luxembourg Stock Exchange www.bourse.lu and at [website] [and] during normal business hours at [address] [and copies may be obtained from [address].]

[***IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS –*** *The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.*]

[***MIFID II PRODUCT GOVERNANCE / TARGET MARKET*** *– [appropriate target market legend to be included.]*]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.*]

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and are Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).] [*For any offers made in Singapore, relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA. If there is a change as to product classification for the relevant drawdown, from the upfront classification embedded in the programme documentation, then the legend is to be completed and used (if no change as to product classification, then the legend may be deleted in its entirety).*]

1	Issuer:		[●]
2	Guarantor:		[Zurich Insurance Company Ltd]
3	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
	(iii)	[Date on which the Notes will be consolidated and form a single Series:	The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 21 below, which is expected to occur on or about [*date*]]
4	Specified Currency or Currencies:		[●]

5	Aggregate Nominal Amount of Notes admitted to trading:	[●]
	(i) Series:	[●]
	(ii) Tranche:	[●]
6	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
7	(i) Specified Denominations:	[●] [and integral multiples of [●] in excess thereof] [up to and including [●]]. [No notes in definitive form will be issued with a denomination above [●]]
	(ii) Calculation Amount:	[●]
8	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[●] [Not Applicable]
9	Maturity Date:	[[●]/The Interest Payment Date falling in or nearest to [●]/Not Applicable]
10	(i) Interest Basis:	[[●] per cent. Fixed Rate] [[●] month LIBOR/ EURIBOR/[other]] +/- [●] per cent. Floating Rate] [Fixed Rate Reset] [Fixed to Floating Rate] (*further particulars specified below*)
	(ii) Optional Deferral of interest:	[Applicable/Not Applicable]
	(iii) Optional Deferral limited to five years upon loss of regulatory capital credit:	[Yes/No]
	(iv) Mandatory settlement of Arrears of Interest:	[As per Condition 6(e)(iv)/[other] (*please specify*)]
11	Redemption/Payment Basis:	[Redemption at par/[●] per cent. of par] (*N.B. only relevant for dated Subordinated Notes*)
12	Change of Interest or Redemption/Payment Basis:	[●]/Fixed Rate Reset Notes/Fixed to Floating Rate Notes]
13	Write-Down Event:	[Applicable/Not Applicable] *If Not Applicable, delete the remaining subparagraph of this paragraph.*
	[Description of Write-Down Event]	[ZIC and/or the Zurich Insurance Group does not have appropriate funds to cover [●] per cent. of the required minimum solvency margin or meet any other required level of own funds regulatory capital (or another applicable term in case of a change in Applicable Regulations) in accordance with the Applicable Regulations, as shown in the most recent FINMA Submission (and the date of such FINMA Submission shall be considered as the date on which the Write-Down Event occurs)/[*specify details of any provision concerning an alternative Write-Down Event*]. "**FINMA Submission**" means [●].
14	Call Options:	[Issuer Call (*further particulars specified below*)] [Not Applicable]
15	[(i)] Status of the Notes:	[Deeply] Subordinated (*N.B. only ZF (Ireland) can issue Guaranteed Deeply Subordinated Notes.*)
	[(ii)] Status of the Guarantee:	[●]
	[(iii)] Specified Maximum Amount:	[●]
	[(iv)] [Date [Board] approval for issuance of Notes obtained:]	[●] (*N.B. Only relevant where Board (or similar) authorisation required for the particular tranche of Notes)*]

Provisions Relating to Interest (if any) Payable

16	Fixed Rate Note and Fixed to Floating Rate Note Provisions:	[Applicable/ Not Applicable/ Applicable for the period from and including [●] to, but excluding, [●] (the "**Fixed Rate End Date**")] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
	(ii) Interest Payment Date(s):	[●] in each year commencing on [●] to and including [●]
	(iii) Fixed Coupon Amount[(s)]:	[●] per Calculation Amount
	(iv) Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
	(v) Fixed Day Count Fraction:	[30/360/Actual/Actual (ICMA)/[other] (*please specify)*]
	(vi) Determination Dates:	[●] in each year
17	Floating Rate Note and Fixed to Floating Rate Note Provisions:	[Applicable/ Not Applicable/ Applicable for the period from, and including, the Fixed Rate End Date to, but excluding, [●]] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
	(i) Interest Period(s):	[●]
	(ii) Specified Interest Payment Dates:	[●]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iv) Additional Business Centre(s):	[●]
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
	(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[●]
	(vii) Screen Rate Determination:	[Offered quotation/Arithmetic mean of offered quotations]
	- Reference Rate:	[●] month [LIBOR/EURIBOR/[other] (*please specify*)
	- Interest Determination Date(s):	[●]
	- Relevant Screen Page:	[●]
	(viii) ISDA Determination:	
	- Floating Rate Option:	[LIBOR/EURIBOR/[other] (*please specify*)]
	- Designated Maturity:	[●]
	- Reset Date:	[●]
	(ix) Linear Interpolation:	[Not Applicable / Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
	(x) Margin(s):	[+/-][●] per cent. per annum
	(xi) Margin Step-Up Date(s):	[[●] [and [●]]/Not Applicable]
	(xii) Step-Up Margin:	[[+/-][●] per cent. per annum/Margin [+/-] [1.00]/[●] per cent. per annum/[●]/Not Applicable]
	(xiii) Maximum Rate of Interest:	[●] per cent. per annum
	(xiv) Day Count Fraction:	[[Actual/Actual]/[Actual/Actual/ISDA]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[Actual/Actual-ICMA]]
18	Fixed Rate Reset Note Provisions	[Applicable/Not Applicable] *(If not applicable, delete the* remaining sub-paragraphs of this paragraph)

	(i) Initial Rate of Interest:	[●] per cent. per annum payable in arrear [on each Interest Payment Date]
	(ii) Reset Rate:	[Mid-Swap Rate/Benchmark Gilt Rate/Reference Bond]
	(iii) Initial Reset Margin:	[+/-][●] per cent. per annum
	(iv) Subsequent Reset Margin:	[[+/-][●] per cent. per annum/Initial Reset Margin [+/-][1.00]/[●] per cent. per annum/Not Applicable]
	(v) Interest Payment Date(s):	[●] [and [●]] in each year up to and including the Maturity Date
	(vi) Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[●] per Calculation Amount/Not Applicable]
	(vii) Broken Amount(s):	[[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]]/Not Applicable]
	(viii) First Reset Date:	[●]
	(ix) Subsequent Reset Date(s):	[[●] [and [●]]/Not Applicable]
	(x) Reset Rate Screen Page:	[[●]/Not Applicable]
	(xi) Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate/Not Applicable]
	(xii) Mid-Swap Maturity:	[[●]/Not Applicable]
	(xiii) Reference Banks:	[●]
	(xiv) Day Count Fraction:	[Actual/Actual]/[Actual/Actual(ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30 E/360 (ISDA)]
	(xv) Reset Determination Dates:	[●]
	(xvi) Calculation Agent:	[●]
	(xvii) Mid-Swap Benchmark Rate:	[EURIBOR/LIBOR/[other] (*please specify*)/Not Applicable]
	(xviii) Benchmark Gilt	[[●]/Not Applicable]
	(xix) Reference Bond:	[[●]/Not Applicable]
	(xx) Benchmark Frequency:	[●]
Provisions Relating to Redemption		
19	Call Option:	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period:	[As per Condition 7(c)/[●]]
	(iv) Accounting Event Call:	[Applicable/Not Applicable]
	(v) Initial Accounting Treatment Methodology:	[liabilities/equity]
	(vi) Rating Agency Event Call:	[Applicable/Not Applicable]
	(vii) Regulatory Event Call:	[Applicable/Not Applicable]
	(viii) Clean-Up Event Call:	[Applicable/Not Applicable]
	(ix) Clean-Up Threshold Percentage:	[[●] per cent./Not Applicable]
	(x) Clean-Up Redemption Price:	[[●] per Calculation Amount/Not Applicable]
	(xi) Special Event Redemption Price:	[[●] per Calculation Amount/Not Applicable]
	(xii) Early Event Call Period:	[As per Condition 7(f)/[●]]
20	Final Redemption Amount of each Note:	[●] per Calculation Amount
General Provisions Applicable to the Notes		
21	Form of Notes:	Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive

		Notes on 40 days' notice/in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] Registered Notes: [Registered Note exchangeable into [Individual Registered Notes] if requested by the holder upon not less than 40 days' notice/only in the limited circumstances described in the Base Prospectus] [[Individual Registered Notes]]
	[In the case of Listed Swiss Franc Notes:]	[Permanent Global SIS Note]
22	New Global Note Form:	[Yes/No]
23	Additional Financial Centres or other special provisions relating to Payment Days for the purpose of Condition 12(f):	[Not Applicable/[●]]
24	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No]
25	Consolidation provisions:	
	(i) Listed Swiss Franc Note:	[Yes/No]
	(ii) Identity of Principal Swiss Paying Agent and other Paying Agents:	[●]
26	Meetings of Noteholders	As per Condition 13(a)
27	Relevant Benchmark(s)	[[specify benchmark] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]

Responsibility

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from (specify source). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By: ……

Duly authorised

[By: ……

Duly authorised

[*Signed on behalf of the Guarantor*:

By: ……

Duly authorised

[By: ……

Duly authorised]]

PART B — OTHER INFORMATION

1	**Listing and Admission to Trading**	
	(i) Listing:	[Luxembourg/other (*specify*)/None].
	(ii) Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Euro MTF Market and listed on the Official List of the Luxembourg Stock Exchange with effect from [●].] [Not Applicable.] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
	(iii) Estimate of total expenses related to admission to trading:	[●]
2	**Ratings**	
	Ratings:	The Notes to be issued have been rated: [S & P: [●]] [Moody's: [●]] [[Other]: [●]] [and endorsed by [insert details]]
3	**[Interests of Natural and Legal Persons Involved in the [Issue/Offer]**	
	Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement: "Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."]	
4	**[Reasons for the Offer, Estimated Net Proceeds and Total Expenses]**	
	[(i) Reasons for the offer:	[●] (*See ["Use of Proceeds"] wording in Base Prospectus — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)]
	[(ii) Estimated net proceeds:	[●] (*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)]
	[(iii) Estimated total expenses:	[●][*Include breakdown of expenses.*] (*Only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.*)]
5	**[Yield (*Fixed Rate Notes only*)**	
	Indication of yield:	[●]] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
6	**Operational Information**	
	(i) ISIN Code:	[●]
	(ii) Common Code:	[●]
	(iii) FISN:	[[●], as updated as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]
	(iv) CFI Code:	[[●], as updated as set out on the website of the Association of National Number Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]

		(*If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable"*)
	(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/[●]]
	(vi) Delivery:	Delivery [against/free of] payment
	(vii) Names and addresses of initial Paying Agent(s):	[●]
	(viii) Names and addresses of additional Paying Agent(s) (if any):	[●]
	(ix) Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/ [No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

Distribution

7	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilisation Manager(s) (if any):	[Not Applicable/*give names*]
8	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
9	U.S. Selling Restrictions:	[Reg. S Compliance Category: TEFRA C/TEFRA D/TEFRA not applicable]
10	Additional selling restrictions:	[Not Applicable/Regulation S category 1/Regulation S category 2/Regulation S category 3/*give details*]
11	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable]

GENERAL INFORMATION

1. The update of the Programme and the issue of Notes has been duly authorised by resolutions of the Board of Directors of ZF (Australia) on 20 May 2019, by resolutions of the Board of Directors of ZF (Ireland) on 16 May 2019 and by resolutions of the Board of Directors of ZHCA on 17 May 2019. The update of the Programme and the issue and guarantee of Notes has been duly authorised by resolutions of the Board of Directors of ZIC dated 21 October 2009, 4 May 2011 and 13 December 2018.

2. Application has been made for Notes issued under the Programme to be admitted to trading on the Euro MTF Market, and listed on the Official List, of the Luxembourg Stock Exchange.

3. The Legal Entity Identifier for each of the Issuers is as follows:

   (i) ZIC Insurance Company Ltd – 81560058C3C0CEB63B79;

   (ii) Zurich Finance (Australia) Limited – 5493000MG51V5MO6LH60;

   (iii) Zurich Finance (Ireland) DAC – 549300E0FVHYR37EGX65; and

   (iv) Zurich Holding Company of America, Inc. – 549300UWJXVWVO6BRM06.

4. So long as Notes are capable of being issued under the Programme, copies of the documents are, or will, when published, be available free of charge from the registered office of each Issuer and from the specified offices of the Paying Agent for the time being in Luxembourg and the documents set out in paragraph (iv) and (v) below will also be available for viewing on the Luxembourg Stock Exchange website at www.bourse.lu:

   (i) the constitutional documents (with, if applicable, an English translation thereof) of each Issuer;

   (ii) the most recently published (i) audited consolidated financial statements of the ZIC Group, together with the respective auditors' reports thereon and the notes thereto (if applicable); (ii) audited financial statements of ZIC, ZF (Australia) and ZF (Ireland), together with the respective auditors' reports thereon and the notes thereto (if applicable) (in each case with, if applicable, an English translation thereof); (iii) the unaudited annual financial statements of ZHCA; and (iv) in respect of ZHCA only, any quarterly or half-yearly financial statements after the date hereof. None of ZF (Australia), ZF (Ireland) nor ZIC are required to publish interim accounts;

   (iii) the Dealer Agreement, the Trust Deed, the Agency Agreement, the forms of the bearer and registered Global Notes and the Notes in bearer definitive and individual registered form, the Coupons, the Talons, each ZIC Senior Guarantee, each ZIC Subordinated Guarantee, each ZIC Deeply Subordinated Guarantee and each agency agreement entered into in relation to an issue of Listed Swiss Franc Notes (which will contain the form of permanent global certificate in respect of such Notes);

   (iv) a copy of this Base Prospectus;

   (v) any future base prospectuses, information memoranda and supplements to this Base Prospectus and any other documents incorporated herein or therein by reference, and Pricing Supplement (save that Pricing Supplement relating to a Note which is not admitted to listing, trading and/or quotation by any stock exchange, listing authority and/or quotation system will only be available for inspection at the registered office of the relevant Issuer by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer as to its holding and identity); and

   (vi) in the case of each issue of listed Notes subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

5. The Notes have been accepted for clearance and settlement through Euroclear (Boulevard du Roi Albert II B-1210 Brussels, Belgium), Clearstream (42, Avenue J. F. Kennedy, 1855 Luxembourg) and SIS. The appropriate Common Code, the International Securities Identification Number ("**ISIN**"), Financial Instrument Short Name ("**FISN**"), Classification of Financial Instruments Code ("**CFI Code**") (as applicable) and (where applicable) the identification number for any other relevant clearing system for each Tranche of Notes allocated by Euroclear and Clearstream or SIS will be specified in the relevant Pricing Supplement. The CUSIP numbers for each Tranche of Registered Notes, together with the relevant ISIN,

Common Code, FISN, CFI Code and the identification number for any other relevant clearing system, if applicable, will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the relevant Pricing Supplement.

6. The auditors of ZIC, for the years commencing 1 January 2018 and 2017, are PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zurich, Switzerland who are members of EXPERTsuisse – Swiss Expert Association for Audit, Taxes and Fiduciary. The auditors of ZF (Australia), for the period commencing on the date of its incorporation on 29 March 2017 until 31 December 2017 and for the year commencing 1 January 2018, are PricewaterhouseCoopers, One International Towers Sydney, Watermans Quay, Barangaroo, New South Wales, Australia who are members of Chartered Accountants Australia and New Zealand. The auditors of ZF (Ireland), for the period commencing on the date of its incorporation on 9 April 2019, are PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland who are members of the Institute of Chartered Accountants Ireland. The financial statements of the Issuers (other than ZHCA) and the Guarantor have been audited by their respective auditors. The financial statements of ZHCA are unaudited.

7. Since 31 December 2018 there has been no material adverse change in the prospects of ZIC, ZF (Australia), ZHCA or the ZIC Group.

8. Since the date of its incorporation on 9 April 2019, there has been no material adverse change in the prospects of ZF (Ireland).

9. Since 31 December 2018 there has been no significant change in the financial or trading position of ZIC, ZF (Australia), ZHCA or the ZIC Group.

10. Since the date of its incorporation on 9 April 2019, there has been no significant change in the financial or trading position of ZF (Ireland).

11. Save as disclosed in this Base Prospectus on page 151, there are no governmental, legal or arbitration proceedings (or any such proceedings which are pending or threatened of which any of the Issuers is aware) during the 12 months before the date of publication of this Base Prospectus which may have or have had in the recent past, significant effects on the financial position or profitability of any of the Issuers or on the ZIC Group.

12. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers, the Guarantor and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers, the Guarantor or the Issuer's or the Guarantor's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers or the Guarantor routinely hedge their credit exposure to the Issuers or the Guarantor in accordance with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

THE ISSUERS

Zurich Insurance Company Ltd
Mythenquai 2
CH-8002 Zurich
Switzerland

Zurich Finance (Australia) Limited
5 Blue Street
North Sydney, NSW 2060
Australia

Zurich Finance (Ireland) DAC
La Touche House
IFSC, Dublin 1
Ireland

Zurich Holding Company of America, Inc.
1299 Zurich Way
Schaumburg IL 60196
United States of America

THE GUARANTOR

(in respect of Notes issued by ZF (Australia), ZF (Ireland) and ZHCA)

Zurich Insurance Company Ltd
Mythenquai 2
CH-8002 Zurich
Switzerland

The Agent and Registrar

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
London
E14 5LB
United Kingdom

The Trustee

Citicorp Trustee Company Limited
Citigroup Centre
Canada Square
London
E14 5LB
United Kingdom

THE PAYING AGENT AND TRANSFER AGENT

Banque Internationale à Luxembourg
69, route d'Esch
L-2953 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISERS

To Zurich Insurance Company Ltd

Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

To Zurich Insurance Company Ltd

Homburger AG
Prime Tower
Hardstrasse 201
CH-8005 Zurich
Switzerland

To Zurich Finance (Australia) Limited

King & Wood Mallesons
Level 61, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

To Zurich Finance (Ireland) DAC

A&L Goodbody
IFSC, 25-28 North Wall Quay
Dublin 1
D01 H104
Ireland

To Zurich Holding Company of America, Inc.

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019-6099
United States of America

To the Dealers and the Trustee in England

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

AUDITORS

To ZF (Australia)

PricewaterhouseCoopers
One International Towers Sydney
Watermans Quay, Barangaroo
New South Wales
Australia

To ZF (Ireland)

PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

To Zurich Insurance Company Ltd

PricewaterhouseCoopers AG
Birchstrasse 160
Postfach
CH-8050 Zurich
Switzerland

THE DEALERS

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Crédit Agricole Corporate and Investment Bank
12 Place des Etats-Unis
CS 70052, 92547 Montrouge Cedex
France

Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ
United Kingdom

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

UBS AG London Branch
5 Broadgate
London EC2M 2QS
United Kingdom

Zürcher Kantonalbank
Bahnhofstrasse 9
CH-8001 Zurich
Switzerland

LUXEMBOURG LISTING AGENT

Banque Internationale à Luxembourg
69, route d'Esch
L-2953 Luxembourg
Grand Duchy of Luxembourg

Prospectus Supplement dated 14 February 2020

(This page has been left blank intentionally.)

PROSPECTUS SUPPLEMENT DATED 14 FEBRUARY 2020 TO THE BASE PROSPECTUS DATED 22 MAY 2019

Zurich Insurance Company Ltd
(incorporated with limited liability in Switzerland)

Zurich Finance (Australia) Limited
(incorporated with limited liability in Australia)

Zurich Finance (Ireland) DAC
(incorporated with limited liability in Ireland)

Zurich Holding Company of America, Inc.
(incorporated with limited liability in the United States of America)

irrevocably guaranteed, in the case of Notes issued by Zurich Finance (Australia) Limited, Zurich Finance (Ireland) DAC and Zurich Holding Company of America, Inc. by

Zurich Insurance Company Ltd

USD18,000,000,000

Euro Medium Term Note Programme

This document constitutes a prospectus supplement (the **"Prospectus Supplement"**) to the base prospectus dated 22 May 2019 that was published in connection with the above-mentioned Euro Medium Term Note Programme (the **"Base Prospectus**"). Full information on the Issuers and the Guarantor and the offer of any Notes is only available on the basis of the combination of this Prospectus Supplement and the Base Prospectus including the documents which are deemed to be incorporated by reference in accordance with paragraph (a) on page 21 of the Base Prospectus. Copies of the Base Prospectus and this Prospectus Supplement have been filed with the Luxembourg Stock Exchange and are available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu) and at the head office of the Guarantor.

This Prospectus Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuers. Terms used herein shall have the same meaning as ascribed to them in the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Prospectus Supplement or any statement incorporated by reference into the Base Prospectus by this Prospectus Supplement and (b) any other statement in or incorporated in the Base Prospectus, the statements in (a) above will prevail.

Except as disclosed in this Prospectus Supplement and to the best of the knowledge and belief of each of the Issuers and the Guarantor, there has been no significant new factor relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus.

The distribution of the Base Prospectus, this Prospectus Supplement, any other supplements to the Base Prospectus and any Pricing Supplement and the offering or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession the Base Prospectus, this Prospectus Supplement, any other supplements to the Base Prospectus or any Pricing Supplement come are required by the Issuers, the Guarantor, the Dealers and the Arranger to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of the Base Prospectus, this Prospectus Supplement, any other supplements to the Base Prospectus, any Pricing Supplement and other information in relation to the Issuers, the Guarantor and the Notes, and the offering or sale of Notes in the United States, the European Economic Area, the United Kingdom, Ireland, Japan, Australia and Singapore.

For a further description of restrictions on offers, sales and transfers of Notes and distribution of the Base Prospectus, this Prospectus Supplement and any Pricing Supplement, see "Subscription and Sale" in the Base Prospectus. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended,

and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

None of the Base Prospectus, this Prospectus Supplement or any Pricing Supplement constitutes an offer of, or an invitation by or on behalf of the Issuers, the Guarantor, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

RESPONSIBILITY

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Prospectus Supplement as described above. Each of the Issuers and the Guarantor confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

SUPPLEMENTAL DISCLOSURE IN RELATION TO ZURICH INSURANCE COMPANY LTD

The description of Zurich Insurance Company Ltd ("**ZIC**") on pages 139 to 151 (inclusive) of the Base Prospectus is further supplemented by the addition of the following disclosures.

Subsequent Events

Results release

On 13 February 2020, Zurich Insurance Group Ltd ("**ZIG**"), the parent company of ZIC, published its consolidated financial results for the year ended 31 December 2019.

Completion of Adira Insurance acquisition

On 28 November 2019, ZIG announced the completion of the acquisition of 80% of PT Asuransi Adira Dinamika ("**Adira Insurance**"), a property and casualty insurer in Indonesia. The business was acquired from PT Bank Danamon Indonesia ("**Bank Danamon**") and a minority stakeholder. The transaction includes long-term distribution agreements with Bank Danamon, Indonesia's fifth-largest bank by market capitalization, and Adira Finance, the country's second-largest provider of motorcycle and car financing solutions.

Notice of early redemption of EUR 425 million of subordinated notes

On 28 June 2019, ZIC announced that it intended to exercise its option to redeem prior to their scheduled maturity date EUR 425 million of subordinated notes, issued in 2009. The notes were redeemed on 24 July 2019 at par plus accrued interest.

Placement of Senior Notes

On 11 June 2019, ZIG announced the placement of EUR 500 million of senior unsecured notes. The notes were issued by Zurich Finance (Ireland) DAC and will mature in June 2039. The annual coupon is fixed at 1.625%.

Completion of the acquisition of life insurance businesses of ANZ

On 2 June 2019, ZIG announced the completion of the acquisition of ANZ's life insurance businesses, OnePath Life, in Australia.

Executive Committee of ZIC

The description of the Executive Committee of ZIC on page 150 of the Base Prospectus is supplemented by the addition of the following disclosures:

On 20 September 2019, ZIG announced that Peter Giger would be appointed Group Chief Risk Officer with effect from 1 October 2019 in succession to Alison Martin.

On 9 July 2019, ZIG announced that Alison Martin had been appointed CEO EMEA (Europe, Middle East and Africa) and Bank Distribution in succession to Amanda Blanc.

News Release dated 13 February 2020 of Zurich Insurance Group Ltd

News Release

February 13, 2020

Zurich exceeds all 2017-2019 targets with strong 2019 results; proposes increase in dividend to CHF 20 per share

- **Full-year 2019 results:**
  - **Business operating profit (BOP) up 16% to USD 5.3 billion and net income after tax attributable to shareholders up 12% to highest since 2010**
  - **Proposed rise in dividend to CHF 20 per share**
  - **BOP up 38% in Property & Casualty, 2% in Life on a like-for-like[1] basis, and 4% at Farmers**
- **All 2017 to 2019 Group targets exceeded:**
  - **2019 business operating profit after tax return on equity at 14.2% versus target of in excess of 12% and increasing**
  - **Cumulative net cash remittances USD 10.9 billion vs target of USD 9.5 billion**
  - **Net cost savings above target at USD 1.56 billion**
  - **Estimated Zurich Economic Capital Model ratio at a very strong 129%[2] and above the 100-120% target range**

Zurich Insurance Group (Zurich) today reported a 16% increase in 2019 business operating profit and proposed raising the dividend to CHF 20 per share as the company benefits from an improved business mix, reduced volatility and enhanced profitability.

Group Chief Executive Officer Mario Greco said: "Today's results confirm that we have successfully executed our plans over the last three years. It was an amazing journey, during which we significantly strengthened the business, organically and through transactions, reduced P&L volatility and improved customer services. This is also reflected in a further proposed increase of our dividend to CHF 20 per share, the third increase in a row."

"Today, we feel proud of these results and we are aware of our strengths: we are a simpler, more agile and more efficient company with a compelling strategic vision which will continue guiding us for the next phase of our journey. Very importantly, both customer and employee satisfaction have been rising through the last years. With this we are well positioned to meet the ambitious new targets we set ourselves for the

next three years. We look forward with real confidence and excitement as we continue our strategic journey."

"We remain committed to supporting our customers, employees and communities in facing challenges such as climate change and work security, and will continue to play a leading role in building a more sustainable future."

Select financial highlights (unaudited)
(For a more comprehensive set of financial highlights see page 9)

in USD millions, for the 12 months ended December 31, unless otherwise stated	2019	2018	Change in USD
Business operating profit (BOP)	**5,302**	4,566	16%
Net income after tax attributable to shareholders (NIAS)	**4,147**	3,716	12%
Business operating profit (after tax) return on common shareholders' equity (BOPAT ROE)	**14.2%**	12.1%	2.2pts

Business operating profit (BOP) for 2019, was USD 5.3 billion, up 16% compared with the prior year period. This was driven by underlying growth across the business and a strong underwriting performance in Property & Casualty (P&C).

Delivering relevant innovation for our customers

Zurich continued to execute its customer focused strategy, showing further improvement in the level of customer satisfaction in the majority of its key retail markets as measured by the net promoter score (NPS) with resulting improvements in customer retention. The aggregated NPS score rose 10 points in 2019 from the prior year.

Zurich continues to develop a range of more flexible and innovative solutions aimed at the evolving needs of its customers, while also continuing to develop propositions for the travel, mobility and well-being ecosystems.

Cover-More, the Group's innovative travel and assistance provider has continued to evolve its propositions while driving growth. In Australia, LiveWell, a new wellness proposition that offers benefits to customers, has been taken up by around 30% of new life policyholders.

Following the successful conclusion of the inaugural Zurich Innovation Championship in early 2019, the Group continues to work with 10 of the winners and finalists. A second edition of the championship has received more than 1,300 entries from startups in 68 countries and territories.

Growing access to potential customers

Zurich increased access to potential customers worldwide through acquisitions, expansion and distribution agreements.

Zurich completed the previously announced acquisitions of OnePath Life in Australia and of an 80% stake in PT Asuransi Adira Dinamika (Adira Insurance) in Indonesia. These position the Group as a leading retail life insurer in Australia and the largest international P&C insurer in Indonesia.

In addition, the Farmers Exchanges[4] completed their plans for expanding in the Eastern U.S., and Zurich added new distribution agreements in industries ranging from retail to banks, with the potential to provide access to over 40 million customers. These included agreements with MediaMarkt Saturn in Germany, Tokyo Gas in Japan, and Swisscom and AMAG in Switzerland.

Zurich also entered into a 15-year distribution agreement with Alliance Bank in Malaysia. The completion of the acquisitions of OnePath Life and Adira Insurance saw the launch of the associated distribution partnerships with ANZ bank in Australia and PT Bank Danamon and Adira Finance in Indonesia.

Taking responsibility for the world in which we live

In 2019 Zurich took further steps towards its ambition to be one of the most responsible and impactful businesses in the world by becoming the first insurance company to commit to the UN Global Compact Business Ambition for 1.5°C Pledge. Zurich also pledged to use 100% renewable power in all of its global operations by 2022. In line with these commitments Zurich has continued to actively engage with both customers and companies in which it invests to support their own transition to

more sustainable business practices. Together with Zurich's industry-leading data commitment, these initiatives position the Group at the forefront of developing a more responsible and sustainable insurance industry.

Business performance

(for the 12 months ended December 31, 2019)

Property & Casualty

in USD millions, for the 12 months ended December 31, unless otherwise stated	2019	2018	Change in USD	Change like-for-like[1]
P&C gross written premiums and policy fees	**34,184**	33,505	2%	6%
P&C business operating profit (BOP)	**2,878**	2,085	38%	46%
P&C combined ratio	**96.4%**	97.8%	1.4pts	

- **Property & Casualty (P&C) BOP up 38%, with improved accident year combined ratio excluding catastrophes, favorable prior year reserve development and higher investment results**

Property & Casualty (P&C) results demonstrate further strong year-on-year progress with BOP up 38%. This was driven by an improved underwriting performance and higher investment results, which more than compensated for a challenging year in the North American crop business. In 2020, Zurich expects to deliver further improvement in underwriting performance as the benefits of changes to the business mix, together with improved pricing and lower expenses continue to contribute to the Group's results.

During 2019 the P&C business returned to top-line growth driven by a combination of improved pricing and underlying growth. Gross written premiums grew 6% on a like-for-like[1] basis, adjusting for currency movements, acquisitions and disposals, with growth achieved in all regions. In U.S. dollars gross written premiums grew 2%. The Group achieved price increases of about 4% overall, with the level of increases improved across most regions compared to the previous year and throughout the year. Improvements in pricing were particularly strong in North America where price increases rose sequentially in each quarter, with price increases of 10% achieved in the discrete fourth quarter.

The combined ratio for 2019 of 96.4% improved by 1.4 percentage points year-on-year driven by a reduction in the underlying accident year combined ratio excluding natural catastrophes of 0.6 percentage points, and a lower level of natural catastrophe losses.

Life

in USD millions, for the 12 months ended December 31, unless otherwise stated	2019	2018	Change in USD[3]	Change like-for-like[1,3]
Life gross written premiums, policy fees and insurance deposits	**33,479**	33,448	0%	4%
Life business operating profit (BOP)	**1,486**	1,554	(4%)	2%
Life new business annual premium equivalent (APE)	**4,331**	4,639	(7%)	(3%)
Life new business margin, after tax (as % of APE)	**25.8%**	24.1%	1.8pts	2.2pts
Life new business value, after tax	**976**	981	(1%)	4%

- **Life business operating profit up 2% on a like-for-like[1] basis**

Life results were strong against the high prior year level. On a like-for-like[1] basis, before the impact of currency movements, acquisitions and disposals, BOP increased 2%. Underlying growth in EMEA and Latin America more than compensated for a decline in Asia Pacific and North America. As reported in U.S. dollars, BOP declined 4% due to a stronger U.S. dollar relative to a number of key currencies.

New annual premium equivalent (APE) sales declined 7%. Underlying growth was achieved in all regions, with particular growth coming from the corporate pension business in Switzerland, higher unit-linked sales in Brazil and Italy, as well as the retail protection business in the UK. This was offset by the absence of two large corporate protection schemes written in the prior year and the impact of currency movements.

New business value (NBV) decreased 1%. Higher underlying margins as a result of improved business and country mix together with positive operating assumption changes were offset by adverse updates to economic assumptions and unfavorable foreign currency translation effects.

The new business margin increased by 1.8 percentage points to 25.8%.

Farmers

in USD millions, for the 12 months ended December 31, unless otherwise stated	2019	2018	Change in USD[3]
Farmers Exchanges[4]			
Gross written premiums	**20,656**	20,325	2%
Gross earned premiums	**20,441**	20,171	1%
Combined ratio	**100.0%**	99.9%	(0.1pts)
Surplus ratio	**41.5%**	39.5%	2.0pts
Farmers			
Farmers business operating profit (BOP)	**1,707**	1,643	4%
Farmers Management Services (FMS) management fees and related revenues	**3,780**	3,204	18%
Farmers Life annual premium equivalent (APE)	**82**	84	(3%)
Farmers Life new business value (NBV)	**93**	113	(18%)

- **Farmers BOP up 4%, with 2% growth in Farmers Exchanges[4] gross written premiums**

Farmers BOP of USD 1,707 million was 4% higher than the prior year. This was driven by a positive performance in both Farmers Management Services and Farmers Life, which offset lower earnings from Farmers Re.

After a successful launch, Toggle[SM], a new and innovative rental insurance offering aimed at millennials, has been rolled out to 23 additional states in 2019.

The Farmers Exchanges[4], which are owned by their policyholders, showed continued growth. Gross written premiums increased by 2% compared to the prior year, with growth coming from all lines of business. Growth was supported by the expansion of the Farmers Exchanges[4] in the Eastern U.S., with their exclusive agency network now spanning 36 states and independent channels active across all states. The agreement with Uber to provide commercial rideshare insurance was also broadened. Building on the experience in the initial two states of Pennsylvania and Georgia, this was expanded to 12 additional states and the District of Columbia. The Farmers Exchanges'[4] combined ratio stood at 100.0%, broadly in line with the prior year. The Farmers Exchanges'[4] surplus ratio increased by 2.0 percentage points to 41.5%. This was driven

by organic growth of surplus which more than offset the impact of a reduction in the all lines quota share treaty from 29% to 26% effective December 31, 2019.

The Farmers Exchanges[4] continued to make progress with their customer-focused strategy as illustrated by both the net promoter score and retention rate which were above prior year levels.

Farmers Management Services (FMS) management fees and other related revenues increased 18% compared to the prior year. The increase was driven by underlying growth of 1% and a change in accounting treatment which has no impact on FMS's business operating profit and managed gross earned premium margin.

Farmers Life new business APE was 3% lower than in the prior year, while new business value decreased by 18% driven by lower sales volumes, modeling changes, and the impact of assumption updates made in the prior year.

Group Functions & Operations net operating loss of USD 716 million was USD 36 million lower than in the prior year. The improvement was driven by a further reduction in headquarter expenses.

The Group's **Non-Core Businesses,** which comprise run-off portfolios that are managed with the intention of proactively reducing risk and releasing capital, reported an operating loss of USD 52 million. The loss reflected the net impact of previously announced transactions to exit legacy portfolios related to UK employer's liability, U.S. asbestos and environmental business, and German professional architects' and engineers' professional indemnity.

The **net investment result on Group investments**, which includes net investment income, realized net capital gains, and losses and impairments, contributed USD 7.4 billion to the Group's total revenues for the full year of 2019, up 18% on the prior year. The net return on Group investments was 3.9%.

Shareholders' equity increased by 16% to USD 35.0 billion over the year mainly as a result of movements in asset values, with net income of USD 4.1 billion partially offset by the capital returned to shareholders through dividends.

[1] In local currencies and adjusted for closed acquisitions and disposals.
[2] Reflects midpoint estimate as of December 31, 2019, with an error margin of +/- 5pts for Z-ECM.
[3] Parentheses around numbers represent an adverse variance.
[4] Provided for informational purposes only. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides certain non-claims services and ancillary services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.

ZURICH

Financial highlights (unaudited)

The following table presents the summarized consolidated results of the Group for the twelve months ended December 31, 2019, and December 31, 2018, and the financial position as of December 31, 2019, and December 31, 2018, respectively. All amounts are shown in U.S. dollars and rounded to the nearest million unless otherwise stated, with the consequence that the rounded amounts may not add up to the rounded total in all cases. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts. This document should be read in conjunction with other financial reports published by Zurich Insurance Group on zurich.com. In addition to the figures stated in accordance with International Financial Reporting Standards (IFRS), the Group uses business operating profit (BOP), new business measures and other performance indicators to enhance the understanding of its results. Details of these measures are set out in the separately published Glossary. These should be viewed as complementary to, and not as substitutes for the IFRS figures.

in USD millions, for the 12 months ended December 31, unless otherwise stated	2019	2018	Change[1]
Business operating profit (BOP)	**5,302**	4,566	16%
Net income attributable to shareholders after tax	**4,147**	3,716	12%
P&C business operating profit (BOP)	**2,878**	2,085	38%
P&C gross written premiums and policy fees	**34,184**	33,505	2%
P&C combined ratio	**96.4%**	97.8%	1.4pts
Life business operating profit (BOP)	**1,486**	1,554	(4%)
Life gross written premiums, policy fees and insurance deposit	**33,479**	33,448	0%
Life new business annual premium equivalent (APE)[2]	**4,331**	4,639	(7%)
Life new business margin, after tax (as % of APE)[2]	**25.8%**	24.1%	1.8pts
Life new business value, after tax[2]	**976**	981	(1%)
Farmers business operating profit (BOP)	**1,707**	1,643	4%
Farmers Management Services management fees and related revenues	**3,780**	3,204	18%
Farmers Management Services managed gross earned premium margin	**7.0%**	7.0%	(0.0pts)
Farmers Life new business annual premium equivalent (APE)[2]	**82**	84	(3%)
Average Group investments[3]	**190,237**	190,235	0%
Net investment result on Group investments[3]	**7,391**	6,288	18%
Net investment return on Group investments[3,4]	**3.9%**	3.3%	0.6pts
Total return on Group investments[3,4]	**8.2%**	0.6%	7.6pts
Shareholders' equity[5]	**35,004**	30,109	16%
Z-ECM[6]	**129%**	124%	5pts
Diluted earnings per share (in CHF)	**27.51**	24.28	13%
Book value per share (in CHF)	**228.95**	201.71	14%
Return on common shareholders' equity (ROE)[7]	**14.4%**	13.1%	1.3pts
Business operating profit (after tax) return on common shareholders' equity (BOPAT ROE)[7]	**14.2%**	12.1%	2.2pts

[1] Parentheses around numbers represent an adverse variance.
[2] Details of the principles for calculating new business are included in the embedded value report in the annual results 2019. New business value and new business margin are calculated after the effect of non-controlling interests, whereas APE is presented before non-controlling interests.
[3] Including investment cash.
[4] Calculated on average Group investments.
[5] Balance as of December 31, 2019, includes adjustment for effect of adoption of IFRS 16 and IAS 29.
[6] Ratio as of December 31, 2019, reflects midpoint estimate with an error margin of +/- 5 pts.
[7] Shareholders' equity used to determine ROE and BOPAT ROE is adjusted for unrealized gains/(losses) on available-for-sale investments and cash flow hedges.

Further information

Supplemental financial information and written comments to accompany the investor presentation will be available from 06:45 CET on our webpage.

The Annual Report 2019, with detailed information about Zurich's financial performance, will be published on Zurich's webpage on March 6, 2020.

Live media event

There will be a press conference at the Zurich Development Center (Keltenstrasse 48, 8044 Zurich) starting at 08:45 CET with Group Chief Executive Officer Mario Greco and Group Chief Financial Officer George Quinn. Journalists who are unable to attend in person, may dial in using the details provided below. The presentation will be held in English.

Q&A session for analysts and investors

There will be a conference call Q&A session for analysts and investors starting at 13:00 CET. Media may listen in. A podcast of this Q&A session will be available from 17:00 CET.

Dial-in numbers

- Switzerland +41 58 310 50 00
- UK +44 207 107 0613
- USA +1 631 570 5613

Zurich Insurance Group (**Zurich**) is a leading multi-line insurer that serves its customers in global and local markets. With about 55,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 215 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

Contact

Zurich Insurance Group Ltd

Austrasse 46, 8045 Zurich, Switzerland

www.zurich.com

SIX Swiss Exchange/SMI: ZURN, Valor: 001107539

Media Relations

Malcolm Shearmur, Thomas Baer, Laura Dürmüller, Riccardo Moretto, Pavel Osipyants

Phone +41 44 625 21 00

Twitter @Zurich

media@zurich.com

Investor Relations and Rating Agency Management

Richard Burden, Francesco Bonsante, Samuel Han, Michèle Matlock, Gianni Vitale

Phone +41 44 625 22 99, fax +41 44 625 02 99

investor.relations@zurich.com

Disclaimer and cautionary statement

Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy and underwriting and claims results, as well as statements regarding the Group's understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans and objectives of Zurich Insurance Group Ltd or the Group to differ materially from those expressed or implied in the forward-looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in key markets; (ii) the risk of a global economic downturn, in the financial services industries in particular; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; and (viii) changes in laws and regulations and in the policies of regulators may have a direct bearing on the results of operations of Zurich Insurance Group Ltd and its Group and on whether the targets will be achieved. Zurich Insurance Group Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

All references to "Farmers Exchanges" mean Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange and their subsidiaries and affiliates. The three Exchanges are California domiciled inter-insurance exchanges owned by their policyholders with governance oversight by their Boards of Governors. Farmers Group, Inc. and its subsidiaries are appointed as the attorneys-in-fact for the Farmers Exchanges and in that capacity provide certain non-claims services and ancillary services to the Farmers Exchanges. Neither Farmers Group, Inc., nor its parent companies, Zurich Insurance Company Ltd and Zurich Insurance Group Ltd, have any ownership interest in the Farmers Exchanges. Financial information about the Farmers Exchanges is proprietary to the Farmers Exchanges, but is provided to support an understanding of the performance of Farmers Group, Inc. and Farmers Reinsurance Company.

It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of full year results.

Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

THIS COMMUNICATION DOES NOT CONTAIN AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES; SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR EXEMPTION FROM REGISTRATION, AND ANY PUBLIC OFFERING OF SECURITIES TO BE MADE IN THE UNITED STATES WILL BE MADE BY MEANS OF A PROSPECTUS THAT MAY BE OBTAINED FROM THE ISSUER AND THAT WILL CONTAIN DETAILED INFORMATION ABOUT THE COMPANY AND MANAGEMENT, AS WELL AS FINANCIAL STATEMENTS.

ZURICH