

MARKEL CORP  
Form 424B5  
September 18, 2009  
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Filed pursuant to Rule 424(b)(5)  
Registration No. 333-156265

**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities</b>	<b>Maximum</b>	<b>Amount of</b>
<b>to be Registered</b> Debt Securities	<b>Aggregate Offering Price</b> \$350,000,000	<b>Registration Fee (1)(2)</b> \$19,530

- (1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.
- (2) This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the Company's Registration Statement of Form S-3 (File No. 333-156265) in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended.

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Prospectus Supplement

(To prospectus dated December 18, 2008)

**\$350,000,000**

**7.125% Senior Notes due 2019**

The notes will bear interest at the rate of 7.125% per annum. We will pay interest on the notes on March 30 and September 30 of each year, beginning March 30, 2010. The notes will mature on September 30, 2019. We may redeem the notes at our option, at any time or from time to time, at the make-whole premium described in this prospectus supplement. See Description of Notes Optional Redemption. The notes will not have the benefit of any sinking fund.

The notes will be our unsecured obligations and will rank equally with our unsecured senior indebtedness. The notes will be issued in registered form in denominations of \$1,000 and integral multiples of \$1,000.

**Investing in the notes involves risks that are described in the Risk Factors section beginning on page S-7 of this prospectus supplement.**

	<b>Per Note</b>	<b>Total</b>
Public offering price(1)	99.842%	\$ 349,447,000
Underwriting discount	0.65%	\$ 2,275,000
Proceeds, before expenses, to Markel	99.192%	\$ 347,172,000

(1) Plus accrued interest from September 22, 2009, if settlement occurs after that date

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

*Joint Book-Running Managers*

**Barclays Capital**

**Wells Fargo Securities**

*Joint Lead Managers*

**BofA Merrill Lynch**

**Citi**

*Co-Managers*

**BB&T Capital Markets**

**U.S. Bancorp Investments, Inc.**

The notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about September 22, 2009.

The date of this prospectus supplement is September 17, 2009.

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**Prospectus**

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This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are offering and certain other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent the description of the notes in this prospectus supplement differs from the description in the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in this document or to which this document refers you, or other offering materials filed by us with the Securities and Exchange Commission (SEC). We have not authorized anyone, and we have not authorized the underwriters to authorize anyone, to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the base prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

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**NOTE ON FORWARD-LOOKING AND CAUTIONARY STATEMENTS**

This prospectus supplement and accompanying prospectus contain or incorporate by reference statements concerning or incorporating our expectations, assumptions, plans, objectives, future financial or operating performance and other statements that are not historical facts. These statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

There are risks and uncertainties that may cause actual results to differ materially from predicted results in forward-looking statements. Factors that may cause actual results to differ are often presented with the forward-looking statements themselves. Additional factors that could cause actual results to differ from those predicted are set forth under Risk Factors or are included in the items listed below:

our anticipated premium volume is based on current knowledge and assumes no significant man-made or natural catastrophes, no significant changes in products or personnel and no adverse changes in market conditions;

we are legally required in certain instances to offer terrorism insurance and have attempted to manage our exposure; however, if there is a covered terrorist attack, we could sustain material losses;

the impact of the events of September 11, 2001 will depend on the resolution of on-going insurance coverage litigation and arbitrations;

the frequency and severity of catastrophic events is unpredictable and may be exacerbated if, as many forecast, conditions in the oceans and atmosphere result in increased hurricane or other adverse weather-related activity;

changing legal and social trends and inherent uncertainties (including but not limited to those uncertainties associated with our asbestos and environmental reserves) in the loss estimation process can adversely impact the adequacy of loss reserves and the allowance for reinsurance recoverables;

adverse developments in insurance coverage litigation could result in material increases in our estimates of loss reserves;

the loss estimation process may become more uncertain if we experience a period of rising inflation;

the costs and availability of reinsurance may impact our ability to write certain lines of business;

industry and economic conditions can affect the ability and/or willingness of reinsurers to pay balances due;

after the commutation of ceded reinsurance contracts, any subsequent adverse development in the re-assumed loss reserves will result in a charge to earnings;

regulatory actions can impede our ability to charge adequate rates and efficiently allocate capital;

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economic conditions, volatility in interest and foreign exchange rates and concentration of investments can have a significant impact on the fair value of fixed maturity and equity investments, as well as the carrying value of other assets and liabilities, and this impact is heightened by the current level of market volatility;

we cannot predict the extent and duration of disruptions that have resulted from recent economic and market conditions; the effects of government intervention into the markets to address these disruptions (including, among other things, financial stability and recovery initiatives; the government's ownership interest in American International Group, Inc. and the restructuring of that company; the economic stimulus package; potential regulatory changes affecting the insurance industry and the securities and derivatives markets; and changes in tax policy); and their combined impact on our industry, business and investment portfolio;

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because of adverse conditions in the financial services industry, access to capital has generally become more difficult and/or more expensive, which may adversely affect our ability to take advantage of business opportunities as they may arise;

our new business model may take longer to implement and cost more than we anticipate and may not achieve some or all of its objectives;

if we experience a pandemic (for example, a swine flu outbreak) or a localized catastrophic event in an area where we have offices, our business operations could be adversely affected;

loss of services of any executive officers could impact our operations; and

adverse changes in our assigned financial strength or debt ratings could impact our ability to attract and retain business or obtain capital.

Our premium volume and underwriting and investment results have been and will continue to be potentially materially affected by these factors. By making forward-looking statements, we do not intend to become obligated to publicly update or revise any such statements whether as a result of new information, future events or other changes. You should not place undue reliance on any forward-looking statements which speak only as at their dates.

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**SUMMARY**

*This summary highlights selected information from this prospectus supplement and the accompanying prospectus to help you understand us and the notes. The Description of Notes section of this prospectus supplement and the Description of Debt Securities section of the accompanying prospectus contain more detailed information regarding the terms and conditions of the notes. You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the notes and the other considerations that are important to you in making a decision about whether to invest in the notes.*

*Unless otherwise indicated, references in this prospectus supplement to Markel, we, us and our are to Markel Corporation and its consolidated subsidiaries.*

**Markel Corporation**

We market and underwrite specialty insurance products and programs to a variety of niche markets and believe that our specialty product focus and niche market strategy enable us to develop expertise and specialized market knowledge. We seek to differentiate ourselves from competitors by reason of our expertise, service, continuity and other value-based considerations. We compete in three segments of the specialty insurance marketplace:

the excess and surplus lines market;

the specialty admitted market; and

the London insurance market.

Our financial goals are to earn consistent underwriting profits and superior investment returns to build shareholder value. We are a Virginia corporation headquartered at 4521 Highwoods Parkway, Glen Allen, Virginia 23060-6148, telephone number (804) 747-0136.

**Ratio of Earnings to Fixed Charges**

The following table sets forth our historical ratio of earnings to fixed charges for each of the last five fiscal years and for the six-month period ended June 30, 2009.

<b>Six Months Ended June 30,</b>	<b>Year Ended December 31,</b>				
<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
3.4	*	10.1	8.8	3.7	4.7

The ratio of earnings to fixed charges is computed by dividing pretax income from continuing operations before fixed charges by fixed charges. Fixed charges consist of interest charges and amortization of debt expense and discount or premium related to indebtedness, whether expensed or capitalized, and that portion of rental expense we believe to be representative of interest.



\* For 2008, our earnings were insufficient to cover fixed charges by \$161.9 million.

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**The Offering**

Issuer	Markel Corporation
Notes offered	\$350 million aggregate principal amount of 7.125% Senior Notes due 2019.
Maturity	September 30, 2019
Interest payment dates	March 30 and September 30 of each year, beginning March 30, 2010.
Optional Redemption	We may redeem the notes at our option, as a whole or in part, at any time or from time to time, at the make-whole premium described in Description of Notes Optional Redemption on page S-12 plus accrued interest to the date of redemption. Accrued interest will be paid to, but excluding, the redemption date.
Sinking fund	None.
Ranking	<p>The notes will be our direct, unsecured and unsubordinated obligations, ranking equally in right of payment with all of our existing and future unsecured and unsubordinated indebtedness. The notes will be effectively junior in right of payment to any secured indebtedness to the extent of the value of the assets securing such indebtedness. The notes will also be effectively junior in right of payment to all of the liabilities of our subsidiaries.</p> <p>As of June 30, 2009, we had approximately \$739 million of unsubordinated indebtedness outstanding on a consolidated basis. Markel Corporation currently has no secured debt. Our consolidated subsidiaries have approximately \$15 million of outstanding indebtedness for borrowed money, all of which relates to financings for our Red Bank, New Jersey offices.</p>
Covenants	The supplemental indenture for the notes contains limitations on our ability to incur certain liens securing debt. See Description of Notes Limitation on Liens. The indenture also contains, among other things, restrictions on our ability to enter into some consolidations, mergers or transfers of all or substantially all of our assets.
Use of proceeds	We intend to use the net proceeds from the sale of the notes for general corporate purposes, including acquisitions. See Use of Proceeds on page S-10.
Risk factors	You should carefully consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, should carefully read the section entitled Risk Factors before purchasing any of the notes.

Clearance and Settlement

The notes will be cleared through The Depository Trust Company.

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**RISK FACTORS**

*An investment in the notes involves risks. In addition to the matters addressed in Note on Forward-Looking and Cautionary Statements and other information included or incorporated in this prospectus supplement and the accompanying prospectus, you should consider the following risk factors in determining whether to purchase the notes.*

**Our holding company structure results in structural subordination which may affect our ability to make payments on the notes.**

The notes are obligations exclusively of Markel Corporation. We are a holding company and, accordingly, substantially all of our operations are conducted through our regulated subsidiaries. As a result, our cash flow and our ability to service our debt, including the notes, are dependent upon the earnings of our subsidiaries and on the distribution of earnings, loans or other payments by our subsidiaries to us. In addition, payment of dividends by our insurance subsidiaries may require prior regulatory notice or approval. The notes will be structurally subordinated to all obligations of our subsidiaries, which means that holders of obligations of our subsidiaries have claims on the assets of those subsidiaries that have priority to claims of holders of the notes. The indenture governing the notes does not limit the amount of debt that we or any of our subsidiaries may incur.

**Our results may be affected because actual insured losses differ from our loss reserves.**

Significant periods of time often elapse between the occurrence of an insured loss, the reporting of the loss to us and our payment of that loss. To recognize liabilities for unpaid losses, we establish reserves as balance sheet liabilities representing estimates of amounts needed to pay reported and unreported losses and the related loss adjustment expenses. The process of estimating loss reserves is a difficult and complex exercise involving many variables and subjective judgments. As part of the reserving process, we review historical data and consider the impact of such factors as:

trends in claim frequency and severity,

changes in operations,

emerging economic and social trends,

uncertainties relating to asbestos and environmental exposures,

inflation, and

changes in the regulatory and litigation environments.

This process assumes that past experience, adjusted for the effects of current developments and anticipated trends, is an appropriate basis for predicting future events. There is no precise method, however, for evaluating the impact of any specific factor on the adequacy of reserves, and actual results will differ from original estimates. As part of the reserving process, we regularly review our loss reserves and make adjustments as necessary. Future increases in reserves will result in additional charges to earnings.

**We may experience losses from catastrophes.**

Because we are a property and casualty insurance company, we frequently experience losses from man-made or natural catastrophes. Catastrophes may have a material adverse effect on operations. Catastrophes include windstorms, hurricanes, earthquakes, tornadoes, hail, severe winter weather and fires and may include terrorist events. We cannot predict how severe a particular catastrophe will be before it occurs. The extent of losses from catastrophes is a function of the total amount of losses incurred, the number of insureds affected, the frequency and severity of the events, the effectiveness of our catastrophe risk management program and the adequacy of our reinsurance coverage. Most

catastrophes occur over a small geographic area; however, some catastrophes may produce significant damage in large, heavily populated areas.

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### **We are subject to regulation by insurance regulatory authorities that may affect our ability to implement our business objectives.**

Our insurance subsidiaries are subject to supervision and regulation by the insurance regulatory authorities in the various jurisdictions in which they conduct business. This regulation is intended for the benefit of policyholders rather than shareholders or holders of debt securities. Insurance regulatory authorities have broad regulatory, supervisory and administrative powers relating to solvency standards, licensing, policy rates and forms and the form and content of financial reports. In light of recent economic conditions, regulatory and legislative authorities are considering enhanced or new regulatory requirements intended to prevent future crises or otherwise assure the stability of financial institutions. Regulatory authorities also may seek to exercise their supervisory or enforcement authority in new or more aggressive ways, such as imposing increased capital requirements. Any such actions, if they occurred, could affect the competitive market and the way we conduct our business and manage our capital. As a result, such actions could materially affect our results of operations, financial condition and liquidity.

### **Our investment results may be impacted by changes in interest rates, government monetary policies and general economic conditions.**

We receive premiums from customers for insuring their risks. We invest these funds until they are needed to pay policyholder claims or until they are recognized as profits. Fluctuations in the value of our investment portfolio can occur as a result of changes in interest rates, government monetary policies and general economic conditions. Our investment results may be impacted by these factors.

### **We invest a significant portion of our invested assets in equity securities, which may result in significant variability in our investment results and may adversely impact shareholders' equity. Additionally, our equity investment portfolio is concentrated and declines in value on these significant investments could adversely affect our financial results.**

Equity securities were 49% and 70% of our shareholders' equity at December 31, 2008 and 2007, respectively. Equity securities have historically produced higher returns than fixed maturities; however, investing in equity securities may result in significant variability in investment returns from one period to the next. If recent levels of market volatility persist, we could experience significant declines in the fair value of our equity investment portfolio, which would result in a material decrease in shareholders' equity. Additionally, if the fair value of our equity portfolio declines significantly, we may have unrealized holding losses for which we are unable to record a deferred tax asset. Our equity portfolio is concentrated in particular issuers and industries and, as a result, a decline in the fair value of these significant investments also could result in a material decrease in shareholders' equity. A material decrease in shareholders' equity may adversely impact our ability to carry out our business plans.

### **Deterioration in the public debt and equity markets could lead to investment losses and adverse effects on our business.**

The severe downturn in the public debt and equity markets in 2008 and early 2009, reflecting uncertainties associated with the mortgage and credit crises, worsening economic conditions, widening of credit spreads, bankruptcies and government intervention in large financial institutions, resulted in significant realized and unrealized losses in our investment portfolio. Depending on future market conditions, we could incur substantial additional realized and unrealized losses in future periods, which would have an adverse impact on our results of operations, financial condition, debt and financial strength ratings, insurance subsidiaries' capital and ability to access capital markets. In addition, because of adverse conditions in the financial services industry, access to capital has generally become more difficult, which may adversely affect our ability to take advantage of business opportunities as they arise.

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### **Competition in the property and casualty insurance industry could adversely affect our ability to grow or maintain premium volume.**

Among our competitive strengths have been our specialty product focus and our niche market strategy. These strengths also make us vulnerable in periods of intense competition to actions by other insurance companies who seek to write additional premiums without appropriate regard for ultimate profitability. During soft markets, it is very difficult for us to grow or maintain premium volume levels without sacrificing underwriting profits. If we are not successful in maintaining rates or achieving rate increases, it may be difficult for us to improve underwriting margins and grow or maintain premium volume levels.

### **If we are not successful in the implementation of our One Markel initiative, we may experience increased costs, a decline in premium volume or increased internal control risk.**

Our One Markel initiative involves transitioning the business model for our excess and surplus lines units to a customer-focused, regional strategy. In the new model, our underwriters will have access to and expertise in all of our product offerings and will be located closer to our producers. The overall goal of One Markel is to grow our business while maintaining our underwriting integrity, with unified systems greatly enhancing our ability to accomplish this goal. We expect to incur higher expenses in the short term as we implement our new model and systems; however, if we are unsuccessful in implementing One Markel, we could also experience one or more of the following: increased costs due to delays or disruptions from system conversions; lower underwriting profits if we cannot maintain our underwriting standards under the new model; and decreased premium volume if we are unable to successfully transition our producers to the new model. In addition, adopting this new business model and implementing new information technology systems in support of this initiative will change the design of our system of internal controls, which may increase internal control risk for a period of time.

### **Because we rely on reinsurance, we bear collection risk if the reinsurer fails to meet its obligations under the reinsurance agreement.**

We purchase reinsurance in order to reduce our retention on individual risks and to have the ability to underwrite policies with sufficient limits to meet policyholder needs. The ceding of insurance does not legally discharge us from our primary liability for the full amount of the policies.

Such reliance on reinsurance may create credit risk as a result of the reinsurer's inability or unwillingness to pay reinsurance claims when due. Deterioration in the credit quality of existing reinsurers or disputes over the terms of reinsurance could result in additional charges, which may adversely impact our profitability.

### **A ratings decline could adversely affect the value of the notes.**

Any of the agencies that rate our debt have the ability to lower the ratings currently assigned to our debt at any time, as a result of their views about our current or future business, financial condition or results of operations. Any ratings decline could adversely affect the value of the notes.

### **A public market does not currently exist for the notes and a market may not develop or be sustained.**

The notes will represent new securities for which no market currently exists. Although a market exists for our currently outstanding debt securities, there can be no assurance that an active trading market for the notes will develop or, if a market develops, that it will be liquid or sustainable.

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**USE OF PROCEEDS**

We estimate that the net proceeds of the offering, after deducting the underwriting discount but before expenses, will be approximately \$347,172,000. Proceeds of the offering will be used for general corporate purposes, including acquisitions. We have entered into an agreement to purchase Elliot Special Risks, a Canadian managing general agent which underwrites a range of specialty insurance products, for Cdn\$75 million. That transaction is scheduled to close October 1, 2009. We are also in various stages of discussion and negotiation with respect to other potential acquisitions in connection with both our insurance business and our private company investment portfolio; however, we have not reached any definitive agreement with respect to any of these potential acquisitions, and none of them would be material to our business as a whole.

Pending their use for the purposes described in the preceding paragraph, the proceeds of the offering will be invested in short-term securities.

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**DESCRIPTION OF NOTES**

Set forth below is a description of the specific terms of the notes. This description supplements, and should be read together with, the description of the general terms and provisions of the senior Debt Securities set forth in the accompanying prospectus under the caption "Description of Debt Securities" and, to the extent it is inconsistent with the accompanying prospectus, replaces the description in the accompanying prospectus. The notes will be issued under an indenture dated as of June 5, 2001, between Markel and The Bank of New York Mellon (as successor to The Chase Manhattan Bank), as indenture trustee, as supplemented and amended by a fifth supplemental indenture, to be dated as of September 22, 2009 (as amended, the Indenture). The following description is not complete in every detail and is subject to, and is qualified in its entirety by reference to, the description of the notes in the accompanying prospectus and the Indenture. Capitalized terms used in this "Description of Notes" that are not defined in this prospectus supplement have the meanings given to them in the accompanying prospectus or the Indenture.

As used in this section "Description of Notes" and in the accompanying prospectus under the caption "Description of Debt Securities," any references to "the Company," "us," "we," "our" or "Markel" are to Markel Corporation, excluding its subsidiaries.

**General**

The 7.125% senior notes due 2019 will initially be limited in aggregate principal amount to \$350 million. We may, without the consent of the existing holders of notes, issue additional notes having the same ranking and the same interest rate, maturity and other terms as the notes. Any additional notes having such similar terms, together with the notes, will constitute a single series of notes under the Indenture.

The entire principal amount of the notes will mature and become due and payable, together with any accrued and unpaid interest, on September 30, 2019. The notes are not subject to any sinking fund provision. The notes will be issued only in registered form in denominations of \$1,000 and integral multiples of \$1,000.

**Ranking**

The notes will be our direct, unsecured and unsubordinated obligations ranking equally in right of payment with all of our existing and future unsecured and unsubordinated indebtedness. The notes will be effectively junior in right of payment to any secured indebtedness to the extent of the value of the assets securing such indebtedness. Markel Corporation currently has no secured debt. As of June 30, 2009, we had approximately \$739 million of unsubordinated indebtedness outstanding on a consolidated basis.

The notes will also be effectively junior in right of payment to all of the liabilities of our subsidiaries. Because we are a holding company and conduct all of our operations through our subsidiaries, our ability to meet our obligations under the notes is dependent on the earnings and cash flows of those subsidiaries and the ability of those subsidiaries to pay dividends or to advance or repay funds to us. Holders of notes will generally have a junior position to claims of creditors of our subsidiaries, including insureds, trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders. Our consolidated subsidiaries currently have approximately \$15 million of outstanding indebtedness for borrowed money, all of which relates to financings for our Red Bank, New Jersey offices. We acquired a controlling interest in the entities which own the offices and are the obligors on the financings in the third quarter of 2009.

Unless otherwise described below under "Limitation on Liens" or in the accompanying prospectus under "Description of Debt Securities - Consolidation, Merger and Sale of Assets," the Indenture does not contain any provisions that would limit our ability or the ability of our subsidiaries to incur indebtedness or that would afford holders of the notes protection in the event of a sudden and significant decline in our credit quality or a takeover, recapitalization or highly leveraged similar transaction involving our company. Accordingly, we could in the future enter into transactions that could increase the amount of our or our subsidiaries' indebtedness outstanding at that time or otherwise affect our capital structure or credit rating.

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### **Interest**

Each note will bear interest at the rate of 7.125% per year from September 22, 2009 or from the most recent date on which interest has been paid.

Interest is payable semiannually in arrears on March 30 and September 30 of each year (each, an Interest Payment Date). The initial Interest Payment Date is March 30, 2010. The amount of interest payable will be computed on the basis of a 360-day year of twelve 30-day months. If any date on which interest is payable on the notes is not a business day, then payment of the interest payable on that date will be made on the next succeeding day which is a business day (and without any interest or other payment in respect of any delay), with the same force and effect as if made on such date.

So long as the notes remain in book-entry form, the record date for each Interest Payment Date will be the close of business on the business day before the applicable Interest Payment Date. If the notes are not in book-entry form, the record date for each Interest Payment Date will be the close of business on the fifteenth calendar day before the applicable Interest Payment Date (whether or not a business day).

### **Optional Redemption**

The notes are redeemable, as a whole or in part, at our option, at any time or from time to time, upon notice mailed to the registered address of each holder of notes at least 30 days but not more than 60 days prior to the redemption date. The make-whole premium redemption price will be equal to the greater of (1) 100% of the principal amount of the notes to be redeemed and (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) on such notes discounted to the date of redemption, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at a rate equal to the sum of the applicable Treasury Rate (as defined below) plus 50 basis points. Accrued interest will be paid to, but excluding, the redemption date.

**Treasury Rate** means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity (computed as of the third business day immediately preceding that redemption date) of the Comparable Treasury Issue (as defined below), assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price (as defined below) for that redemption date.

**Comparable Treasury Issue** means the United States Treasury security selected by a Reference Treasury Dealer (as defined below) as having an actual or interpolated maturity comparable to the remaining term of the notes called for redemption, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of notes called for redemption.

**Comparable Treasury Price** means, with respect to any redemption date, the average, as determined by us, of the Reference Treasury Dealer Quotations (as defined below) for that redemption date.

**Reference Treasury Dealer** means Wells Fargo Securities, LLC and Barclays Capital Inc. and one other U.S. Government securities dealer selected by us, and each of their respective successors.

**Reference Treasury Dealer Quotations** means, on any redemption date, the average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by each Reference Treasury Dealer at 3:30 p.m., New York City time, on the third business day preceding that redemption date.

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**Remaining Scheduled Payments** means the remaining scheduled payments of principal of and interest on the notes called for redemption that would be due after the related redemption date but for that redemption. If that redemption date is not an interest payment date with respect to the notes called for redemption, the amount of the next succeeding scheduled interest payment on such notes will be reduced by the amount of interest accrued to such redemption date.

We will prepare and mail a notice of redemption to each holder of notes to be redeemed by first-class mail at least 30 and not more than 60 days prior to the date fixed for redemption. On and after a redemption date, interest will cease to accrue on the notes called for redemption (unless we default in the payment of the redemption price and accrued interest). On or before a redemption date, we will deposit with a paying agent (or the trustee) money sufficient to pay the redemption price of and accrued interest on the notes to be redeemed on that date. If less than all of the notes are to be redeemed, the notes to be redeemed shall be selected by the trustee pro rata or by lot or by a method the trustee deems to be fair and appropriate.

### **Limitation on Liens**

While any of the notes are outstanding, neither we nor our Material Subsidiaries will issue, assume, incur or guarantee any indebtedness for borrowed money secured by a mortgage, pledge, lien or other encumbrance, directly or indirectly, upon any shares of the voting stock of a Material Subsidiary without providing that the notes will be secured equally and ratably with, or prior to, that secured indebtedness so long as the indebtedness remains outstanding. These restrictions, however, do not apply to liens upon shares of voting stock of any corporation that exist at the time that corporation becomes a Material Subsidiary and extensions, renewals or replacements of these pre-existing liens. The term **Material Subsidiary** means each of our subsidiaries whose total assets (as determined in accordance with GAAP) represent at least 20% of our total assets on a consolidated basis.

### **Events of Default**

The following are events of default for the notes:

- (1) default in payment of the principal amount at maturity;
- (2) default in payment of interest, which default continues for 30 days;
- (3) our failure to comply with any of our other agreements in the notes or the Indenture upon our receipt of notice of such default from the trustee or from holders of not less than 25% in aggregate principal amount of the notes then outstanding, and our failure to cure (or obtain a waiver of) such default within 60 days after we receive such notice;
- (4) (a) our failure to make any payment by the end of any applicable grace period after maturity of indebtedness, which term as used in the Indenture means our obligations (other than nonrecourse obligations) for borrowed money or evidenced by bonds, debentures, notes or similar instruments in an aggregate principal amount in excess of \$50,000,000 (Indebtedness) and continuance of such failure, or (b) the acceleration of Indebtedness because of a default with respect to such Indebtedness without such Indebtedness having been discharged or such acceleration having been cured, waived, rescinded or annulled, in each case, for a period of 10 days after written notice to us by the trustee or to us and the trustee by the holders of not less than 25% in aggregate principal amount of the notes then outstanding; however, if any such failure or acceleration referred to in (a) or (b) above ceases or is cured, waived, rescinded or annulled, then the event of default by reason thereof will be deemed not to have occurred; or
- (5) certain events of bankruptcy or insolvency affecting us.

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If an event of default (other than as specified in clause (5) above) occurs and is continuing, the trustee, by notice to us, or the holders of at least 25% in aggregate principal amount of the notes then outstanding, by notice to the trustee and us, may declare the principal of, and accrued interest on, all of the outstanding notes due and payable immediately, upon which declaration all amounts payable in respect of the notes will be immediately due and payable. If an event of default specified in clause (5) above occurs and is continuing, then the principal of, and accrued interest on, all of the outstanding notes will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of notes.

After a declaration of acceleration under the Indenture, but before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of a majority in aggregate principal amount of the outstanding notes, by written notice to us and the trustee, may rescind such declaration if (a) we have paid or deposited with the trustee a sum sufficient to pay (i) all sums paid or advanced by the trustee under the Indenture and the reasonable compensation, expenses, disbursements and advances of the trustee, its agents and counsel, (ii) all overdue interest on all notes, (iii) the principal of any notes which have become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the notes, and (iv) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate borne by the notes which has become due otherwise than by such declaration of acceleration; (b) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction; and (c) all events of default, other than the nonpayment of principal of, and interest on, the notes that has become due solely by such declaration of acceleration, have been cured or waived.

The holders of not less than a majority in aggregate principal amount of the outstanding notes may on behalf of the holders of all the notes waive any past defaults under the Indenture, except a default in the payment of the principal of, or interest on, any notes, or in respect of a covenant or provision which under the Indenture cannot be modified or amended without the consent of the holder of each note outstanding.

No holder of any of the notes has any right to institute any proceeding with respect to the Indenture or any remedy thereunder, unless the holders of at least a majority in aggregate principal amount of the outstanding notes have made written request, and offered reasonable indemnity, to the trustee to institute such proceeding as trustee under the notes and the Indenture, the trustee has failed to institute such proceeding within 60 days after receipt of such notice and the trustee, within such 60-day period, has not received directions inconsistent with such written request by holders of a majority in aggregate principal amount of the outstanding notes. Such limitations do not apply, however, to a suit instituted by a holder of a note for the enforcement of the payment of the principal of, or interest on, such note on or after the respective due dates expressed in such note.

## **Defeasance**

Under the Indenture, we may exercise rights of defeasance (either as to all our obligations or as to certain covenants, which we call covenant defeasance) as described in the accompanying prospectus under Description of Debt Securities Defeasance. In addition to the conditions described in the accompanying prospectus, we must, as a condition to exercising rights of defeasance or covenant defeasance with respect to the notes, deliver to the trustee an opinion of counsel to the effect that the holders of the then outstanding notes will not recognize income, gain or loss for federal income tax purposes as a result of the defeasance or covenant defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the defeasance or covenant defeasance had not occurred. In the case of a defeasance (but not a covenant defeasance), the opinion must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable federal income tax laws.

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### **The Trustee**

The trustee under the Indenture is The Bank of New York Mellon, 101 Barclay Street 8W, New York, New York 10286. In the ordinary course of business, we may borrow money from, and maintain other banking relationships with, the trustee and its affiliates.

### **Book-Entry Procedures and Settlement**

Upon issuance, the notes will be represented by one or more fully registered global certificates. Each global certificate will be deposited with the trustee on behalf of The Depository Trust Company (DTC) and will be registered in the name of DTC or a nominee of DTC. DTC will thus be the only registered holder of these securities.

The following is based on information furnished to us by DTC:

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered under the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (Direct Participants) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the notes on DTC's records. The ownership interest of each actual purchaser of each note (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the notes, unless use of the book-entry system for the notes is discontinued.

To facilitate subsequent transfers, all of the notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Company as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Company or the trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such Participant and not of DTC, the trustee, or the Company, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Company or the trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the notes at any time by giving reasonable notice to the Company or the trustee. Under such circumstances, if a successor depository is not obtained, notes are required to be printed and delivered. The Company may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, notes will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

We have no responsibility for the performance by DTC or its Participants of their respective obligations as described in this prospectus or under the rules and procedures governing their respective operations.

**Table of Contents****UNDERWRITING**

Under the terms and subject to the conditions set forth in the underwriting agreement and related pricing agreement dated September 17, 2009, the underwriters named below have severally agreed to purchase and we have agreed to sell to them, severally, the respective principal amount of the notes set forth opposite their respective names below:

<b>Underwriter</b>	<b>Principal Amount</b>
Barclays Capital Inc.	\$ 105,000,000
Wells Fargo Securities, LLC	105,000,000
Banc of America Securities LLC	52,500,000
Citigroup Global Markets Inc.	52,500,000
BB&T Capital Markets, a division of Scott & Stringfellow, LLC	17,500,000
U.S. Bancorp Investments, Inc.	17,500,000
<b>Total</b>	<b>\$ 350,000,000</b>

The underwriters have agreed to purchase the notes at an initial public offering price equal to 99.842% of the principal amount of the notes, less a total underwriting discount of \$2,275,000, for a total purchase price of \$347,172,000.

The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the notes are subject to, among other things, the approval of certain legal matters by their counsel and certain other conditions. The underwriters are obligated to take and pay for all the notes if any are taken.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments that the underwriters may be required to make in respect thereof.

The underwriters propose initially to offer the notes to the public at the public offering price set forth on the cover page of this prospectus supplement and may offer the notes to dealers at that price less a concession not in excess of 0.400% of the principal amount of the notes. The underwriters may allow, and such dealers may reallow, a discount not in excess of 0.250% of the principal amount of the notes to other dealers. After the initial public offering, the public offering price, concession and discount may be changed.

We estimate the expenses of this offering, not including the underwriting discount, to be approximately \$150,000. These expenses are payable by us.

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for quotation of the notes on any automated dealer quotation system. We have been advised by the underwriters that they presently intend to make a market in the notes after completion of the offering. However, the underwriters are under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure the liquidity of the trading market for the notes or that an active public market for the notes will develop. If an active public trading market for the notes does not develop, the market price and liquidity of the notes may be adversely affected.

In connection with the offering, the underwriters are permitted to engage in transactions that stabilize the market price of the notes. Such transactions consist of bids or purchases to peg, fix or maintain the price of the notes. If the underwriters create a short position in the notes in connection with the offering, i.e., if they sell more notes than are on the cover page of this prospectus supplement, the underwriters may reduce that short position

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by purchasing notes in the open market. Finally, the underwriters may reclaim selling concessions allowed to an underwriter or dealer for distributing notes in this offering, if the underwriters repurchase previously distributed notes in transactions that cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities could cause the price of the security to be higher than it might be in the absence of such purchases.

Neither we nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, neither we nor the underwriters make any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

The underwriters or their affiliates have provided and may in the future continue to provide commercial and investment banking and other financial services for us and our affiliates in the ordinary course of business, for which they have received and may continue to receive customary fees and commissions. Wachovia Bank, N.A., an affiliate of Wells Fargo Securities, LLC, Barclays Bank PLC, an affiliate of Barclays Capital Inc., Branch Banking & Trust Co. of Virginia, an affiliate of BB&T Capital Markets, a division of Scott & Stringfellow, LLC, and Citibank, N.A., an affiliate of Citigroup Global Markets Inc., are lenders under our revolving credit facility. No amounts are currently outstanding under our credit facility.



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**WHERE YOU CAN FIND MORE INFORMATION**

We are subject to the informational reporting requirements of the Securities Exchange Act of 1934. You may read and copy any document that we file at the public reference facilities of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the public reference facilities may be obtained by calling the SEC at 1-800-SEC-0330. You may also inspect our annual, quarterly and current reports, any proxy statements and other information over the Internet at the SEC's home page at <http://www.sec.gov>. Our common shares are listed on the New York Stock Exchange under the symbol MKL. Our filings may also be read and copied at the New York Stock Exchange at 20 Broad Street, New York, NY 10005.

This prospectus is part of a registration statement we have filed with the SEC relating to the notes. The SEC allows us to incorporate by reference the information filed with them, which means that we can disclose important information to you by referring you to those documents. The information we incorporate by reference is an important part of this prospectus, and later information filed with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until all the offered securities are sold. The documents incorporated by reference are:

Annual Report on Form 10-K for the year ended December 31, 2008.

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2009 and June 30, 2009.

Current Reports on Form 8-K filed January 7, 2009, January 30, 2009, August 26, 2009 and September 17, 2009.

You may request a copy of these filings, which will be provided at no cost, by writing or telephoning us at: 4521 Highwoods Parkway, Glen Allen, Virginia 23060-6148, telephone number (804) 747-0136.

**VALIDITY OF NOTES**

Certain legal matters in connection with the notes will be passed upon for us by McGuireWoods LLP, Richmond, Virginia. As of September 17, 2009, partners of McGuireWoods LLP owned less than 1% of our common shares outstanding on that date. The underwriters are represented by Shearman & Sterling LLP, New York, New York.

**EXPERTS**

The consolidated financial statements of Markel Corporation and subsidiaries as of December 31, 2008 and 2007, and for each of the years in the three-year period ended December 31, 2008, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2008 have been incorporated by reference herein and in the registration statement in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

The report on the consolidated financial statements of Markel Corporation and subsidiaries dated February 26, 2009 refers to a change in accounting for uncertainty in income taxes in 2007 and a change related to defined benefit pension and other postretirement plans in 2006.

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**PROSPECTUS**

**Markel Corporation**

**Common Shares, Preferred Shares, Debt Securities, Warrants,**

**Share Purchase Contracts and Share Purchase Units**

From time to time, we may offer and sell:

common shares,

preferred shares,

debt securities,

warrants,

share purchase contracts, and