

**Fax**

Attention	Company Announcements
Company	ASX
Fax number	1300 300 021
From	Jo Luppino, Law And Compliance
Date	10/02/2003
cc	
Number of pages inc. cover sheet	9
Subject	form 605 notice of ceasing to be a substantial holder

Please find attached form 605 notice of ceasing to be a substantial holder under section 671B of the Corporations Law relating to our group holding in QBE Insurance Group Limited.

Please call me if you have any queries regarding the notice.

Regards

A handwritten signature in black ink, appearing to be 'Jo Luppino'.

Should this fax reach you incomplete or unreadable, please contact our office switchboard immediately.
Confidential information - Privileged information may be contained in this fax and is intended only for the use of the addressee.
If you are not the addressee, please do not copy or deliver this to anyone else.
If you receive this fax by mistake, please telephone sender. Thank you.

Merrill Lynch Investment Managers

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Melbourne Vic 3000

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jo_luppino@ml.com

Form 605

Corporations Law

Section 671B

Notice of ceasing to be a substantial holder

To Company Name/Scheme QBE Insurance Group

ACN/ARSN N/A

1. Details of Substantial Holder (1)

Name Merrill Lynch Investment Managers Limited

ACN/ARSN (if applicable) 006 165 975

The holder ceased to be a substantial holder on 10 / 02 / 2003

The previous notice was given to the company on 28 / 11 / 2002

The previous notice was dated 26 / 11 / 2002

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature or Change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
See Appendix					

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ ARSN (If applicable)	Nature of association
Merrill Lynch Investment Managers Limited	Discretionary Interest

4. Addresses

The address of persons named in this form are as follows:

Name	Address
Merrill Lynch Investment Managers Limited	33 King William Street, London, EC4R 9AS

Signature

print name JAMES STRATFORD

capacity_COMPLIANCE OFFICER

Sign here

date 12 FEBRUARY 2003

A handwritten signature in black ink, appearing to read "James Stratford", written over a horizontal line.

DIRECTIONS

- (1) **If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.**
- (2) **See the definition of "relevant interest" in section 608 and 671B(7) of the Corporations Law.**
- (3) **See the definition of "associate" in sections 9 of the Corporations Law.**
- (4) **Include details of:**
 - (a) **Any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and**
 - (b) **Any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).**

See the definition of "relevant agreement" in section 9 of the Corporations Law.

- (5) **Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.**
- (6) **The voting shares of a company constitute one class unless divided into separate classes.**
- (7) **Given details, if appropriate, of the present association and any change in the association since the last substantial holding notice.**

QBE				
Date	Transaction	Consideration	Units	Balance
			brought forward	31,613,049
27-Nov-02	Sale of Ord Shares	7,710	-1,000	31,612,049
28-Nov-02	Pur of Ord Shares	4,228,869	535,571	32,147,620
28-Nov-02	Pur of Ord Shares	32,374	4,100	32,151,720
29-Nov-02	Pur of Ord Shares	606,642	76,829	32,228,549
29-Nov-02	Transfer	0	-12,700	32,215,849
29-Nov-02	Pur of Ord Shares	4,738	600	32,216,449
3-Dec-02	Pur of Ord Shares	124,620	15,500	32,231,949
3-Dec-02	Pur of Ord Shares	140,700	17,500	32,249,449
3-Dec-02	Pur of Ord Shares	147,132	18,300	32,267,749
3-Dec-02	Pur of Ord Shares	287,028	35,700	32,303,449
3-Dec-02	Pur of Ord Shares	306,324	38,100	32,341,549
3-Dec-02	Sale of Ord Shares	1,005,804	-125,100	32,216,449
4-Dec-02	Pur of Ord Shares	3,775,708	476,400	32,692,849
4-Dec-02	Pur of Ord Shares	70,537	8,900	32,701,749
4-Dec-02	Sale of Ord Shares	6,392	-800	32,700,949
5-Dec-02	Pur of Ord Shares	57,991	7,400	32,708,349
6-Dec-02	Pur of Ord Shares	339,280	43,400	32,751,749
9-Dec-02	Sale of Ord Shares	15,900	-2,000	32,749,749
10-Dec-02	Sale of Ord Shares	1,226,179	-153,081	32,596,668
10-Dec-02	Pur of Ord Shares	9,620	1,201	32,597,869
11-Dec-02	Pur of Ord Shares	27,860	3,500	32,601,369
11-Dec-02	Pur of Ord Shares	54,128	6,800	32,608,169
11-Dec-02	Pur of Ord Shares	70,844	8,900	32,617,069
11-Dec-02	Pur of Ord Shares	77,212	9,700	32,626,769
11-Dec-02	Pur of Ord Shares	140,892	17,700	32,644,469
11-Dec-02	Pur of Ord Shares	150,444	18,900	32,663,369
11-Dec-02	Pur of Ord Shares	199,000	25,000	32,688,369
11-Dec-02	Pur of Ord Shares	207,756	26,100	32,714,469
11-Dec-02	Pur of Ord Shares	474,416	59,600	32,774,069
11-Dec-02	Sale of Ord Shares	474,416	-59,600	32,714,469
11-Dec-02	Sale of Ord Shares	928,136	-116,600	32,597,869
16-Dec-02	Pur of Ord Shares	218,664	27,700	32,625,569
17-Dec-02	Pur of Ord Shares	41,548	5,200	32,630,769
17-Dec-02	Pur of Ord Shares	50,337	6,300	32,637,069
17-Dec-02	Pur of Ord Shares	73,508	9,200	32,646,269
17-Dec-02	Pur of Ord Shares	103,071	12,900	32,659,169
17-Dec-02	Pur of Ord Shares	143,021	17,900	32,677,069
17-Dec-02	Sale of Ord Shares	199,750	-25,000	32,652,069
17-Dec-02	Sale of Ord Shares	211,735	-26,500	32,625,569
17-Dec-02	Sale of Ord Shares	15,980	-2,000	32,623,569
18-Dec-02	Sale of Ord Shares	26,894	-3,400	32,620,169
23-Dec-02	Sale of Ord Shares	813	-100	32,620,069
23-Dec-02	Sale of Ord Shares	2,133,917	-263,619	32,356,450
23-Dec-02	Sale of Ord Shares	813	-100	32,356,350
23-Dec-02	Sale of Ord Shares	813	-100	32,356,250
23-Dec-02	Sale of Ord Shares	813	-100	32,356,150
23-Dec-02	Sale of Ord Shares	813	-100	32,356,050
23-Dec-02	Sale of Ord Shares	813	-100	32,355,950
23-Dec-02	Sale of Ord Shares	813	-100	32,355,850
23-Dec-02	Sale of Ord Shares	1,626	-200	32,355,650
23-Dec-02	Sale of Ord Shares	1,626	-200	32,355,450
23-Dec-02	Sale of Ord Shares	1,626	-200	32,355,250
23-Dec-02	Sale of Ord Shares	2,439	-300	32,354,950
23-Dec-02	Sale of Ord Shares	2,439	-300	32,354,650
23-Dec-02	Sale of Ord Shares	3,252	-400	32,354,250
23-Dec-02	Sale of Ord Shares	3,252	-400	32,353,850
23-Dec-02	Sale of Ord Shares	4,065	-500	32,353,350
23-Dec-02	Sale of Ord Shares	6,504	-800	32,352,550
23-Dec-02	Sale of Ord Shares	8,130	-1,000	32,351,550

QBE				
Date	Transaction	Consideration	Units	Balance
23-Dec-02	Sale of Ord Shares	8,130	-1,000	32,350,550
23-Dec-02	Sale of Ord Shares	8,130	-1,000	32,349,550
23-Dec-02	Sale of Ord Shares	13,008	-1,600	32,347,950
23-Dec-02	Sale of Ord Shares	13,821	-1,700	32,346,250
23-Dec-02	Sale of Ord Shares	22,764	-2,800	32,343,450
23-Dec-02	Sale of Ord Shares	29,268	-3,600	32,339,850
23-Dec-02	Sale of Ord Shares	68,869	-8,471	32,331,379
24-Dec-02	Sale of Ord Shares	1,632	-200	32,331,179
24-Dec-02	Sale of Ord Shares	1,632	-200	32,330,979
24-Dec-02	Sale of Ord Shares	1,632	-200	32,330,779
24-Dec-02	Sale of Ord Shares	1,632	-200	32,330,579
24-Dec-02	Sale of Ord Shares	2,448	-300	32,330,279
24-Dec-02	Sale of Ord Shares	3,264	-400	32,329,879
24-Dec-02	Sale of Ord Shares	3,264	-400	32,329,479
24-Dec-02	Sale of Ord Shares	3,264	-400	32,329,079
24-Dec-02	Sale of Ord Shares	4,080	-500	32,328,579
24-Dec-02	Sale of Ord Shares	4,080	-500	32,328,079
24-Dec-02	Sale of Ord Shares	4,896	-600	32,327,479
24-Dec-02	Sale of Ord Shares	4,896	-600	32,326,879
24-Dec-02	Sale of Ord Shares	7,344	-900	32,325,979
24-Dec-02	Sale of Ord Shares	8,160	-1,000	32,324,979
24-Dec-02	Sale of Ord Shares	9,792	-1,200	32,323,779
24-Dec-02	Sale of Ord Shares	11,424	-1,400	32,322,379
24-Dec-02	Sale of Ord Shares	13,056	-1,600	32,320,779
24-Dec-02	Sale of Ord Shares	14,688	-1,800	32,318,979
24-Dec-02	Sale of Ord Shares	25,296	-3,100	32,315,879
24-Dec-02	Sale of Ord Shares	31,824	-3,900	32,311,979
24-Dec-02	Sale of Ord Shares	32,640	-4,000	32,307,979
24-Dec-02	Sale of Ord Shares	32,640	-4,000	32,303,979
24-Dec-02	Sale of Ord Shares	49,776	-6,100	32,297,879
24-Dec-02	Sale of Ord Shares	52,224	-6,400	32,291,479
24-Dec-02	Sale of Ord Shares	88,128	-10,800	32,280,679
24-Dec-02	Sale of Ord Shares	114,240	-14,000	32,266,679
24-Dec-02	Sale of Ord Shares	262,899	-32,218	32,234,461
2-Jan-03	Pur of Ord Shares	54,186	6,600	32,241,061
2-Jan-03	Pur of Ord Shares	101,804	12,400	32,253,461
2-Jan-03	Pur of Ord Shares	103,446	12,600	32,266,061
2-Jan-03	Pur of Ord Shares	103,446	12,600	32,278,661
2-Jan-03	Pur of Ord Shares	109,193	13,300	32,291,961
2-Jan-03	Pur of Ord Shares	141,212	17,200	32,309,161
2-Jan-03	Pur of Ord Shares	186,367	22,700	32,331,861
2-Jan-03	Pur of Ord Shares	207,713	25,300	32,357,161
2-Jan-03	Sale of Ord Shares	287,700	-35,000	32,322,161
2-Jan-03	Sale of Ord Shares	411,000	-50,000	32,272,161
2-Jan-03	Sale of Ord Shares	1,007,367	-122,700	32,149,461
3-Jan-03	Sale of Ord Shares	16,430	-2,000	32,147,461
3-Jan-03	Pur of Ord Shares	49,898	6,100	32,153,561
3-Jan-03	Pur of Ord Shares	49,898	6,100	32,159,661
3-Jan-03	Pur of Ord Shares	81,800	10,000	32,169,661
3-Jan-03	Sale of Ord Shares	41,050	-5,000	32,164,661
3-Jan-03	Sale of Ord Shares	181,596	-22,200	32,142,461
6-Jan-03	Sale of Ord Shares	3,312	-400	32,142,061
6-Jan-03	Sale of Ord Shares	3,312	-400	32,141,661
6-Jan-03	Sale of Ord Shares	4,140	-500	32,141,161
6-Jan-03	Sale of Ord Shares	5,796	-700	32,140,461
6-Jan-03	Sale of Ord Shares	6,624	-800	32,139,661
6-Jan-03	Sale of Ord Shares	8,280	-1,000	32,138,661
6-Jan-03	Sale of Ord Shares	9,936	-1,200	32,137,461
6-Jan-03	Sale of Ord Shares	9,936	-1,200	32,136,261
6-Jan-03	Sale of Ord Shares	10,764	-1,300	32,134,961

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Date	Transaction	Consideration	Units	Balance
6-Jan-03	Sale of Ord Shares	11,592	-1,400	32,133,561
6-Jan-03	Sale of Ord Shares	13,248	-1,600	32,131,961
6-Jan-03	Sale of Ord Shares	14,076	-1,700	32,130,261
6-Jan-03	Sale of Ord Shares	19,872	-2,400	32,127,861
6-Jan-03	Sale of Ord Shares	21,528	-2,600	32,125,261
6-Jan-03	Sale of Ord Shares	26,496	-3,200	32,122,061
6-Jan-03	Sale of Ord Shares	30,636	-3,700	32,118,361
6-Jan-03	Sale of Ord Shares	33,948	-4,100	32,114,261
6-Jan-03	Sale of Ord Shares	38,916	-4,700	32,109,561
6-Jan-03	Sale of Ord Shares	67,896	-8,200	32,101,361
6-Jan-03	Sale of Ord Shares	84,456	-10,200	32,091,161
6-Jan-03	Sale of Ord Shares	87,768	-10,600	32,080,561
6-Jan-03	Sale of Ord Shares	87,768	-10,600	32,069,961
6-Jan-03	Sale of Ord Shares	132,480	-16,000	32,053,961
6-Jan-03	Sale of Ord Shares	139,104	-16,800	32,037,161
6-Jan-03	Sale of Ord Shares	234,324	-28,300	32,008,861
6-Jan-03	Sale of Ord Shares	288,972	-34,900	31,973,961
6-Jan-03	Sale of Ord Shares	674,820	-81,500	31,892,461
10-Jan-03	Sale of Ord Shares	26,485	-3,300	31,889,161
13-Jan-03	Pur of Ord Shares	65,600	8,200	31,897,361
13-Jan-03	Pur of Ord Shares	140,000	17,500	31,914,861
13-Jan-03	Sale of Ord Shares	205,600	-25,700	31,889,161
17-Jan-03	Sale of Ord Shares	3,195	-408	31,888,753
17-Jan-03	Sale of Ord Shares	659,729	-83,600	31,805,153
23-Jan-03	Pur of Ord Shares	49,228	6,200	31,811,353
23-Jan-03	Pur of Ord Shares	57,962	7,300	31,818,653
23-Jan-03	Pur of Ord Shares	57,962	7,300	31,825,953
23-Jan-03	Pur of Ord Shares	73,842	9,300	31,835,253
23-Jan-03	Pur of Ord Shares	132,598	16,700	31,851,953
23-Jan-03	Sale of Ord Shares	142,126	-17,900	31,834,053
23-Jan-03	Sale of Ord Shares	229,466	-28,900	31,805,153
29-Jan-03	Sale of Ord Shares	31,860	-4,000	31,801,153
30-Jan-03	Pur of Ord Shares	152,684	19,600	31,820,753
30-Jan-03	Pur of Ord Shares	184,623	23,700	31,844,453
30-Jan-03	Sale of Ord Shares	337,307	-43,300	31,801,153
31-Jan-03	Sale of Ord Shares	117,705	-15,142	31,786,011
4-Feb-03	Pur of Ord Shares	57,912	7,600	31,793,611
4-Feb-03	Pur of Ord Shares	57,912	7,600	31,801,211
4-Feb-03	Pur of Ord Shares	57,912	7,600	31,808,811
4-Feb-03	Pur of Ord Shares	79,248	10,400	31,819,211
4-Feb-03	Pur of Ord Shares	169,164	22,200	31,841,411
4-Feb-03	Sale of Ord Shares	422,148	-55,400	31,786,011
6-Feb-03	Pur of Ord Shares	112,274	14,600	31,800,611
6-Feb-03	Sale of Ord Shares	112,274	-14,600	31,786,011
7-Feb-03	Sale of Ord Shares	7,299	-900	31,785,111
7-Feb-03	Sale of Ord Shares	8,040	-1,000	31,784,111
7-Feb-03	Sale of Ord Shares	8,040	-1,000	31,783,111
7-Feb-03	Sale of Ord Shares	8,110	-1,000	31,782,111
7-Feb-03	Sale of Ord Shares	9,648	-1,200	31,780,911
7-Feb-03	Sale of Ord Shares	9,732	-1,200	31,779,711
7-Feb-03	Sale of Ord Shares	12,864	-1,600	31,778,111
7-Feb-03	Sale of Ord Shares	12,976	-1,600	31,776,511
7-Feb-03	Sale of Ord Shares	16,080	-2,000	31,774,511
7-Feb-03	Sale of Ord Shares	16,220	-2,000	31,772,511
7-Feb-03	Sale of Ord Shares	20,100	-2,500	31,770,011
7-Feb-03	Sale of Ord Shares	20,275	-2,500	31,767,511
7-Feb-03	Sale of Ord Shares	22,512	-2,800	31,764,711
7-Feb-03	Sale of Ord Shares	22,512	-2,800	31,761,911
7-Feb-03	Sale of Ord Shares	22,708	-2,800	31,759,111
7-Feb-03	Sale of Ord Shares	22,708	-2,800	31,756,311

QBE				
Date	Transaction	Consideration	Units	Balance
7-Feb-03	Sale of Ord Shares	24,120	-3,000	31,753,311
7-Feb-03	Sale of Ord Shares	24,330	-3,000	31,750,311
7-Feb-03	Sale of Ord Shares	27,336	-3,400	31,746,911
7-Feb-03	Sale of Ord Shares	27,574	-3,400	31,743,511
7-Feb-03	Sale of Ord Shares	32,160	-4,000	31,739,511
7-Feb-03	Sale of Ord Shares	32,160	-4,000	31,735,511
7-Feb-03	Sale of Ord Shares	32,440	-4,000	31,731,511
7-Feb-03	Sale of Ord Shares	32,440	-4,000	31,727,511
7-Feb-03	Sale of Ord Shares	47,038	-5,800	31,721,711
7-Feb-03	Sale of Ord Shares	47,436	-5,900	31,715,811
7-Feb-03	Sale of Ord Shares	50,652	-6,300	31,709,511
7-Feb-03	Sale of Ord Shares	51,093	-6,300	31,703,211
7-Feb-03	Sale of Ord Shares	62,447	-7,700	31,695,511
7-Feb-03	Sale of Ord Shares	62,712	-7,800	31,687,711
7-Feb-03	Sale of Ord Shares	71,556	-8,900	31,678,811
7-Feb-03	Sale of Ord Shares	72,179	-8,900	31,669,911
7-Feb-03	Sale of Ord Shares	78,792	-9,800	31,660,111
7-Feb-03	Sale of Ord Shares	79,478	-9,800	31,650,311
7-Feb-03	Sale of Ord Shares	91,656	-11,400	31,638,911
7-Feb-03	Sale of Ord Shares	92,454	-11,400	31,627,511
7-Feb-03	Sale of Ord Shares	157,584	-19,600	31,607,911
7-Feb-03	Sale of Ord Shares	158,956	-19,600	31,588,311
7-Feb-03	Sale of Ord Shares	196,980	-24,500	31,563,811
7-Feb-03	Sale of Ord Shares	198,695	-24,500	31,539,311
7-Feb-03	Sale of Ord Shares	203,412	-25,300	31,514,011
7-Feb-03	Sale of Ord Shares	205,183	-25,300	31,488,711
7-Feb-03	Sale of Ord Shares	204,216	-25,400	31,463,311
7-Feb-03	Sale of Ord Shares	205,994	-25,400	31,437,911
7-Feb-03	Sale of Ord Shares	307,932	-38,300	31,399,611
7-Feb-03	Sale of Ord Shares	311,424	-38,400	31,361,211
7-Feb-03	Sale of Ord Shares	324,816	-40,400	31,320,811
7-Feb-03	Sale of Ord Shares	327,644	-40,400	31,280,411
7-Feb-03	Sale of Ord Shares	545,916	-67,900	31,212,511
7-Feb-03	Sale of Ord Shares	550,669	-67,900	31,144,611
7-Feb-03	Sale of Ord Shares	673,752	-83,800	31,060,811
7-Feb-03	Sale of Ord Shares	679,618	-83,800	30,977,011
7-Feb-03	Sale of Ord Shares	1,571,016	-195,400	30,781,611
7-Feb-03	Sale of Ord Shares	1,586,316	-195,600	30,586,011