

Zurich Finance (Australia) Limited
(ABN 48 618 177 423)

Issue of AUD350,000,000 3.477% Fixed Rate Senior Notes due 31 May 2023 (“Notes”)

Guaranteed by **Zurich Insurance Company Ltd**

under the USD18,000,000,000

Euro Medium Term Note Programme as Australian Domestic Notes
Part A Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Senior Notes which are set out in the Base Prospectus dated 22 May 2018 (the “**Base Prospectus**”) and modified by this Pricing Supplement (including by paragraph 4 of Schedule 1 to this Pricing Supplement) (the “**Terms and Conditions**”). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Terms and Conditions and such Base Prospectus. Certain important additional information is also set out in Schedule 2 to this Pricing Supplement. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus.

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 (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC, 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, the “**Prospectus Directive**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (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.

1	Issuer	Zurich Finance (Australia) Limited (ABN 48 618 177 423)
2	Guarantor:	Zurich Insurance Company Ltd
3	(i) Series Number:	1
	(ii) Tranche Number:	1
4	Specified Currency or Currencies:	Australian Dollars (“ AUD ”)
5	Aggregate Nominal Amount of Notes:	
	(i) Series:	AUD350,000,000
	(ii) Tranche:	AUD350,000,000
6	Issue Price:	100 per cent of the Aggregate Nominal Amount
7	(i) Specified Denominations:	AUD10,000, provided that the minimum aggregate consideration for offers or transfers of the Notes in Australia must be at least AUD500,000 (disregarding moneys lent by the transferor or its associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia (“ Corporations Act ”) and the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act.
	(ii) Calculation Amount	AUD10,000
8	(i) Issue Date:	31 May 2018
	(ii) Interest Commencement Date:	Issue Date
9	Maturity Date:	31 May 2023

10	Interest Basis:	3.477 per cent. Fixed Rate
11	Change of Interest or Redemption/Payment Basis:	Redemption at par
12	Call Options:	Not Applicable
13	(i) Status of the Notes:	Unsubordinated, being “ <i>Senior Notes</i> ” under the “ <i>Terms and Conditions of the Senior Notes</i> ” contained in the Base Prospectus, subject to the modifications made to such Terms and Conditions in Schedule 1 to this Pricing Supplement.
	(ii) Status of the ZIC Senior Guarantee:	Unsubordinated
	(iii) Specified Maximum Amount:	AUD386,640,275
	(iv) Date Board approval for issuance of Notes obtained:	13 April 2018 and 14 May 2018
	(v) Date Board approval for ZIC Senior Guarantee obtained:	14 December 2017
14	Initial Permitted Non-Qualifying Lender:	Not Applicable
Provisions Relating to Interest (if any) Payable		
15	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	3.477 per cent per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	31 May and 30 November in each year
	(iii) Fixed Coupon Amount:	AUD173.85 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Fixed Day Count Fraction:	RBA Bond Basis (as defined in Schedule 1)
16	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 in respect of Clean-up Event Call only
	(i) Clean-Up Event Call:	Applicable
	(ii) Clean-Up Threshold Percentage:	80 per cent
	(iii) Clean-Up Redemption Price:	AUD10,000 per Calculation Amount
	(iv) Early Event Call Period:	As per Condition 7(f)
20	Put Option:	Not Applicable
21	Final Redemption Amount of each Note	AUD10,000 per Calculation Amount
22	Early Redemption Amount:	AUD10,000 per Calculation Amount

General Provisions Applicable to the Notes

23	Form of Notes:	<p>Australian Domestic Notes.</p> <p>“Australian Domestic Notes” are dematerialised and uncertificated Notes in respect of the Specified Denomination registered in the name of Austraclear Limited (ABN 94 002 060 773) as operator of the Austraclear System (defined below) (“Austraclear”).</p> <p>The Noteholders (and any person claiming through a Noteholder) are entitled to the benefit of, and are deemed to be bound by and have notice of, the provisions of the Australian Note Deed Poll executed by the Issuer on 22 May 2018 (“Australian Note Deed Poll”) constituting the Notes and the ZIC Senior Guarantee to be executed by the Guarantor on 31 May 2018 (“ZIC Senior Guarantee”), the form of each is attached in Schedule 3 and Schedule 4 respectively to this Pricing Supplement.</p> <p>For the avoidance of doubt, the Notes are not issued with the benefit of the Trust Deed. Any rights expressed in the Terms and Conditions to be rights of the Trustee (as trustee for the Noteholders) are direct rights of the holders of the Notes described herein, enforceable directly against the Issuer or the Guarantor (as applicable). Please refer to Schedule 1, which sets out the base Terms and Conditions of the Notes.</p> <p>Copies of the Australian Note Deed Poll and the ZIC Senior Guarantee may be inspected, without charge, at the offices of the Australian Registrar (as defined in Schedule 1 to this Pricing Supplement). The Australian Registrar will hold the original Australian Note Deed Poll and ZIC Senior Guarantee.</p> <p>Please refer to Schedule 1 to this Pricing Supplement for definitions and further information.</p>
24	New Global Note Form:	No
25	Additional Financial Centres or other special provisions relating to Payment Days for the purpose of Condition 12(f):	Sydney
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:	No
	(ii) Identity of Principal Swiss Paying Agent and other Paying Agents:	Not Applicable
28	Restricted Note (Condition 15(a) shall apply):	No
29	Meetings of Noteholders:	As per Condition 12
30	Additional disclosure:	The section of the Base Prospectus entitled “Description of Notes in Global Form” is replaced as set out in Schedule 2 to this Pricing Supplement.

Responsibility

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

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:	None
	(ii) Admission to trading:	Not Applicable.
	(iii) Estimate of total expenses related to admission to trading:	Not Applicable.
2	Ratings:	
	Ratings:	The Notes to be issued have been rated: S & P: A+ Moody's: A1 <i>A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant assigning organisation. Each credit rating should be evaluated independently of any other credit rating.</i> <i>Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement or the Base Prospectus and anyone who receives this Pricing Supplement or the Base Prospectus must not distribute it to any person who is not entitled to receive it, as per applicable law.</i>
3	Interests of Natural and Legal Persons Involved in the Issue	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	The net proceeds from the issue of the Notes will be used either to refinance existing debt of the Zurich Insurance Group or, alternatively, for general corporate purposes, in each case outside Switzerland unless use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.
5	Yield (Fixed Rate Notes only)	
	Indication of yield:	3.477 per cent
6	Operational Information	
	(i) ISIN Code:	AU3CB0253524
	(ii) Common Code:	183056603
	(iii) Austraclear Series ID:	ZFAL01
	(iv) LEI:	5493000MG51V5MO6LH60

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| (v) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): | <p>Austraclear System</p> <p>The Issuer has applied to Austraclear for approval for the Notes to be lodged in and traded on the settlement and clearing system operated by Austraclear (“Austraclear System”). Such approval by Austraclear is not a recommendation or endorsement by Austraclear of any Notes.</p> <p>See also additional disclosure on Austraclear in Schedule 2 to this Pricing Supplement.</p> |
| (vi) Delivery: | Delivery against payment |
| Names and addresses of initial Paying Agent(s): | <p>Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067
Australia</p> |
| (vii) Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (viii) Intended to be held in a manner which would allow Eurosystem eligibility: | No |

Distribution

- | | | |
|----|---|---|
| 7 | (i) If syndicated, names of Managers: | <p>Australia and New Zealand Banking Group Limited (ABN 11 005 357 522)</p> <p>Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832)</p> <p>National Australia Bank Limited (ABN 12 004 044 937)</p> <p>UBS AG, Australia Branch (ABN 47 088 129 613)</p> |
| | (ii) Stabilising Manager(s) (if any): | Not Applicable |
| 8 | If non-syndicated, name of Dealer: | Not Applicable |
| 9 | U.S. Selling Restrictions: | Reg. S Compliance Category: TEFRA not applicable |
| 10 | Additional selling restrictions: | Not Applicable |
| 11 | Prohibition of Sales to EEA Retail Investors: | Applicable |

Schedule 1 – Amendments to Base Prospectus and the Terms and Conditions of the Senior Notes

For the purposes of the Notes, the Base Prospectus is modified as follows:

- 1 On page 7, the paragraph beginning “IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES....” is replaced with the following:

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES OTHER THAN IN CONNECTION WITH ANY AUSTRALIAN DOMESTIC NOTES OR IN CIRCUMSTANCES WHERE SUCH ACTION COULD REASONABLY BE EXPECTED TO AFFECT THE PRICE OF NOTES OR OTHER SECURITIES TRADED IN AUSTRALIA OR ON A FINANCIAL MARKET (AS DEFINED IN THE CORPORATIONS ACT 2001 OF AUSTRALIA) OPERATED IN AUSTRALIA, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING 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.

- 2 In the section entitled “General Description of the Programme” starting on page 30, the following sections are inserted as follows and where there is an equivalent section in the Base Prospectus, it is replaced by the relevant section below:

Australian Domestic Notes:	Notes (“ Australian Domestic Notes ”) may be issued under and constituted by the deed poll dated 22 May 2018 made by the Issuer (the “ Australian Note Deed Poll ”). Australian Domestic Notes will be issued in dematerialised, uncertificated registered form only and may be lodged in the securities clearing and settlement system (“ Austraclear System ”) operated by Austraclear Services Limited (ABN 94 002 060 773) (“ Austraclear ”).
Australian Agent (Australian Paying Agent, Australian Registrar and Australian Calculation Agent):	Computershare Investor Services Pty Limited, appointed in respect of Australian Domestic Notes pursuant to the Registrar and Paying Agent Services Agreement dated 22 May 2018 between the Issuer, ZIC and the Australian Agent (“ Australian Agency Agreement ”).
Form of Notes:	The Trust Deed and the Agency Agreement do not apply to Australian Domestic Notes. See under “Australian Domestic Notes” above. Australian Domestic Notes may not be issued in bearer form (and all provisions in this Base Prospectus (including the Terms and Conditions of the Senior Notes) relating to Bearer Notes (including Coupons and Talons) do not apply to Australian Domestic Notes). Notes will be uncertificated unless the Issuer determines that certificates should be available or if certificates are required by any applicable law or directive.

Listing and Admission to Trading:

The Australian Domestic Notes will not be listed or admitted to trading on the Luxembourg Stock Exchange or any other stock exchange.

Governing Law:

The Australian Domestic Notes, the Australian Note Deed Poll and the Australian Agency Agreement will be governed by, and construed in accordance with, the laws of New South Wales, Australia. The ZIC Senior Guarantee will be governed by, and construed in accordance with, the laws of Switzerland.

3 For the purposes of item 15(v) of this Pricing Supplement:

“**RBA Bond Basis**” means one number divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the 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)).

4 The section entitled “*Terms and Conditions of the Senior Notes*” is modified as follows:

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 and in the case of Australian Domestic Notes, Schedule 1 to 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 or incorporated by reference, together with the relevant provisions of Part A of and in the case of Australian Domestic Notes, Schedule 1 to 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 (other than Australian Domestic Notes), Certificates, in each case, representing Senior Notes. In respect of Australian Domestic Notes, the Pricing Supplement will be deposited with the Australian Registrar and no certificates will be issued to holders of Australian Domestic 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 (Luxembourg) S.A. (“**ZF (Luxembourg)**”), Zurich Finance (UK) plc (“**ZF (UK)**”), Zurich Finance Australia Limited (“**ZF (Australia)**”), Zurich Holding Company of America Inc. (“**ZHCA**”) or Zurich Insurance Company Ltd (“**ZIC**” and, together with ZF (Luxembourg), ZF (UK), ZF (Australia) and ZHCA, the “**Issuers**” and each an “**Issuer**”) constituted by an amended and restated trust deed dated 22 May 2018, 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~~ among 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) or, in the case of Australian Domestic Notes, a note deed poll (as modified and/or supplemented and/or restated from time to time, the “Australian Note Deed Poll”) dated 22 May 2018, made by ZF (Australia).

References in the Conditions to ~~(i)~~:

- ~~(i)~~ “**Notes**” are to Senior Notes of one Series only, not to all Senior Notes that may be issued under the Programme; ~~and (ii)~~ and includes Australian Domestic Notes;
- ~~(ii)~~ “**Australian Domestic Notes**” are to Notes issued by ZF (Australia) pursuant to the Australian Note Deed Poll;
- ~~(iii)~~ “**Bearer Notes**” and “**Registered Notes**” shall not be taken to include any Australian Domestic Notes (unless otherwise stated); ~~and~~
- ~~(iv)~~ the “**Issuer**” are to the issuer of the Notes specified as such in the applicable Pricing Supplement.

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

Australian Domestic Notes may not be issued in bearer form. Any provisions in these Conditions which apply or relate to Notes in bearer form do not apply to Australian Domestic Notes.

~~These~~ In respect of Notes other than Australian Domestic Notes, 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 2018 (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) has been entered into in relation to the Notes ~~between~~ (other than Australian Domestic Notes) among, *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 Australian Domestic Notes, references to “Calculation Agent” shall be taken to be references to the Australian Agent (as defined below) or any other calculation agent appointed under the Australian Agency and Registry Agreement (as defined below).

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.

Australian Domestic Notes are debt obligations of ZF (Australia) constituted by, and owing under, the Australian Note Deed Poll. In connection with the Australian Domestic Notes, the Issuer has entered into an agency and registry agreement dated 22 May 2018 (the “**Australian Agency and Registry Agreement**” as the same may be amended, restated and/or supplemented from time to time) between ZF (Australia) and Computershare Investor Services Pty Limited, as paying agent, registrar and calculation agent (the “**Australian Agent**” or the “**Australian Registrar**”), which expression shall include any successor paying agent, registrar and/or calculation agent).

Copies of the Australian Note Deed Poll, the Australian Agency and Registry Agreement applicable to Australian Domestic Notes and the relevant Pricing Supplement and the relevant ZIC Senior Guarantee are available for inspection during usual business hours and upon reasonable notice at the office of the Australian Registrar.

For the avoidance of doubt, any references in these Conditions to the “Trustee” or “Trust Deed” do not apply to Australian Domestic Notes, in respect of which the Trustee is not appointed. Where these Conditions refer to an approval, opinion or consent of the Trustee being required, such approval, opinion or consent is not required in the case of Australian Domestic Notes.

The Noteholders (other than holders of Australian Domestic Notes) 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” or an “Australian Domestic 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**”) or in uncertificated registered form (each an “Australian Domestic 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 or an Australian Domestic 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*). Title to the Australian Domestic Notes shall pass by registration in the Australian Register in accordance with the provisions of the Australian Note Deed Poll and the Australian Agency and Registry Agreement.

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 and Australian Domestic Notes

2(a) 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.

(b) Australian Domestic Notes

This Note is an Australian Domestic Note if it is denominated or payable in AUD, is in registered form and it is so specified in the applicable Pricing Supplement.

Each Australian Domestic Note will be issued in uncertificated registered form only and may be lodged in the Austraclear System.

Each Australian Domestic Note is a debt obligation of the Issuer owing under the Australian Note Deed Poll and takes the form of an entry in the Australian Register. Each entry in the Australian Register in respect of an Australian Domestic Note constitutes an irrevocable undertaking by the Issuer to the Noteholder to pay principal, (if applicable) interest and any other amount in accordance with these Conditions (as supplemented by the relevant Pricing Supplement), to comply with other terms and conditions of the Australian Domestic Note and an entitlement by Noteholders to the other benefits given to Noteholders in respect of the Australian Domestic Note under these Conditions.

Entries in the Australian Register in relation to an Australian Domestic Note constitute conclusive evidence that the person so entered is the absolute owner of the Note subject to correction for fraud or error.

Where two or more persons are entered in the Australian Register as the joint holder of an Australian Domestic Note then they are taken to hold the Note as joint tenants with rights of survivorship, but the Australian Registrar is not bound to register more than four persons as joint holders of a Note.

If Austraclear is recorded in the Australian Register as the Noteholder, each person in whose Security Record (as defined in the Austraclear Regulations) a Note is recorded is taken to acknowledge in favour of the Issuer, the Australian Registrar and Austraclear that:

- (i) the Australian Registrar’s decision to act as the registrar of that Note is not a recommendation or endorsement by the Australian Registrar or Austraclear in relation to that Note, but only indicates that the Australian Registrar considers that the holding of the Note is compatible with the performance by it of its obligations as registrar under the Australian Agency and Registry Agreement;

- (ii) in acting under the Australian Agency and Registry Agreement in connection with the Australian Domestic Notes, the Australian Registrar acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders save insofar as any funds received by the Australian Registrar are required in accordance with the Australian Agency and Registry Agreement, pending their application in accordance with the Australian Agency and Registry Agreement, to be held by it in a segregated account on trust for the persons entitled thereto; and
- (iii) the Noteholder does not rely on any fact, matter or circumstance contrary to paragraphs (i) and (ii) above.

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 ~~in the case of Notes other than Australian Domestic Notes, the Trust Deed~~ or, in the case of Australian Domestic Notes, the Australian Note Deed Poll, are (i) ~~are~~ secured equally and rateably therewith (to the satisfaction of the Trustee, in the case of Notes other than Australian Domestic Notes), or (ii) (A) in the case of Notes other than Australian Domestic Notes, 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 or (B) in the case of Australian Domestic Notes, have the benefit of such other security, guarantee, indemnity or other arrangement which shall not be materially less beneficial to the Noteholders of the relevant Series as determined by the Issuer (acting reasonably) or as shall be approved by an Extraordinary Resolution (as defined in the Australian Note Deed Poll) of the Noteholders of the relevant Series.

5. Guarantee

Where the Issuer is ZF (Luxembourg), ZF (UK), ZF (Australia) 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 (in the case of Notes other than Australian Domestic Notes) or the Australian Note Deed Poll (in the case of Australian Domestic Notes)) 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 (in the case of Notes other than Australian Domestic Notes) or any Noteholder (in the case of Australian Domestic Notes), 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~~ In the case of Notes other than Australian Domestic Notes, 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.

In the case of Australian Domestic Notes, each Note will cease to bear interest from the date for its redemption unless payment of principal is improperly withheld or refused and in such event, interest will continue to accrue at the Rate of Interest (as if it were an amount of principal).

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 (if applicable), the Issuer, the Guarantor, each of the Paying Agents and the Australian Agent (as applicable), 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 the case of Notes other than Australian Domestic Notes) or the Issuer (in the case of Australian Domestic Notes) 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 (in the case of Notes other than Australian Domestic Notes) or the Issuer (in the case of Australian Domestic Notes) 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 sub-paragraph (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~~ in the case of Notes other than Australian Domestic Notes, the Trustee, the Issuing and Paying Agent or, in the case of Australian Domestic Notes, the Australian Registrar, and, in accordance with Condition ~~19-20~~ (*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 ~~14-20~~ (*Notices*) (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:

- (i) ~~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~~;
- (ii) 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; ~~or~~
- (iii) in the case of Australian Domestic Notes, an Exercise Notice with the Australian Registrar at its specified office, the form of which is obtainable from the Australian Registrar within the notice period.

No Note ~~or~~ Certificate or Exercise Notice so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement or the Australian Agency and Registry 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)~~ subsidiaries 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 (other than Australian Domestic 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 ~~S~~ subsidiaries may (at the option of the Issuer, ZIC, ZIG or the relevant ~~S~~ 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).

All Australian Domestic Notes which are redeemed or purchased and surrendered for cancellation will be taken to be cancelled upon redemption of the Note or an entry being made in the Australian Register that the Note has been redeemed or cancelled.

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 or Australian Registrar Not Obligated to Monitor***

The Trustee or the Australian Registrar (as the case may be) 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 or the Australian Registrar to do so. Unless and until the Trustee or the Australian Registrar 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 (Luxembourg) or ZF (UK)

In the case of Notes issued by ZF (Luxembourg) or ZF (UK), 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 relevant Issuer or the Guarantor, as the case may be. In such event, ZF (Luxembourg) or ZF (UK), as the case may be, 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) in Luxembourg, in the case of Notes issued by ZF (Luxembourg);
- (ii) 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 United Kingdom (in the case of ZF (UK)) or Luxembourg (in the case of ZF (Luxembourg) or Switzerland (in the case of payments made by ZIC) other than the mere holding of such Note;
- (iii) 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;
- (iv) where such withholding or deduction is imposed on a payment and is required to be made on a payment to an individual resident in Luxembourg in accordance with the provisions of the Luxembourg law dated 23 December 2005, as amended, introducing a withholding tax on interest paid to such Luxembourg resident individual;
- (v) 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
- (vi) any combination of items (i) through (v) above.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of ZF (Luxembourg) or ZF (UK) will be paid net of any FATCA Withholding. Neither ZF (Luxembourg), ZF (UK) 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)~~ (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)~~ (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)~~ (iii) any estate, inheritance, gift, sales, transfer or personal property tax or any similar tax, duty, levy, assessment or other governmental charge;
- ~~(iv)~~ (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)~~ (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)~~ (vi) any tax, duty, levy, assessment or other governmental charge imposed on interest received by a person holding, actually or ~~(vii)~~ constructively, 10 per cent or more of the total combined voting power of all classes of stock of ZHCA;
- ~~(viii)~~ (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;
- ~~(ix)~~ (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;
- ~~(x)~~ (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
- ~~(xi)~~ (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)~~(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 US federal income tax purposes.

9. Events of Default

~~The~~In the case of Notes other than Australian Domestic Notes, 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 (Luxembourg), ZF (UK), ZF (Australia) 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 (excluding ZF (UK)) 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 ([other than Australian Domestic 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.

[In the case of Australian Domestic Notes, if an Event of Default \(as defined above, except that any references to the Trustee shall be ignored and any reference to the Trust Deed shall be deemed to be a reference to the Australian Note Deed Poll\) shall occur with respect to any Australian Domestic Note, then, for so long as such event is continuing, any Noteholder may, by written notice to ZF \(Australia\) and the Guarantor at their specified offices \(with a copy to the Australian Registrar\), effective upon the date of receipt thereof by ZF \(Australia\) and the Guarantor, declare such Notes held by that Noteholder to be forthwith due and payable and the Notes held by that Noteholder then outstanding shall accordingly forthwith become due and payable at the Early Redemption Amount, together with accrued interest \(if any\) to the date of repayment.](#)

~~No~~ [Except in the case of Australian Domestic Notes, no](#) Noteholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become Noteholder Mandated to take such action, fails to do so within a reasonable time and such failure 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, 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, 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.

In respect of Notes other than Australian Domestic Notes, the replacement of any Reference Bank or the appointment of a leading bank or investment banking firm under this Condition 10(d) is subject to the prior written approval of the Trustee (such approval not to be unreasonably withheld).

(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.

(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)).

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).

(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 shall (subject to adjustment as provided in Condition 10(e)(iii)) 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 shall (subject to adjustment as provided in Condition 10(e)(iii)) 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

If the Issuer, following consultation with the Independent Adviser and acting in good faith, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such 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, Alternative Rate or 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 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 (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), 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 protective provisions afforded to the Trustee in these Conditions 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) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition ~~19~~20, 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 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 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 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 or bad faith 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 spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with 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 determines, following consultation with the Independent Adviser and acting in good faith, 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)
- (iii) 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 determines in accordance with Condition 10(e)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and 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 will, by a specified date within the following six months, 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, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (5) it has become unlawful for any Paying Agent, Calculation Agent the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer 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, the Australian Agent and the Australian Registrar initially appointed by the Issuer and ZIC (where ZIC is not the Issuer) and their respective specified offices are listed below, or, in the case of the Australian Agent and the Australian Registrar, in the Australian Agency and Registry Agreement. Subject as provided in the Agency Agreement or the Australian Agency and Registry Agreement (as applicable), the Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents ~~and~~, the Calculation Agent, the Australian Agent and the Australian Registrar 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.

For the purposes of this Condition 11, each reference to “Paying Agent” is deemed to include the Australian Agent and each reference to “Registrar” is deemed to include the Australian Registrar.

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 (including Australian Domestic Notes), (iii) a Transfer Agent in relation to Registered Notes (other than Australian Domestic Notes), (iv) one or more Calculation Agent(s) where the Conditions so require, (v) a Paying Agent in Continental Europe in respect of Notes other than Australian Domestic Notes, ~~and (vi)~~ (vi) a Paying Agent in Australia in respect of Australian Domestic Notes and (vii) 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 (other than Australian Domestic 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).

In respect of Notes other than Australian Domestic Notes, the variation, termination or appointment of any Paying Agent or Registrar or Transfer Agent or any change in the specified office through which any Paying Agent, Registrar or Transfer Agent acts as outlined above is subject to the prior written approval of the Trustee (such approval not to be unreasonably withheld).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition ~~19~~ 20 (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) *Payments in respect of Australian Domestic Notes*

Payments of principal and interest in respect of an Australian Domestic Note shall be paid to each person registered in the Australian Register at the close of business on the Record Date as the holder of that Australian Domestic Note (or the first person to be registered in the case of joint holders).

If Australian Domestic Notes are:

- (i) held in the Austraclear System, payments in respect of each Note will be made by crediting on the relevant payment date the amount then due to the account of the Noteholder in accordance with the Austraclear Regulations; or
- (ii) not held in the Austraclear System, payments in respect of each Note will be made by crediting on the relevant payment date the amount then due to an account previously notified to the Issuer and the Australian Registrar by the Noteholder in respect of that Note.

If the Noteholder has not notified the Issuer and the Australian Registrar of such an account by the close of business on the Record Date, payments in respect of the relevant Note will be made by cheque dispatched by post on the relevant payment date at the risk of the Noteholder. Cheques dispatched to the nominated address of a Noteholder will in such cases be deemed to have been received by the Noteholder on the relevant payment date and no further amount will be payable by the Issuer in respect of the relevant Note as a result of payment not being received by the Noteholder on the due date.

~~(i)~~ **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~~-21 (Prescription)).

12. Meetings of Noteholders, Modification and Waiver

(a) Single Noteholder

This Condition 12(a) does not apply to Australian Domestic Notes.

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 in respect of Notes other than Australian Domestic Notes

This Condition 12(b) does not apply to Australian Domestic Notes.

- (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 of 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.

For the avoidance of doubt, the provisions of articles 470-1 to 470-19 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (the “Companies Act 1915”), are excluded in the case of Notes issued by ZF (Luxembourg). No holder of Notes issued by ZF (Luxembourg) may initiate proceedings against ZF (Luxembourg) based on article 470-21 of the Companies Act 1915.

(c) Meetings of Noteholders in respect of Australian Domestic Notes

This Condition 12(c) applies to Australian Domestic Notes only.

The Australian Note Deed Poll contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of such Notes or any relevant provisions of the Australian Note Deed Poll. Such a meeting may be convened by the Issuer, the Guarantor, the Australian Registrar or at the request of Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing more than 50 per cent. in nominal amount of the Australian Domestic Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Australian Domestic Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Australian Note Deed Poll or the Australian Domestic Notes (including modifying the date of maturity of the Australian Domestic Notes or any date for payment of interest, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Australian Domestic Notes, altering the currency of payment of the Australian Domestic Notes or cancelling or modifying the relevant ZIC Senior Guarantee), the quorum shall be one or more persons holding or representing more than two-thirds in nominal amount of the Australian Domestic Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing in aggregate over one-third, in nominal amount of the Australian Domestic Notes for the time being outstanding.

An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting. The Australian Note Deed Poll provides that both (i) a written resolution signed by or on behalf of the holders of not less than 75 per cent in nominal amount of Australian Domestic Notes outstanding and (ii) electronic consent communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures on behalf of the holders of the not less than 75 per cent. in nominal amount shall be as valid and effective as a duly passed Extraordinary Resolution. The provisions for convening meetings of Noteholders contained in the Trust Deed shall not apply to Australian Domestic Notes.

The Australian Note Deed Poll provides that the Issuer may, without the consent of the Noteholders, make any modification (subject to certain exceptions as provided in the Australian Note Deed Poll) of any of these Conditions or any of the provisions of the Australian Note Deed Poll, which is not materially prejudicial to the interests of the Noteholders or which is of a formal, minor or technical nature or which is made to correct a manifest error or to comply with mandatory provisions of law. Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 20 (Notices).

The Issuer does not require the approval of Noteholders to vary or terminate any registry agreement or other deed or agreement (other than the Australian Note Deed Poll, these Conditions and any relevant ZIC Senior Guarantee) in respect of any Australian Domestic Notes.

(d) Modification of the Trust Deed or Agency Agreement

This Condition 12(d) does not apply to Australian Domestic Notes.

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 ~~19-20~~ (Notices) as soon as practicable.

13. Issuer Substitution

This Condition 13 does not apply to Australian Domestic Notes

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

This Condition 14 does not apply to Australian Domestic Notes.

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 other than Australian Domestic Notes

This Condition 16 does not apply to Australian Domestic 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. Transfer of Australian Domestic Notes

Australian Domestic Notes held in the Austraclear System will be transferable only in accordance with the Austraclear Regulations. If Australian Domestic Notes are not held in the Austraclear System, application for the transfer of Australian Domestic Notes must be made by the lodgement of a transfer form with the Australian Registrar. Such transfer forms are available from the Australian Registrar. Each form must be duly stamped (if applicable) and accompanied by such evidence (if any) as the Australian Registrar may require to prove the title of the transferor or the transferor's right to transfer the Australian Domestic Notes and be signed by both the transferor and the transferee.

Australian Domestic Notes may be transferred in whole but not in part.

Australian Domestic Notes may only be transferred if:

- (i) the aggregate consideration payable by the relevant Noteholder is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber or its associates) or if the offer or invitation (including any resulting issue) otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act; and
- (iii) the offer or invitation complies with all other applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place.

Transfers of Australian Domestic Notes which are not lodged in the Austraclear System cannot be made between a Record Date and the relevant Interest Payment Date if a redemption of such Note is to occur during that period in accordance with these Conditions.

Upon registration and entry of the transferee in the Australian Register, the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred Note and the transferee becomes so entitled in accordance with these Conditions.

Australian Domestic Notes which are listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system.

A person becoming entitled to an Australian Domestic Note as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Australian Registrar considers sufficient, transfer the Note or, if so entitled, become registered as the holder of the Note.

A transfer of an Australian Domestic Note to an unincorporated association is not permitted.

If a Noteholder transfers some but not all of the Australian Domestic Notes it holds and the transfer form does not identify the specific Notes transferred, the relevant Australian Registrar may choose which Notes registered in the name of Noteholder have been transferred. However, the aggregate principal amounts of the Notes registered as transferred must equal the aggregate principal amount of the Notes expressed to be transferred in the transfer form.

18. ~~17.~~Replacement of Notes, Certificates, Coupons and Talons

This Condition 18 does not apply to Australian Domestic Notes.

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~~20 (*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.

19. ~~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.

20. ~~19.~~Notices

(a) *Notices in respect of Notes other than Australian Domestic Notes*

This Condition 20(a) does not apply to Australian Domestic Notes.

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-swiss-exchange.com/news/official_notices.html) 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.

(b) *Notices in respect of Australian Domestic Notes*

This Condition 20(b) applies to Australian Domestic Notes.

*All notices required to be given regarding the Australian Domestic Notes will be valid if published in *The Australian Financial Review* or any other English language daily newspaper of general circulation in Australia and will be deemed to have been given on the date of the first publication.*

Where Australian Domestic Notes are lodged in the Austraclear System, notices will be validly given if delivered to the Austraclear System for communication by the Austraclear System to the persons shown in its records as having interests in the Australian Domestic Notes.

All notices and other communications to holders of Australian Domestic Notes may be given by prepaid post (airmail, if posted from a place outside Australia) or delivery by facsimile to the address or facsimile address, as the case may be, of the Noteholder as shown in the Register at the close of business on the Business Day prior to the dispatch of the notice or communication.

21. ~~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.

22. ~~21.~~Contracts (Rights of Third Parties) Act 1999

This Condition 22 does not apply to Australian Domestic Notes.

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

23. 22.Governing Law

Conditions 23(a)-(e) and 23(g) do not apply to Australian Domestic Notes. Conditions 23(f), (h) and (i) apply to Australian Domestic Notes only.

- (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 ~~22-23~~ (*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 Issuer (other than ZF (UK)) 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.
- (f) Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.
- (g) ~~(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.
- (h) ~~(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.
- (i) The Australian Note Deed Poll, the Australian Agency and Registry Agreement and the Australian Domestic Notes are governed by, and shall be construed in accordance with, the laws in force in the State of New South Wales, Australia. ZF (Australia) irrevocably agrees for the benefit of the holders of Australian Domestic Notes that the courts of the State of New South Wales, Australia are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Australian Domestic Notes and accordingly submits to the jurisdiction of the courts New South Wales, Australia. ZF (Australia) waives any objection which it may have now or hereafter to the laying of the venue of any such dispute in any such court and any claim that any such dispute has been brought in an inconvenient forum. Nothing contained in this Condition shall limit any right to take action or proceedings against ZF (Australia) in any other court of competent jurisdiction, nor shall the taking of action or proceedings in one or more jurisdictions preclude the taking of action or proceedings in any other jurisdiction, whether concurrently or not.

24. ~~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, the Australian Agent and the Australian 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;

“**Austraclear**” means [Austraclear Limited \(ABN 94 002 060 773\) as operator of the Austraclear System](#);

“**Austraclear Regulations**” means [the regulations known as the “Austraclear Regulations”, together with any instructions or directions \(as amended or replaced from time to time\), established by Austraclear to govern the use of the Austraclear System](#);

“**Austraclear System**” means [the settlement and clearing system operated by Austraclear](#);

“**Australian Register**” means [the relevant register of Noteholders of Australian Domestic Notes maintained by the Australian Registrar](#);

“**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);~~

“**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 or in the case of Australian Dollars, shall be Sydney](#);

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

“**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 [or the Australian Registrar \(as applicable\)](#) 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 ~~18-19~~ (*Further Issues*));

“**Clearstream**” means Clearstream Banking, S.A.;

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

“**Corporations Act**” means [the Corporations Act 2001 of Australia, 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;

“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*) and the circular letter “Deposits” of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Kundenguthaben vom 26. Juli 2011*), 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)~~ (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)~~ (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 [in respect of Notes other than Australian Domestic Notes](#), 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 [or the Australian Note Deed Poll \(as applicable\)](#), 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 [or the Australian Note Deed Poll \(as applicable\)](#) 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 ~~;~~

- (a) in respect of any payment due on the Notes [\(other than Australian Domestic Notes\)](#), the fifteenth day before the due date for payment thereof; [or](#)
- (b) [in respect of any payment due on the Australian Domestic Notes, 5.00pm in the place where the Australian Register is maintained on the date which is the eighth calendar day before the Interest Payment Date or Maturity Date or any other date for payment so specified in the Pricing Supplement;](#)

“**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) Luxembourg and Switzerland, in the case of Notes issued by ZF (Luxembourg); (ii) Switzerland, in the case of Notes issued by ZIC; (iii) the United Kingdom and Switzerland, in the case of Notes issued by ZF (UK); (iv) 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;

“**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 (i) in the case of Notes issued by ZF (UK), be treated as a “distribution” within the meaning of the UK Corporation Tax Act 2010 (as amended, re-enacted or replaced) or (ii) 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 by the Issuer to the Trustee ~~by the Issuer or~~ (in the case of Notes other than Australian Domestic Notes) or, the Australian Registrar (in the case of Australian Domestic Notes), 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 (*Anleiheobligation*)) must not at any time exceed twenty, in each case in accordance with the meaning of the Guidelines; ~~and~~

“**ZIC Senior Guarantee**” has the meaning given to it in Condition 5 (*Guarantee*); 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 (converted to an annualised yield and 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:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

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 frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (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)) ~~on~~ 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 [or the Australian Note Deed Poll \(as the case may be\)](#).

Schedule 2 – Additional disclosure relating to the clearing system relevant to Australian Domestic Notes

The section of the Base Prospectus entitled “Description of Notes in Global Form” is supplemented by including the following additional disclosure:

Austraclear System

Australian Domestic Notes will be cleared through the Austraclear System.

On issue of an Australian Domestic Note, the Issuer will (unless otherwise agreed with the Noteholder) procure that the Notes are entered into the Austraclear System. On entry, Austraclear will become the sole registered holder and legal owner of such Notes. Subject to the Austraclear Regulations, participants of the Austraclear System (“**Accountholders**”) acquire rights against Austraclear in relation to those Notes as beneficial owners and Austraclear is required to deal with the Notes in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders may hold their interest in the relevant Notes through a nominee who is an Accountholder. All payments by the Issuer in respect of Notes entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear Regulations.

Secondary market sales of Notes settled in the Austraclear System will be settled in accordance with the Austraclear Regulations.

Notes are lodged with a validly marked and executed transfer and acceptance form (which must be consistent with the Accountholders’ lodgment report) being delivered or faxed to Austraclear with the lodging Accountholder as transferor and Austraclear as transferee. The Notes are entered into the Accountholder’s Security Record (as defined in the Austraclear Regulations) but, in accordance with the lodged transfer and acceptance form, are transferred to Austraclear.

The Austraclear System facilitates settlement at the point of issue of a Note by matching payments made by an Accountholder to that Accountholder’s account with Austraclear against instructions from the Issuer to issue the Note. The opposite is true of redemption. Austraclear will not be liable for any amounts owing to the Issuer, upon issue, or to investors, upon either payment of interest or amounts due on redemption, which have not been paid to it.

Where Austraclear is registered as the holder of Notes that are lodged in the Austraclear System, Austraclear may, in certain specified circumstances as set out in the Austraclear Regulations, instruct the Australian Registrar to transfer or ‘withdraw’ the Notes to the person in whose Security Record (as defined in the Austraclear Regulations) those Notes are recorded without any consent or action of such transferee and, as a consequence, remove those Notes from the Austraclear System.

The Issuer is not responsible for the operation of the clearing and settlement arrangements, which is a matter for the clearing and settlement institutions, their nominees, their participants and the investors.

History and operation of Austraclear

Austraclear began operation of the Austraclear System in Australia in 1984. Austraclear is an unlisted public company owned by financial institutions and other market participants. It operates the national central securities depository to the Australian money market and registry for government, semi-government and private sector debt securities lodged with the Austraclear System. Through its proprietary Financial Transactions Recording and Clearance Systems (“**FINTRACS**”) software, the Austraclear System electronically clears and settles most debt securities traded in the Australian money market and capital market.

The rights and obligations of Austraclear and participants under the Austraclear System are created by contract, as evidenced through the Austraclear System Regulations and Operating Manual, User Guides and instructions and directions contained within the Austraclear System (“**Austraclear Rules**”).

Under the Austraclear System, a wide range of eligible debt instruments may be “lodged” with Austraclear and either immobilised in its vaults which are located in Austraclear’s branch offices in Sydney and Melbourne (if they are in physical form), or recorded on an electronic register. Through the Austraclear System, ownership of these “physical” or “discount” debt instruments (Paper Securities) and “non-physical” or “fixed interest” debt instruments (Non-Paper Securities) is transferred electronically via book-entry changes without the need for physical delivery. Real-time settlement of cash transactions is facilitated by a real-time gross settlement (“RTGS”) system, operated by the Reserve Bank of Australia (“RBA”) and linked to the Austraclear System.

The Austraclear System relies upon both parties to a transaction entering trade details into computer terminals that the System then matches before effecting settlement. As well as facilitating securities settlements the Austraclear System also provides members with the ability to make high-value funds transfers independent of the need for a corresponding securities transfer.

As transactions currently processed through the Austraclear System are made on a RTGS basis, the cash settlement of transactions in debt securities, will be settled individually on a RTGS basis through institutions’ exchange settlement accounts (held at the RBA). A payment will be settled only if the paying institution has an adequate balance in the exchange settlement account. Once that payment is made, it is irrevocable in the sense it is protected from recall by the remitter or dishonour by the paying institution. This allows for true delivery versus payment to take place; that is, securities and cash transfers occur simultaneously, counterparties to the transaction will own either securities or cash and finality is immediate.

Holders of Australian Domestic Notes through Euroclear and Clearstream, Luxembourg

On admission to the Austraclear System, interests in the Notes may be held through Euroclear Bank SA/NV as operator of the Euroclear System (“**Euroclear**”) or Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”). In these circumstances, entitlements in respect of holdings of interests in the Notes in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear while entitlements in respect of holdings of interests in the Notes in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of JPMorgan Chase Bank, N.A. as custodian for Clearstream, Luxembourg.

The rights of a holder of interests in Notes held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between Euroclear and Clearstream, Luxembourg and their respective nominees and the rules and regulations of the Austraclear System.

In addition, any transfer of interests in Notes which are held through Euroclear or Clearstream, Luxembourg will, to the extent such transfer will be recorded on the Austraclear System, be subject to the Corporations Act 2001 of Australia and the other requirements set out in Condition 11 of the Notes.”

Schedule 3 – Australian Note Deed Poll

Australian Note Deed Poll

relating to Australian Domestic Notes to be issued by Zurich Finance (Australia) Limited (“**Issuer**”) under the U.S.\$18,000,000,000 Euro Medium Term Note Programme of Zurich Finance (Luxembourg) S.A., Zurich Finance (UK) plc, Zurich Insurance Company Ltd, Zurich Holding Company of America, Inc and Zurich Finance (Australia) Limited

Dated 22 May 2018

*The Australian Domestic Notes have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state in the United States. The Australian Domestic Notes may not be offered or sold at any time within the United States or to, or for the account of, U.S. persons (as defined in Regulation S under the Securities Act), unless such Australian Domestic Notes are registered under the Securities Act or an exemption from the registration requirements thereof is available.*

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Australian Note Deed Poll

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Australian Note Deed Poll

Details

Parties	Issuer	
Issuer	Name	Zurich Finance (Australia) Limited
	ACN	618 177 423
	Address	5 Blue Street North Sydney NSW 2060 Australia
	Fax	+61 2 9995 1106
	Email	company.secretary@zurich.com.au
	Attention	Company Secretary
Beneficiaries	Each person who is from time to time a holder of Australian Domestic Notes	
Recitals	A	The Issuer has, together with Zurich Finance (Luxembourg) S.A., Zurich Finance (UK) plc, Zurich Insurance Company Ltd and Zurich Holding Company of America, Inc., established a U.S.\$18,000,000,000 Euro Medium Term Note Programme (" Programme ") for the issuance of Senior Notes and Subordinated Notes (" Notes ").
	B	The Issuer proposes to issue Notes in the form of " Australian Domestic Notes " under the Programme from time to time.
	C	The provisions of this deed poll will apply to Australian Domestic Notes issued by the Issuer under the Programme on and from the date of this deed poll.
	D	Australian Domestic Notes will be issued in registered form by inscription in the Australian Register.
Governing law	New South Wales, Australia	
Date of deed poll	22 May 2018	

Australian Note Deed Poll

General terms

1 Interpretation

1.1 Incorporation of defined terms

Unless the contrary intention appears, a term which has a defined meaning in the relevant Conditions (as amended or supplemented by the applicable Pricing Supplement) has the same meaning when used in this deed poll.

1.2 Definitions

Unless the contrary intention appears, terms used in this deed poll shall have the meaning set out below.

Australian Domestic Note means a Note which is specified in the applicable Pricing Supplement to be an Australian Domestic Note and referred to as such in the Conditions.

Business Day means a day on which commercial banks are open for business in Sydney, Australia.

Conditions means, in relation to Australian Domestic Notes of any Series, the Terms and Conditions of the Senior Notes or the Terms and Conditions of the Subordinated Notes in the form set out in the Prospectus (or in such other form as may be agreed between the Issuer and the relevant Dealer or Dealers), as identified in the applicable Pricing Supplement and as completed, modified and supplemented by the applicable Pricing Supplement.

Details means the section of this deed poll headed "Details".

Guarantee means the ZIC Senior Guarantee or the ZIC Subordinated Guarantee (as the case may be).

Guarantor means Zurich Insurance Company Ltd, acting in its capacity as guarantor under a Guarantee executed by it in relation to the Australian Domestic Notes.

Issuer means the person so described in the Details.

Note has the meaning given in the Details.

Proceedings has the meaning given in clause 7.2 ("Submission to jurisdiction").

Prospectus means the base prospectus dated 22 May 2018 relating to the Programme (as may be amended, supplemented or replaced from time to time) or other disclosure document in connection with the issue of Australian Domestic Notes approved by the Issuer and referred to in the Pricing Supplement.

1.3 References to certain general terms

Unless the contrary intention appears, a reference in this deed poll to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (c) an agreement, representation or warranty by two or more persons binds them jointly and each of them individually;
- (d) any thing (including an amount) is a reference to the whole and each part of it;
- (e) a document (including this deed poll) includes any supplement to, or variation or replacement of, it;
- (f) “**law**” means common law, principles of equity, and laws made by parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (g) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (h) the “**Corporations Act**” is to the Corporations Act 2001 of Australia;
- (i) “**Australian dollars**” or “**A\$**” are each a reference to the lawful currency of Australia;
- (j) a time of day is a reference to Sydney, Australia time;
- (k) if a notice must be given within a certain period of days, the day on which the notice is given, and the day on which the things is to happen, are not to be counted in calculating that period;
- (l) the word “**person**” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (m) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (n) a “**party**” is a reference to a party to this deed poll; and
- (o) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

1.4 References to principal and interest

Unless the contrary intention appears, in this deed poll references to principal, interest and the principal amount of a Note have the same meaning as in the Conditions applicable to that Note.

1.5 Number

The singular includes the plural and vice versa.

1.6 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this deed poll.

2 Australian Domestic Notes

2.1 Specification as an Australian Domestic Note

The applicable Pricing Supplement will specify whether a Note is an Australian Domestic Note.

2.2 Creation of the Australian Domestic Notes

The obligations of the Issuer under the Australian Domestic Notes are constituted by, specified in and owing under this deed poll. Each Australian Domestic Note will be issued in registered uncertificated form and evidenced by entry in the Australian Register.

2.3 Conditions of the Australian Domestic Notes

Each Australian Domestic Note is issued on, and subject to, the provisions of this deed poll, the Conditions and the applicable Pricing Supplement.

2.4 Undertaking to pay and observe obligations

The Issuer unconditionally and irrevocably undertakes with each Noteholder, in respect of each Australian Domestic Note held by that Noteholder:

- (a) to pay any principal amount, any interest and any other moneys payable in respect of the relevant Australian Domestic Note in accordance with the Conditions; and
- (b) otherwise to observe its obligations under, and to comply with, the Conditions of that Note.

3 Register

3.1 Appointment of a Registrar

For each Series of Notes, the Issuer agrees to:

- (a) establish and maintain; or
- (b) appoint an Australian Registrar under the Australian Agency and Registry Agreement and to procure that the Australian Registrar establishes and maintains during the term of its appointment,

an Australian Register located in Sydney or Melbourne (or such other place in New South Wales or Victoria as agreed between the Issuer and the Australian Registrar).

3.2 Directions to hold documents

Each Noteholder is taken to have irrevocably:

- (a) instructed the Issuer that the original and electronic copy of this deed poll and each relevant Guarantee is to be delivered to and held by the Australian Registrar; and
- (b) appointed and authorised the Australian Registrar to hold the original and electronic copy of this deed poll and each relevant Guarantee in Sydney or Melbourne (or such other place in New South Wales or Victoria as agreed between the Issuer and the Registrar) on its behalf.

3.3 Copies of documents to Noteholders

Within 7 Business Days of the Issuer receiving a written request from a Noteholder to do so, the Issuer must, at its expense, provide (or procure that the Australian Registrar provides) to that Noteholder a certified copy of this deed poll, the relevant Guarantee or a certified extract of the Australian Register if the Noteholder requires such copy in connection with any legal proceeding, claim or action brought by the Noteholder in relation to its rights under an Australian Domestic Note.

3.4 Noteholders' acknowledgements to the Issuer, the Australian Registrar and Austraclear

Where Austraclear is recorded in the Australian Register as the Noteholder, each person in whose Security Record (as defined in the Austraclear Regulations) an Australian Domestic Note is recorded is deemed to acknowledge in favour of the Issuer, the Australian Registrar and Austraclear that:

- (a) the Australian Registrar's decision to act as the Australian Registrar of the Australian Domestic Notes does not constitute a recommendation or endorsement by the Australian Registrar or Austraclear in relation to the Australian Domestic Notes, but only indicates that the Australian Domestic Notes are considered by the Australian Registrar to be compatible with the performance by it of its obligations as Australian Registrar under the Australian Agency and Registry Agreement; and
- (b) such person does not rely on any fact, matter or circumstance contrary to clause 3.4(a).

4 Rights and obligations of Noteholders

4.1 Benefit and entitlement

This deed poll is executed by the Issuer as a deed poll. Each Noteholder has the benefit of, and is entitled to enforce, this deed poll even though it is not a party to, or is not in existence at the time of execution and delivery of, this deed poll.

4.2 Rights independent

Without prejudice to any provision in this deed poll or the Conditions that requires an Extraordinary Resolution or an Ordinary Resolution, each Noteholder may enforce its rights under this deed poll independently from the Australian Registrar, each other Noteholder and/or any other person.

4.3 Noteholders bound

Each Noteholder and any person claiming through or under a Noteholder is bound by this deed poll, the Conditions and the applicable Pricing Supplement. The Australian Domestic Notes are issued subject to and on the basis that each Noteholder (and any person claiming through or under that Noteholder) is taken to have notice of, and be bound by, all the provisions of this deed poll, the Conditions, the applicable Pricing Supplement, the Prospectus and the relevant Guarantee.

4.4 Fundamental conditions to receipt of rights and benefits

It is a fundamental and inseparable condition of receiving any of the rights or benefits under this deed poll that a Noteholder undertakes to perform all of the obligations and to comply with all restrictions and limitations applicable to it under this deed poll and the Conditions.

4.5 Conditions to enforcement

No Noteholder may take any action to enforce any obligation of the Issuer under this deed poll or the Conditions unless the enforcement of that obligation is permitted in accordance with this deed poll and the Conditions.

4.6 Meeting Provisions

The Meeting Provisions relating to a meeting of Noteholders are set out in the Schedule 1 ("Meeting Provisions") to this deed poll.

4.7 Modification

- (a) The Meeting Provisions contains provisions for convening meetings of the relevant Noteholders to consider matters relating to the relevant Series of Australian Domestic Notes, including the modification of any provision of this deed poll. Any such modification may be made by supplemental deed poll sanctioned by the Noteholders in accordance with the Conditions and the Meeting Provisions and is binding on all Noteholders.
- (b) Subject to matters requiring the approval of Noteholders set out in the Meeting Provisions, the Issuer may, without the consent of holders of a Series of Australian Domestic Notes, make any modification of any of the Conditions or any of the provisions of this deed poll, which is not materially prejudicial to the interests of the Noteholders or which is of a formal, minor or technical nature or which is made to correct a manifest error or to comply with mandatory provisions of law. Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions.

4.8 Assignment

The Issuer is not entitled to assign or transfer all or any of its rights, benefits and obligations under this deed poll. Each Noteholder is entitled to assign all or any of its rights and benefits under this deed poll, subject to and in accordance with the Conditions.

5 Subordinated Notes

In the case of any Australian Domestic Notes which are Subordinated Notes, the rights of the Noteholder in respect of this deed poll (including all rights to payment and any remedies and enforcement rights in respect thereof) are qualified by and subject to the subordination provisions set forth in the Conditions.

6 Governing law, submission to jurisdiction and service of process

6.1 Governing law

This deed poll is governed by, and shall be construed in accordance with, the laws in force in the State of New South Wales, Australia.

6.2 Submission to jurisdiction

The Issuer irrevocably agrees for the benefit of the Noteholders that the courts of the State of New South Wales, Australia are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this deed poll and accordingly submits to the jurisdiction of the courts of the State of New South Wales, Australia.

The Issuer waives any objection to the courts of the State of New South Wales, Australia on the grounds that they are an inconvenient or inappropriate forum. The Noteholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with this deed poll against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

6.3 Service of process

Without preventing any other method of service, any document in any Proceedings may be served on the Issuer by being delivered or left at its registered office or otherwise at its principal place of business.

EXECUTED as a deed poll

Schedule 1 - Meeting Provisions

The following are the Meeting Provisions referred to in the Conditions, and which are applicable to the convening of meetings of Noteholders and the passing of resolutions by them.

1 Interpretation

1.1 Incorporation of other defined terms

Terms which are defined (or given a particular meaning) in the Conditions or the Deed Poll to which these Meeting Provisions are a schedule have the same meaning when used in these provisions unless the same term is also defined in these provisions, in which case the definition in these provisions prevails. Subject to this, the remaining "Interpretation" provisions of the Conditions apply to these provisions.

1.2 Definitions

These meanings apply unless the contrary intention appears:

Circular Resolution means a written resolution of Noteholders made in accordance with paragraph 9 ("Circular Resolutions").

Corporations Act means the Corporations Act 2001 (Cth).

Extraordinary Resolution means:

- (a) a resolution passed at a Meeting of the Noteholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 75% of the persons voting thereat upon a show of hands or if a poll is duly demanded then by a majority consisting of not less than 75% of the votes given on such poll;
- (b) a resolution made in writing in accordance with paragraph 9(a)(ii) ("Circular Resolutions"); or
- (c) a consent 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 Noteholders of not less than 75% in principal amount of the Australian Domestic Notes of the Series for the time being outstanding.

Form of Proxy means a notice in writing in the form available from the Australian Registrar.

Meeting is deemed to include:

- (a) if there is only one Noteholder, the attendance of that person or its Proxy on the day and at the place and time specified in accordance with these provisions;
- (b) the presence of persons physically, by conference telephone call or by video conference; and

- (c) (other than in paragraphs 2.1 (“Who can convene a meeting”), 3 (“Notice of Meeting”) and 5.2 (“If quorum not present”)) any adjourned meeting.

Notification Date means the date stated in the copies of a resolution to be made in writing sent for that purpose to Noteholders, which must be no later than the date on which that resolution is first notified to Noteholders in the manner provided in the Conditions.

Ordinary Resolution means:

- (a) a resolution passed at a Meeting of the Noteholders duly convened and held in accordance with the provisions herein contained by a majority consisting of not less than 50% of the persons voting thereat upon a show of hands or if a poll is duly demanded then by a majority consisting of not less than 50% of the votes given on such poll;
- (b) a resolution made in writing in accordance with paragraph 9(a)(i) (“Circular Resolutions”); or
- (c) a consent 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 Noteholders of not less than 50% in principal amount of the Australian Domestic Notes of the Series for the time being outstanding.

Proxy means a person so appointed under a Form of Proxy.

Special Quorum has the meaning set out in paragraph 5.1 (“Number for a quorum”).

1.3 Noteholders at a specified time

The time and date for determining the identity of a Noteholder who may be counted for the purposes of determining a quorum or attend, speak and vote at a Meeting or sign a Circular Resolution is at the close of business in the place where the Australian Register is kept seven days prior to the date of the Meeting or, for a Circular Resolution, the Notification Date.

1.4 Australian Domestic Notes held by the Issuer and its subsidiaries

In determining whether the provisions relating to quorum, meeting and voting entitlements and procedures are complied with, any Australian Domestic Notes beneficially held in the name of the Issuer, the Guarantor or any of its related entities (as that term is defined in the Corporations Act) must be disregarded.

1.5 References to certain terms

Unless the contrary intention appears, a reference in these provisions to:

- (a) a “**Meeting**” is to a meeting of Noteholders of a single Series of Australian Domestic Notes and references to “**Australian Domestic Notes**” and to “**Noteholders**” are to the Australian Domestic Notes of the Series in respect of which a Meeting has been, or is to be, called and to the Noteholders of those Australian Domestic Notes, respectively;
- (b) a “**Circular Resolution of Noteholders**” is to a Circular Resolution of Noteholders of a single Series of Australian Domestic Notes and references to “Australian Domestic Notes” and to “Noteholders” are to the Australian Domestic Notes of the Series in respect of which a Circular Resolution has been, or is to be, passed and to the Noteholders of those Australian Domestic Notes respectively; and

- (c) the “**Australian Registrar**” is to the Australian Registrars of each of the relevant Series of Australian Domestic Notes acting jointly.

2 Convening Meetings

2.1 Who can convene a meeting

A Meeting:

- (a) of Noteholders (or of the Noteholders of one or more Series) may be convened at any time by the Issuer, the Guarantor or the Australian Registrar at the place and time appointed by the convenor; and
- (b) of Noteholders of a Series must be convened by the Australian Registrar at a place and time appointed by it if it is requested to do so:
 - (i) by the Issuer; or
 - (ii) by the Guarantor; or
 - (iii) by holders of Australian Domestic Notes of that Series representing in the aggregate at least 10% of the outstanding principal amount of the Australian Domestic Notes of that Series.

2.2 Postponing and cancelling Meetings

The Issuer may postpone or cancel a Meeting at its discretion by notice to Noteholders and the Australian Registrar (except where the Meeting is being convened pursuant to paragraph 2.1(b)(iii) (“Who can convene a meeting”).

3 Notice of Meeting

3.1 Period of notice

Unless otherwise agreed in writing by each Noteholder, at least 21 days’ notice specifying the day, time and place of the Meeting must be:

- (a) given to the Noteholders of the relevant Series; and
- (b) if not given:
 - (i) by the Australian Registrar, copied to the Australian Registrar;
 - (ii) by the Issuer, copied to the Issuer; or
 - (iii) by the Guarantor, copied to the Issuer and the Guarantor.

3.2 Contents of notice

- (a) The notice must be given in the manner provided in the Conditions and state generally the nature of the business to be transacted at the Meeting but (except for an Extraordinary Resolution) need not specify the terms of the resolutions to be proposed and must include statements to the effect that Proxies may be appointed until 48 hours before the time fixed for the Meeting but not after that time.
- (b) The convenor of the Meeting may amend or supplement the notice of Meeting by any further information or materials it considers appropriate by further notice given in accordance with this paragraph at least 7 days prior to the time fixed for the Meeting.

- (c) If a notice of Meeting must be given within a certain period of days, the day on which the notice is given, and the day on which the Meeting is to be held, are not to be counted in calculating that period.

3.3 Effect of failure to give notice

A Meeting is duly convened and proceedings at it are valid, notwithstanding:

- (a) the accidental omission to give notice (or any amending or supplementary notice) to, or the non-receipt of notice by, any person entitled to receive notice; or
- (b) the omission to give notice (or any amending or supplementary notice) to a Noteholder whose country of residence (as shown in the Australian Register) is outside Australia and where the giving of notice to such Noteholder is not permitted by applicable law, or applicable only after compliance with conditions which the Issuer in its discretion reasonably considers unduly onerous.

4 Chairman

4.1 Nomination of chairman

The convenor of the Meeting must nominate in writing a person (who may, but need not, be a Noteholder) as the chairman at every Meeting convened by it.

4.2 Absence of chairman

If a Meeting is held and:

- (a) a chairman has not been nominated by the convenor; or
- (b) the person nominated is not present within 30 minutes after the time appointed for the holding of the Meeting, or is unable or unwilling to chair the Meeting,

the Noteholders or Proxies present must choose one of their number to be chairman.

4.3 Chairman of adjourned Meeting

The chairman of an adjourned Meeting need not be the same person as was the chairman of the Meeting from which the adjournment took place.

5 Quorum

5.1 Number for a quorum

At any Meeting any one or more Noteholders or Proxies present form a quorum for the purposes of passing the resolutions shown in the table below only if they alone or together hold (or in the case of Proxies, represent Noteholders of the relevant Series who hold) Australian Domestic Notes which represent at least the proportion of the outstanding principal amount of the Australian Domestic Notes of the Series shown in the table below.

Column 1	Column 2	Column 3
Type of resolution	Required proportion for any Meeting except one referred to in Column 3	Required proportion for Meeting previously adjourned because of lack of quorum
Extraordinary Resolution requiring a Special Quorum	66 $\frac{2}{3}$ %	33 $\frac{1}{3}$ %
Any other Extraordinary Resolution	50%	No requirement
Any Ordinary Resolution	10%	No requirement

No business (other than the choosing of a chairman) may be transacted at any Meeting unless the requisite quorum is present at the commencement of the relevant business.

5.2 If quorum not present

- (a) If within 30 minutes from the time appointed for any Meeting a quorum is not present for the transaction of any particular business then, subject and without prejudice to the transaction of any business for which a quorum is present, the Meeting:
- (i) if convened on the requisition of Noteholders, is dissolved; and
 - (ii) in any other case, stands adjourned until (unless the Issuer agrees that it be dissolved) the day, time and place appointed by the chairman (such date being not less than 14 days nor more than 42 days after the date of the Meeting from when the adjournment took place (in each case exclusive of the day on which the Meeting is held and the day on which the adjourned Meeting is to be held)).
- (b) If within 30 minutes from the time appointed for any adjourned Meeting a quorum is not present for the transaction of any particular business then, subject and without prejudice to the transaction of any business for which a quorum is present, the chairman may dissolve the Meeting. If the adjourned Meeting is not dissolved in accordance with this paragraph 5.2(b), the chairman may adjourn the Meeting to a new day, time and place.

6 Adjournment of a meeting

6.1 When a meeting may be adjourned

The chairman may with the consent of (and must if directed by) any Meeting adjourn that Meeting or any business, motion, question, debate or discussion being considered or remaining to be considered by the Meeting either to a later time at the same Meeting or to an adjourned Meeting at any day, time and place.

6.2 Business at adjourned Meeting

Only business which might validly (but for the lack of required quorum) have been transacted at the original Meeting may be transacted at the adjourned Meeting.

6.3 Notice of adjourned Meeting

Unless otherwise agreed in writing by each Noteholder, at least 10 days' notice of (exclusive of the day on which the notice is given and on which the Meeting is held) any Meeting adjourned because of lack of a quorum must be given in the same manner as the notice of the original Meeting. The notice must state the quorum required at the adjourned Meeting but need not contain any further information. It is not necessary to give notice of an adjournment unless a Meeting is adjourned because of lack of a quorum.

6.4 Attendees

The Issuer, the Guarantor, the Australian Registrar and the Noteholders of the relevant Series (in person or through their respective representatives and Proxies) and their respective financial and legal advisers are entitled to attend and speak at any Meeting. Otherwise, no person may, except for the chairman, attend or speak at any Meeting.

7 Voting at Meetings

7.1 Voting on a show of hands

- (a) Every resolution put to a vote at a Meeting must be decided by a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- (i) the chairman;
 - (ii) the Issuer; or
 - (iii) one or more persons who alone or together hold (or represent Noteholders who hold) Australian Domestic Notes which represent at least 2% of the aggregate outstanding principal amount of the relevant Australian Domestic Notes.
- (b) Unless a poll is properly demanded and the poll is not withdrawn, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority is conclusive evidence of the fact. The chairman and the minutes do not need to state, and it is not necessary to prove, the number or proportion of the votes recorded in favour of or against the resolution.

7.2 Poll

- (a) If a poll is properly demanded, it must be taken in the manner and at the date, time and place directed by the chairman, provided that the chairman must direct that such poll be taken immediately or at another time determined by the chairman which is no later than 30 days from the date of the Meeting.
- (b) A poll demanded on the election of a chairman or on a question of adjournment must be taken immediately.
- (c) A demand for a poll may be withdrawn.
- (d) The result of the poll is the resolution of the Meeting at which the poll was taken as at the date it was taken. The demand for a poll does not prevent the continuance of the Meeting for the transaction of any business other than the question on which the poll has been demanded.

7.3 Chairman's casting vote

If there is an equality of votes the chairman has, both on a show of hands and on a poll, a casting vote in addition to any votes to which the chairman is entitled as a Noteholder or Proxy.

7.4 Voting entitlements

- (a) A Noteholder of the relevant Series (or, in the case of an Australian Domestic Note registered as being owned jointly, the person whose name appears first on the Australian Register as one of the owners of the Australian Domestic Note) may be present and vote in person at any Meeting in respect of the Australian Domestic Note or be represented by Proxy.
- (b) Except where these Meeting Provisions provide otherwise, at any Meeting:
 - (i) on a show of hands, each Noteholder of the relevant Series present in person and each other person present as a Proxy has one vote; and
 - (ii) on a poll, each Noteholder of the relevant Series or Proxy present has one vote in respect of each principal amount of outstanding Australian Domestic Notes of the relevant Series which is equal to:
 - (A) in the case of a meeting of the holders of Australian Domestic Notes only, each minimum integral amount of Australian Domestic Notes of the Series that is registered in that person's name or in respect of which that person is a Proxy; and
 - (B) in the case of a meeting of the holders of Australian Domestic Notes and the holders of other Notes, such integral amount as may reasonably be determined by the Issuer to give holders of Australian Domestic Notes a vote that is as near as practicable equivalent to the vote to which holders of such other Notes are entitled for a corresponding principal amount of such Notes.
- (c) Without affecting the obligations of the Proxies named in any Form of Proxy, any person entitled to more than one vote need not use all votes (or cast all the votes) to which that person is entitled in the same way.

8 Proxies

8.1 Appointment of Proxy

A Noteholder entitled to attend and vote at a Meeting may appoint a Proxy to attend and act on that Noteholder's behalf in connection with any Meeting or propose a meeting of Noteholders by a Form of Proxy signed by the Noteholder or, in the case of a corporation, executed in accordance with the Corporations Act or in such other manner as is acceptable to the Australian Registrar and the Issuer.

8.2 Validity of Forms of Proxy

Forms of Proxy are valid for so long as the Australian Domestic Notes to which they relate are registered in the name of the appointor but not otherwise. While the Form of Proxy is valid the Proxy is, for all purposes in connection with any Meeting, deemed to be the Noteholder of the Australian Domestic Notes to which that Form of Proxy relates.

8.3 Who may be a Proxy?

A Proxy:

- (a) need not be a Noteholder;
- (b) may be an officer, employee, representative of or otherwise connected with the Issuer or a related body corporate or related entity (as those terms are defined in the Corporations Act) of the Issuer; and
- (c) may be appointed as a Proxy for more than one Noteholder, and if so appointed, is entitled to act as, and exercise the powers of, a Proxy in respect of each such Noteholder and, for the purposes of these Meeting Provisions, a reference to a Proxy is to the Proxy in their capacity representing a single Noteholder.

8.4 Form of Proxy must be lodged with Issuer

A Form of Proxy may not be treated as valid unless it is (together with any power of attorney or other authority under which it is signed, or a copy of power or authority certified in such manner as the Australian Registrar may require) received by the Australian Registrar at the office of the Australian Registrar specified in the Form of Proxy not less than 48 hours before the time appointed for holding the Meeting to which the Form of Proxy relates. If the Form of Proxy specifies a fax number to which these documents may be sent, the documents are taken to be received at the time shown in the fax transmission report as the time the whole fax was sent.

8.5 Revocation and amendment

Any vote given in accordance with the terms of a Form of Proxy is valid despite the previous revocation or amendment of the Form of Proxy or of any instructions of the Noteholder under which it was executed, unless notice in writing of that revocation or amendment is received from the Noteholder who has executed such Form of Proxy at the office of the Australian Registrar not less than 24 hours before the commencement of the Meeting at which the Form of Proxy is used.

9 Circular Resolutions

- (a) The Noteholders may, without a Meeting being held, pass:
 - (i) an Ordinary Resolution, if within one month after the Notification Date stated in the copies of the resolution sent for that purpose to Noteholders, a document containing a statement that Noteholders are in favour of the resolution set out in the document Noteholders is signed by or on behalf of Noteholders representing at least 50% of the principal amount of the Australian Domestic Notes of the Series outstanding as at the Notification Date; or
 - (ii) an Extraordinary Resolution, if within one month after the Notification Date stated in the copies of the resolution sent for that purpose to Noteholders, a document containing a statement that Noteholders are in favour of the resolution set out in the document Noteholders is signed by or on behalf of Noteholders representing at least 75% of the principal amount of the Australian Domestic Notes of the Series Notes outstanding as at the Notification Date.
- (b) The resolution is passed when the document is signed by or on behalf of the last Noteholder by which it is signed (as evidenced on its face).
- (c) The accidental omission to give a copy of the Circular Resolution to, or the non-receipt of a copy by, any Noteholder does not invalidate the Circular Resolution.
- (d) A Circular Resolution may be contained in one or more documents in like form each signed by one or more Noteholders.

10 Matters requiring an Extraordinary Resolution

The Noteholders have in addition to the powers set out above but without affecting any powers of any other person, the following powers exercisable only by Extraordinary Resolution:

- (a) other than in respect of a modification or variation referred to in paragraph 11 (“Matters requiring an Extraordinary Resolution requiring a Special Quorum”):
 - (i) power to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise or arrangement in respect of the rights of the Noteholders against the Issuer or against any of its property, whether those rights arise under this deed poll, the Conditions, the Australian Domestic Notes or otherwise; and
 - (ii) power to assent to any modification or variation of the provisions contained in this deed poll, the Conditions or the Australian Domestic Notes which shall be proposed by the Issuer;
- (b) power to waive or authorise any breach or proposed breach by the Issuer of any of its obligations under this deed poll, the Conditions or the Australian Domestic Notes;
- (c) power to sanction any scheme for the reconstruction of the Issuer or the amalgamation of the Issuer with any other corporation;

- (d) power to give any authority, direction or sanction or exercise any right, power or discretion which is required to be given or exercised by Extraordinary Resolution;
- (e) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (f) power to authorise any person to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution.

11 Matters requiring an Extraordinary Resolution requiring a Special Quorum

The following matters require an Extraordinary Resolution requiring a Special Quorum:

- (a) to approve any amendment of the dates of maturity or redemption of the Australian Domestic Notes or any date on which a payment of principal or interest is due on the Australian Domestic Notes;
- (b) to approve any reduction or cancellation of an amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of payment in respect of the Australian Domestic Notes (other than where the reduction, cancellation or modification is provided for in the Conditions or where the modification is bound to result in an increase in the amount payable);
- (c) to approve the reduction of any minimum rate of interest and/or maximum rate of interest specified in the applicable Pricing Supplement;
- (d) to approve the alteration of the currency in which payments in respect of the Australian Domestic Notes are made;
- (e) to approve the cancellation or modification of the relevant Guarantee (except a modification which is not materially prejudicial to the interests of the Noteholders);
- (f) to approve the alteration of the majority required to pass an Extraordinary Resolution;
- (g) to approve the alteration of the quorum required to pass an Extraordinary Resolution or an Extraordinary Resolution requiring a Special Quorum; and
- (h) to approve the amendment of this provision.

12 Use of Ordinary Resolution

The Noteholders have the power exercisable by Ordinary Resolution to do anything which is required to be done by Ordinary Resolution and to do anything else for which an Extraordinary Resolution or Extraordinary Resolution requiring a Special Quorum is not required.

13 Effect and notice of resolution

13.1 Resolutions are binding

A resolution passed at a Meeting duly convened and held (or by Circular Resolution duly sent and signed) in accordance with these provisions is binding on the Issuer and on all Noteholders, whether present or not present and whether or not voting at the Meeting (or signing or not signing the written resolution), and each Noteholder is bound to give effect to it accordingly. The passing of the resolution is conclusive evidence that the circumstances of the resolution justify its passing.

13.2 Notice of resolutions

The Issuer must give notice to the Noteholders of the result of the voting on a resolution within 14 days of the result being known but failure to do so does not invalidate the resolution.

13.3 Venue

A Meeting may be held at two or more venues using any technology that gives the Noteholders as a whole a reasonable opportunity to participate at the same time.

14 Minutes

14.1 Minutes

The Issuer must keep minute books in which it records:

- (a) proceedings and resolutions of Meetings; and
- (b) Circular Resolutions.

14.2 Minutes and Circular Resolutions must be signed

The Issuer must ensure that:

- (a) minutes of a Meeting are signed by the chairman of the Meeting or by the chairman of the next Meeting; and
- (b) Circular Resolutions are signed by an authorised officer of the Issuer.

14.3 Minutes and Circular Resolutions conclusive

A minute or Circular Resolution that is so recorded and signed is, unless the contrary is proved, conclusive evidence:

- (a) of the matters contained in it;
- (b) that the Meeting has been duly convened and held or copies of the proposed Circular Resolution have been duly sent and signed; and
- (c) that all resolutions passed or proceedings transacted have been duly passed and transacted.

14.4 Classes of Noteholders

If and whenever the Issuer shall have issued and have outstanding any Australian Domestic Notes which do not form one single Series then the foregoing provisions of these Meeting Provisions shall have effect subject to the following modifications:

- (a) a resolution which affects one Series only of the Australian Domestic Notes shall be deemed to have been duly passed if passed at a separate Meeting of the Noteholders of that Series or by Circular Resolution;
- (b) a resolution which affects more than one Series of the Australian Domestic Notes but does not give rise to a conflict of interest between the Noteholders of any of the Series so affected shall be deemed to have been duly passed if passed at a single Meeting of the holders of the Noteholders of all the Series so affected or by Circular Resolution;
- (c) a resolution which affects more than one Series of the Australian Domestic Notes and gives or may give rise to a conflict of interest between the Noteholders of any of the Series so affected shall be deemed to have been duly passed only if it shall be duly passed at separate Meetings of the Noteholders of each Series so affected or by Circular Resolution; and
- (d) to all such Meetings as aforesaid all the preceding provisions of these Meeting Provisions shall mutatis mutandis apply as though references therein to Australian Domestic Notes and Noteholders were references to the Australian Domestic Notes of the Series in question and to the Noteholders of that Series, respectively.

The Issuer may rely on, and the Noteholders are bound by, a legal opinion from a reputable law firm in Australia to the effect that a resolution affects one Series only or, if it affects more than one Series, does not give rise to a conflict of interest, for the purposes of determining the Meeting or Meetings which need to be held for the purposes of this paragraph 14.4.

14.5 Further procedures

The Issuer may prescribe:

- (a) further regulations for the holding of, attendance and voting at Meetings of Noteholders in respect of Australian Domestic Notes; or
- (b) regulations for the holding of, attendance and voting at Meetings of Noteholders in respect of Australian Domestic Notes and other Notes,

as are necessary or desirable and do not materially adversely affect the interests of the Noteholders.

Schedule 4 – ZIC Senior Guarantee

SENIOR GUARANTEE

This senior guarantee is made on the date of issue of the relevant tranche of notes as specified in the Schedule hereto by ZURICH INSURANCE COMPANY LTD of Mythenquai 2, CH-8002 Zurich, Switzerland, a company incorporated with limited liability under the laws of Switzerland (the “**Guarantor**”).

WHEREAS

- (A) Zurich Finance (Luxembourg) S.A., Zurich Finance (UK) plc, Zurich Insurance Company Ltd, Zurich Finance (Australia) Limited 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) Zurich Finance (Australia) Limited (the “**Issuer**”) proposes to issue a tranche of Australian Domestic Notes under the Programme, as further described in the Schedule hereto (the “**Senior Notes**”) on the issue date specified in the Schedule hereto (the “**Issue Date**”). For that purpose the Issuer has executed an Australian note deed poll dated 22 May 2018 (the “**Australian Note Deed Poll**”) and the Issuer and Computershare Investor Services Pty Limited (the “**Australian Agent**”) have entered into a registrar and paying agent services agreement dated 22 May 2018 (the “**Australian Agency Agreement**”).
- (C) The terms and conditions of the Senior Notes (the “**Terms and Conditions**”) are set out in the section titled “Terms and Conditions of the Senior Notes” of the base prospectus relating to the Programme dated 22 May 2018, (the “**Base Prospectus**”), as completed, modified and supplemented by the pricing supplement relating to the Senior Notes and executed by the Issuer and the Guarantor, dated 29 May 2018 (the “**Pricing Supplement**”, which is annexed hereto).
- (D) The Guarantor has agreed to guarantee up to a specified maximum amount the obligations of the Issuer to pay principal, interest and all other amounts payable under the Senior Notes and under the Australian Note Deed Poll (the “**ZIC Senior Guarantee**”) for the benefit of 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. Capitalised terms that are not defined in this ZIC Senior Guarantee will have the meanings given to them in the Terms and Conditions.

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 Australian Note Deed Poll and waiving all rights of set off and of objection and defence arising from the Senior Notes and the Australian Note Deed Poll to pay to the Noteholders, within seven days after the receipt by the Guarantor of any Noteholder’s first written demand for payment and such Noteholder’s confirmation in writing that an amount due under the Senior Notes or the Australian Note Deed Poll 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 AUD 386,640,275 (the “**Specified Maximum Amount**”), calculated in accordance with Note 1 of this ZIC Senior Guarantee (and as set out in the Pricing Supplement) which may not be reduced for so long as any sum remains payable under the Senior Notes.
- (c) (**Rights held by the Noteholders**) All rights arising from this ZIC Senior Guarantee shall be held exclusively by the Noteholders, which may proceed directly against the Guarantor in accordance with the terms and subject to the limitations of this ZIC Senior Guarantee.

(d) **(Payments)** The Guarantor agrees that any payments to be made by it hereunder shall be made to or to the order of the Australian Agent in the place of payment specified in the Schedule hereto 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 any Noteholder or claim in competition with the Noteholders against the Issuer.

(4) Avoidance of Payments

Any settlement or discharge between the Guarantor and the Noteholders in respect of this ZIC Senior Guarantee shall be conditional upon no payment to 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 relevant Noteholder 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

Subject to Clause 1(1)(b), the Guarantor agrees to be bound by the provisions of Condition 9 (*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 a Noteholder 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 a Noteholder 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 telefax number 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@notes.zurich.com
Attention: Head of Group Treasury and Capital Management

5. RIGHT OF PRODUCTION

An original of this ZIC Senior Guarantee will be deposited by the Guarantor with the Australian Agent. 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 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:

Note 1: *The Specified Maximum Amount in respect of the Senior Notes will be calculated as follows:

$$SMA = RA + (3 \times I) + AA$$

where:

“**SMA**” means Specified Maximum Amount;

“**RA**” means the Final Redemption Amount of the Senior Notes, as defined in the Pricing Supplement;

“**T**” means the amount of interest payable on the Senior Notes up to the first anniversary of the Issue Date;

“**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 Australian Note Deed Poll but not under the Senior Notes.

[Pricing Supplement annexed]

THE SCHEDULE

Issuer:..... Zurich Finance (Australia) Limited

Title of Senior Notes being issued: AUD 350,000,000 3.477% Senior Notes due 2023

Date of issue of relevant Tranche: 31 May 2018

Specified Maximum Amount:..... AUD 386,640,275

Place of payment and specified currency for the
purposes of Clause 1(1)(d):..... Sydney, Australian dollars