

PARTNERRE LTD
 Form 424B7
 October 05, 2009
Table of Contents

Filed pursuant to Rule 424(b)(7)
 Registration No. 333-158531

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per unit (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee (3)
Common Shares, par value \$1.00 per share	4,769,084	\$77.92	\$371,607,025.28	\$20,735.67

- (1) The securities registered herein are offered pursuant to an automatic shelf registration statement.
- (2) Estimated solely for purposes of determining the registration fee, based on the average of the high and low prices for our common shares as reported on the New York Stock Exchange on September 29, 2009, in accordance with Rule 457(c) under the Securities Act of 1933, as amended.
- (3) The registration fee of \$20,735.67 is calculated in accordance with Rule 457(c) of the Securities Act of 1933. The registration fee has been transmitted to the SEC in connection with the offering of common shares pursuant to the registration statement No. 333-158531 by means of this prospectus supplement in accordance with Rule 457(r).

PROSPECTUS SUPPLEMENT

(To Prospectus dated April 10, 2009)

4,769,084 Shares
PartnerRe Ltd.
Common Shares

The selling shareholders named in this prospectus supplement may from time to time offer and sell shares of our common stock which they own, at prices to be determined at the time of sale. See Selling Shareholders. The common shares offered hereby may only be sold in non-underwritten broker transactions or non-underwritten block trades on the New York Stock Exchange. We will not receive any of the proceeds from the sale of common shares by the selling shareholders.

Our common shares are listed on the New York Stock Exchange under the symbol PRE. On October 2, 2009, the last reported closing price of our common shares was \$76.96 per share.

Investing in our common shares involves risks. See the discussion of risk factors in our Annual Report on Form 10-K for the year ended December 31, 2008 and in our Form 8-K dated August 10, 2009, which are incorporated by reference herein.

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 prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

October 5, 2009

Table of Contents

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. Neither we nor the selling shareholders have authorized anyone else to provide you with different information. Neither we nor the selling shareholders are making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement or the date of the accompanying prospectus, as applicable. Our business, financial condition, results of operations and prospects may have changed since that date.

TABLE OF CONTENTS

Prospectus Supplement

<u>Forward-Looking Statements</u>	Page S-3
<u>Risk Factors</u>	S-4
<u>Use of Proceeds</u>	S-4
<u>Selling Shareholders</u>	S-5
<u>Plan of Distribution</u>	S-6
<u>Experts</u>	S-6
<u>Enforcement of Civil Liabilities Under United States Federal Securities Laws</u>	S-6
<u>Where You Can Find More Information</u>	S-7
<u>Information Incorporated by Reference</u>	S-7

Prospectus

<u>About This Prospectus</u>	Page 1
<u>PartnerRe Ltd</u>	1
<u>The Finance Subsidiaries</u>	2
<u>The Capital Trusts</u>	2
<u>Risk Factors</u>	4
<u>Forward-Looking Statements</u>	4
<u>Use of Proceeds</u>	6
<u>Ratio of Earnings to Fixed Charges and Preferred Share Dividends of PartnerRe</u>	6
<u>General Description of the Offered Securities</u>	7
<u>Description of our Capital Shares</u>	7
<u>Description of the Depositary Shares</u>	15
<u>Description of the Debt Securities</u>	18
<u>Certain Provisions of the Junior Subordinated Debt Securities Issued to the Capital Trusts</u>	35
<u>Description of the Debt Securities Guarantees</u>	40
<u>Description of the Warrants to Purchase Common Shares or Preferred Shares</u>	41
<u>Description of the Warrants to Purchase Debt Securities</u>	43
<u>Description of the Trust Preferred Securities</u>	44
<u>Description of the Trust Preferred Securities Guarantees</u>	54
<u>Description of the Share Purchase Contracts and the Share Purchase Units</u>	57
<u>Description of Units</u>	57
<u>Plan of Distribution</u>	58
<u>Legal Opinions</u>	61
<u>Experts</u>	61
<u>Where You Can Find More Information</u>	61
<u>Incorporation of Certain Documents By Reference</u>	62
<u>Enforcement of Civil Liabilities Under United States Federal Securities Laws</u>	64

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus supplement may include statements about future economic performance, finances, expectations, plans and prospects of us and PARIS RE Holdings Limited (Paris Re) that constitute forward-looking statements for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those suggested by such statements. For further information regarding cautionary statements and factors affecting our future results, please refer to the most recent Annual Report on Form 10-K and our Form 8-K filed on August 10, 2009. We undertake no obligation to update or revise publicly any forward-looking statement whether as a result of new information, future developments or otherwise.

This prospectus supplement may contain certain forward-looking statements within the meaning of the U.S. federal securities laws. Statements that are not historical facts, including statements about our beliefs, plans or expectations, are forward-looking statements. These statements are based on our current plans, estimates and expectations. Some forward-looking statements may be identified by our use of terms such as believes, anticipates, intends, expects, projections and similar statements of a future or forward-looking nature. In light of the inherent risks and uncertainties in all forward-looking statements, the inclusion of such statements in this prospectus statement should not be considered as a representation by us or any other person that our objectives or plans will be achieved. A non-exclusive list of important factors that could cause actual results to differ materially from those in such forward-looking statements includes the following: (a) the occurrence of natural or man-made catastrophic events with a frequency or severity exceeding our expectations; (b) the adequacy of our loss reserves and the need to adjust such reserves as claims develop over time; (c) any lowering or loss of financial ratings of any wholly-owned operating subsidiary; (d) the effect of competition on market trends and pricing; (e) changes in general economic conditions, including changes in interest rates and/or equity values in the United States and elsewhere and continued instability in global credit markets; and (f) other factors set forth in the most recent Annual Report on Form 10-K and Form 8-K filed on August 10, 2009. Risks and uncertainties relating to the proposed transactions with Paris Re include the risks that: (a) the anticipated benefits of the transactions will not be realized; and/or (b) we will not obtain 100% control of Paris Re. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We do not intend, and are under no obligation, to update any forward-looking statement contained in this prospectus supplement.

Table of Contents

RISK FACTORS

Before you invest in our securities, you should carefully consider the risks involved. Accordingly, you should carefully consider, in consultation with your own financial and legal advisors, the section entitled Risk Factors in the accompanying prospectus, as well as those risk factors incorporated by reference into this prospectus supplement from our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and our Form 8-K dated August 10, 2009, each under the heading Risk Factors, and other filings we may make from time to time with the SEC.

USE OF PROCEEDS

The selling shareholders are selling the shares of our common stock in this offering and will receive all of the proceeds from such sales. We will not receive any proceeds from their sale of our common shares.

S-4

Table of Contents**SELLING SHAREHOLDERS**

This prospectus supplement relates to the resale by the selling shareholders identified below of our common shares covered by this prospectus supplement (the Common Shares).

This prospectus supplement may be used until the earlier of (i) the date on which the Common Shares are no longer outstanding, (ii) the date on which the Common Shares have become freely tradeable pursuant to Rule 144, which is expected to be no later than April 2, 2010 or (iii) the date on which the Common Shares have been sold or otherwise transferred by the selling shareholders pursuant to this prospectus supplement.

The table below presents information regarding the selling shareholders and all the shares that each such selling shareholder may offer under this prospectus supplement. Mr. Hans-Peter Gerhardt, one of the selling shareholders, is the Chief Executive Officer of Paris Re, and we currently own approximately 83% of the common shares of Paris Re. Except as set forth in the preceding sentence, no selling shareholder has had, within the past three years, any position, office, or material relationship with us or any of our predecessors or affiliates.

Name	Common Shares Beneficially Owned Before Offering Number	All Common Shares Covered by This Prospectus Supplement Number	Common Shares Beneficially Owned After Offering (1) (2) Number
Banc of America Capital Investors, L.P.	550,714	550,714	0
COLISEE RE	771,468	771,468	0
General Electric Pension Trust	375,000	375,000	0
HarbourVest International Private Equity Partners V-Direct Fund L.P.	206,518	206,518	0
HarbourVest Partners 2004 Direct Fund L.P.	206,518	206,518	0
OZ Europe Master Fund, Ltd.	380,179	380,179	0
OZ Master Fund, Ltd.	1,016,138	1,016,138	0
Procific	757,232	757,232	0
Certain selling shareholders holding, collectively, less than 1% of our common shares	505,317	505,317	0

- (1) Represents beneficial ownership of less than one percent of our outstanding capitalization.
(2) Assumes the selling stockholders will sell all of their Common Shares, which they may determine not to do.

Table of Contents

PLAN OF DISTRIBUTION

The common shares offered hereby may only be sold in non-underwritten broker transactions or non-underwritten block trades on The New York Stock Exchange at market prices prevailing at the time of sale, at prices related to the prevailing market prices or at negotiated prices.

We and the selling shareholders have indemnified each other against certain liabilities, including certain liabilities under the Securities Act, or will be entitled to contribution in connection with any such liabilities.

We have agreed to pay substantially all of the expenses incidental to the registration, offering and sale of the common shares to the public other than selling commissions or fees payable by the selling shareholders and fees and expenses of counsel to the selling shareholders.

EXPERTS

The financial statements and the related financial statement schedules incorporated in this prospectus by reference from our Annual Report on Form 10-K for the year ended December 31, 2008 and the effectiveness of our internal control over financial reporting have been audited by Deloitte & Touche, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements and financial statement schedules have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the periods ended March 31, 2009 and 2008 and June 30, 2009 and 2008, which are incorporated herein by reference, Deloitte & Touche, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their reports included in our Quarterly Reports on Form 10-Q for the periods ended March 31, 2009 and June 30, 2009 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited interim financial information because those reports are not reports or a part of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

ENFORCEMENT OF CIVIL LIABILITIES UNDER UNITED STATES FEDERAL SECURITIES LAWS

We are a Bermuda company. In addition, certain of our directors and officers, as well as certain of the experts named in this prospectus supplement and the prospectus, reside outside the United States, and all or a substantial portion of our assets and their assets are located outside the United States. Therefore, it may be difficult for investors to effect service of process within the United States upon those persons or to recover against us or those persons on judgments of courts in the United States, including judgments based on civil liabilities provisions of the United States federal securities laws.

The United States and Bermuda do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Also, there is doubt as to whether the courts of Bermuda would enforce (1) judgments of United States courts based on the civil liability provisions of the United States federal securities laws obtained in actions against us or our directors and officers, and (2) original actions brought in Bermuda against us or our officers and directors based solely upon the United States federal securities laws. A Bermuda court may, however, impose civil liability on us or our directors or officers in a suit brought in the Supreme Court of Bermuda provided that the facts alleged constitute or give rise to a cause of action under Bermuda law. Certain remedies available under the laws of U.S. jurisdictions, including certain remedies under the U.S. federal securities laws, would not be allowed in Bermuda courts to the extent that they are contrary to public policy.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

This prospectus supplement is part of a registration statement that we filed with the SEC. The registration statement, including the attached exhibits, contains additional relevant information about us. The rules of the SEC allow us to omit from this prospectus supplement and the accompanying prospectus some of the information included in the registration statement. This information may be read and copied at the Public Reference Room of the SEC at 100 F Street, N.E. Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of these public reference facilities. The SEC maintains an Internet site, <http://www.sec.gov>, which contains reports, proxy and information statements and other information regarding issuers that are subject to the SEC's reporting requirements.

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended. We fulfill our obligations with respect to such requirements by filing periodic reports and other information with the SEC. These reports and other information are available as provided above and may also be inspected at the offices of The New York Stock Exchange at 20 Broad Street, New York, New York 10005.

INFORMATION INCORPORATED BY REFERENCE

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the Securities and Exchange Commission will automatically update and supersede previously filed information, including information contained in this document.

We incorporate by reference the documents listed below and any future filings we will make with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (other than any Current Reports on Form 8-K deemed furnished to and not filed with the SEC) until this offering has been completed:

1. Our Annual Report on Form 10-K for the year ended December 31, 2008 (including those portions of our Definitive Proxy Statement for the 2009 annual general meeting of shareholders that are incorporated by reference in our Form 10-K).
2. Our Quarterly Reports on Form 10-Q for the periods ended March 31, 2009 and June 30, 2009.
3. Our Current Reports on Form 8-K, filed with the SEC on January 6, 2009, January 12, 2009, February 11, 2009, March 2, 2009, March 16, 2009, May 14, 2009, May 28, 2009 (relating to the departure of directors or certain officers), May 28, 2009 (relating to amendments to our bylaws), July 9, 2009, July 10, 2009, July 23, 2009, July 27, 2009, August 10, 2009, September 24, 2009 and September 29, 2009.

You may request free copies of these filings by writing or telephoning us at the following address:

90 Pitts Bay Road

Pembroke HM 08

Bermuda

Attention: Legal and Corporate Compliance

Telephone: (441) 292-0888

Fax: (441) 292-3060

Table of Contents

PROSPECTUS

Common Shares, Preferred Shares, Depositary Shares, Debt Securities, Warrants to Purchase Common Shares, Warrants to Purchase Preferred Shares, Warrants to Purchase Debt Securities, Share Purchase Contracts, Share Purchase Units and Units

PartnerRe Finance A LLC

PartnerRe Finance B LLC

PartnerRe Finance C LLC

PartnerRe Finance II Inc.

Debt Securities

Fully and Unconditionally Guaranteed

by PartnerRe Ltd.

PartnerRe Capital Trust II

PartnerRe Capital Trust III

Preferred Securities

Fully and Unconditionally Guaranteed to the Extent Provided in this Prospectus

by PartnerRe Ltd.

We may offer and sell from time to time:

common shares;

preferred shares;

depositary shares representing preferred shares or common shares;

warrants to purchase common shares, preferred shares or debt securities;

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senior or subordinated debt securities;

share purchase contracts, share purchase units and units; and

guarantees of debt securities and preferred securities issued by our finance subsidiaries.

PartnerRe Finance A LLC, PartnerRe Finance B LLC, PartnerRe Finance C LLC and PartnerRe Finance II Inc. may offer and sell from time to time:

senior, subordinated or junior subordinated debt securities (which we will guarantee).

PartnerRe Capital Trust II and PartnerRe Capital Trust III may offer and sell from time to time:

preferred securities (which we will guarantee).

Table of Contents

This prospectus may not be used to confirm sales of any securities unless accompanied by a prospectus supplement.

These securities may be sold to or through underwriters and also to other purchasers or through agents. The names of any underwriters or agents, the offering prices and any applicable commission or discount will be stated in an accompanying prospectus supplement.

Our common shares are traded on the New York Stock Exchange under the symbol PRE.

Investing in our securities involves certain risks. See Risk Factors on page 4 and in our annual report on Form 10-K for the year ended December 31, 2008 filed on February 27, 2009.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is April 10, 2009.

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS, ANY SUPPLEMENT THERETO AND IN ANY FREE WRITING PROSPECTUS RELATING THERETO THAT WE FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND ANY INFORMATION ABOUT THE TERMS OF OFFERED SECURITIES WE OR THE UNDERWRITERS CONVEY TO YOU. NEITHER WE, PARTNERRE FINANCE A LLC, PARTNERRE FINANCE B LLC, PARTNERRE FINANCE C LLC, PARTNERRE FINANCE II INC., PARTNERRE CAPITAL TRUST II NOR PARTNERRE CAPITAL TRUST III HAS AUTHORIZED ANYONE ELSE TO PROVIDE YOU WITH ADDITIONAL OR DIFFERENT INFORMATION. IF ANYONE PROVIDED YOU WITH ADDITIONAL OR DIFFERENT INFORMATION, YOU SHOULD NOT RELY ON IT. WE, PARTNERRE FINANCE A LLC, PARTNERRE FINANCE B LLC, PARTNERRE FINANCE C LLC, PARTNERRE FINANCE II INC., PARTNERRE CAPITAL TRUST II AND PARTNERRE CAPITAL TRUST III ARE OFFERING THESE SECURITIES ONLY IN STATES WHERE THE OFFER IS PERMITTED. YOU SHOULD NOT ASSUME THAT THE INFORMATION IN THIS PROSPECTUS, ANY SUPPLEMENT THERETO OR ANY FREE WRITING PROSPECTUS RELATING THERETO THAT WE FILE WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE DOCUMENTS INCORPORATED BY REFERENCE THEREIN IS ACCURATE AS OF ANY DATE OTHER THAN THEIR RESPECTIVE DATES. OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THOSE DATES.

Table of Contents**TABLE OF CONTENTS**

	Page
<u>About This Prospectus</u>	1
<u>PartnerRe Ltd.</u>	1
<u>The Finance Subsidiaries</u>	2
<u>The Capital Trusts</u>	2
<u>Risk Factors</u>	4
<u>Forward-Looking Statements</u>	4
<u>Use of Proceeds</u>	6
<u>Ratio of Earnings to Fixed Charges and Preferred Share Dividends of PartnerRe</u>	6
<u>General Description of the Offered Securities</u>	7
<u>Description of our Capital Shares</u>	7
<u>Description of the Depositary Shares</u>	15
<u>Description of the Debt Securities</u>	18
<u>Certain Provisions of the Junior Subordinated Debt Securities Issued to the Capital Trusts</u>	35
<u>Description of the Debt Securities Guarantees</u>	40
<u>Description of the Warrants to Purchase Common Shares or Preferred Shares</u>	41
<u>Description of the Warrants to Purchase Debt Securities</u>	43
<u>Description of the Trust Preferred Securities</u>	44
<u>Description of the Trust Preferred Securities Guarantees</u>	54
<u>Description of the Share Purchase Contracts and the Share Purchase Units</u>	57
<u>Description of Units</u>	57
<u>Plan of Distribution</u>	58
<u>Legal Opinions</u>	61
<u>Experts</u>	61
<u>Where You Can Find More Information</u>	61
<u>Incorporation of Certain Documents By Reference</u>	62
<u>Enforcement of Civil Liabilities Under United States Federal Securities Laws</u>	64

Securities may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003, and Exchange Control Act 1972, and related regulations of Bermuda which regulate the sale of securities in Bermuda. In addition, specific permission is required from the Bermuda Monetary Authority (BMA), pursuant to the provisions of the Exchange Change Control Act 1972 and related regulations (the Exchange Control Act), for all issuances and transfers of securities of Bermuda companies, other than in cases where the BMA has granted a general permission. The BMA, in its policy dated June 1, 2005, provides that where any equity securities, which would include our common shares, of a Bermuda company are listed on an appointed stock exchange (the New York Stock Exchange is deemed to be an appointed stock exchange under Bermuda law), general permission is hereby given for the issue and subsequent transfer of any securities of a company from and/or to a non-resident, for as long as any equity securities of the company remain so listed.

The BMA has also granted us permission for the issue, sale and transfer of up to 20% of any security as defined in the Exchange Control Act including (without limitation) the grant or creation of options, warrants, coupon, rights and depository receipts (collectively the Securities) to and among persons who are resident of Bermuda for exchange control purposes, whether or not the Securities are listed on an appointed stock exchange.

In this prospectus, references to dollar and \$ are to United States currency, and the terms United States and U.S. mean the United States of America, its states, its territories, its possessions and all areas subject to its jurisdiction.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we, the Finance Subsidiaries (defined below) and the Capital Trusts (defined below) have filed with the U.S. Securities and Exchange Commission (the Commission) using a shelf registration process, relating to the common shares, preferred shares, depositary shares, debt securities, debt securities guarantees, warrants, share purchase contracts, share purchase units, units, preferred securities and preferred securities guarantees described in this prospectus. This means:

we, the applicable Finance Subsidiary or Capital Trust, as the case may be, will provide a prospectus supplement each time these securities are offered pursuant to this prospectus; and

the prospectus supplement will provide specific information about the terms of that offering and also may add to, change or update information contained in this prospectus.

This prospectus provides you with a general description of the securities we, a Finance Subsidiary or a Capital Trust may offer. This prospectus does not contain all of the information set forth in the registration statement as permitted by the rules and regulations of the Commission. For additional information regarding us, the Finance Subsidiaries, the Capital Trusts and the offered securities, please refer to the registration statement. To the extent that information in any prospectus supplement or the information incorporated by reference in any prospectus supplement is inconsistent with information contained in this prospectus, the information in such prospectus supplement or the information incorporated by reference into such prospectus supplement shall govern. You should read both this prospectus and any prospectus supplement together with additional information described under the heading **Where You Can Find More Information**.

All references to:

we, us, our or PartnerRe refer to PartnerRe Ltd.;

PRE Finance A refer to PartnerRe Finance A LLC;

PRE Finance B refer to Partner Finance B LLC;

PRE Finance C refer to PartnerRe Finance C LLC;

PRE Finance II refer to PartnerRe Finance II Inc.;

Finance Subsidiary refer to PRE Finance A, PRE Finance B, PRE Finance C, PRE Finance II or any other finance subsidiary of PartnerRe so designated in any prospectus supplement (together, the Finance Subsidiaries);

Capital Trust II refer to PartnerRe Capital Trust II;

Capital Trust III refer to PartnerRe Capital Trust III; and

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Capital Trust refer to Capital Trust II or Capital Trust III (together, the Capital Trusts).
PARTNERRE LTD.

Overview

We provide reinsurance on a worldwide basis through our wholly owned subsidiaries, Partner Reinsurance Company Ltd., Partner Reinsurance Europe Limited and Partner Reinsurance Company of the U.S. Risks

Table of Contents

reinsured include, but are not limited to, property, casualty, motor, agriculture, aviation/space, catastrophe, credit/surety, engineering, energy, marine, specialty property, specialty casualty, multiline and other lines and life/annuity and health. We also offer alternative risk products that include weather and credit protection to financial, industrial and service companies on a worldwide basis.

We are a Bermuda company with principal executive offices located at 90 Pitts Bay Road, Pembroke HM 08, Bermuda. Our telephone number is (441) 292-0888.

For further information regarding PartnerRe, including financial information, you should refer to our recent filings with the Commission.

THE FINANCE SUBSIDIARIES

PRE Finance A, PRE Finance B and PRE Finance C

Each of PRE Finance A, PRE Finance B and PRE Finance C is a Delaware limited liability company. PRE Finance A was formed on May 6, 2008, PRE Finance B was formed on March 10, 2009 and PRE Finance C was formed on March 30, 2009. Each of PRE Finance A, PRE Finance B and PRE Finance C is an indirectly wholly owned subsidiary of PartnerRe, and a wholly owned direct subsidiary of PartnerRe U.S. Corporation, that was created solely for the purpose of issuing, from time to time, debt securities to finance the operations of the PartnerRe group. The principal executive offices of PRE Finance A, PRE Finance B and PRE Finance C are c/o PartnerRe U.S. Corporation, One Greenwich Plaza, Greenwich, Connecticut 06830-6352, Attention: Tom Forsyth, and their telephone number is (203) 485-4200.

PRE Finance II

PRE Finance II is a Delaware corporation, with its principal executive offices located at c/o PartnerRe U.S. Corporation, One Greenwich Plaza, Greenwich, Connecticut 06830-6352. PRE Finance II's telephone number is (203) 485-4200. PRE Finance II is an indirect, wholly-owned subsidiary of PartnerRe, and a wholly-owned direct subsidiary of PartnerRe U.S. Corporation, that was created solely for the purpose of issuing, from time to time, debt securities to finance the operations of the PartnerRe group.

THE CAPITAL TRUSTS

The Capital Trusts are statutory trusts each created under Delaware law pursuant to a trust agreement executed by PRE Finance II, as depositor of each Capital Trust, and the Capital Trustees for such Capital Trust and the filing of a certificate of trust with the Delaware Secretary of State on December 11, 2001. Each trust agreement was amended and restated in March 2009 to evidence certain changes in the persons and entities that serve as the Property Trustee, Delaware Trustee, and Administrative Trustees of the Capital Trusts. Each trust agreement will be further amended and restated in its entirety substantially in the form attached as an exhibit to the registration statement of which this prospectus forms a part. Each amended and restated trust agreement will be qualified as an indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). It is possible that an amended and restated trust agreement will substitute a different Finance Subsidiary as depositor of a Capital Trust. If this were to occur, it is intended that such Finance Subsidiary will own the common securities of the Capital Trust and such Capital Trust will hold junior subordinated debt securities of such Finance Subsidiary.

Each Capital Trust exists for the exclusive purposes of:

issuing and selling preferred securities and common securities that represent undivided beneficial interests in the assets of such Capital Trust;

Table of Contents

using the proceeds from the sale of its preferred securities and common securities to acquire junior subordinated debt securities issued by a Finance Subsidiary, and guaranteed by, us; and

engaging in only those other activities necessary or incidental to the issuance and sale of its preferred securities and common securities.

The common securities of each Capital Trust, all of which will be indirectly owned by PartnerRe, will rank equally, and payments will be made on the common securities pro rata, with the preferred securities of such Capital Trust, except that, if an event of default under the applicable amended and restated trust agreement has occurred and is continuing, the rights of the holders of the common securities of such Capital Trust to payment in respect of distributions and payments upon liquidation, redemption and otherwise will be subordinated to the rights of the holders of the preferred securities of such Capital Trust. Each Capital Trust is a legally separate entity and the assets of one are not available to satisfy the obligations of the other.

Unless otherwise disclosed in the related prospectus supplement, each Capital Trust will have a term of approximately 55 years, but may dissolve earlier as provided in the applicable amended and restated trust agreement. Unless otherwise disclosed in the applicable prospectus supplement, each Capital Trust's business and affairs will be conducted by the trustees, which we refer to as the Capital Trustees, appointed by the direct or indirect holder of all of the common securities of such Capital Trust. The holder of the common securities of each Capital Trust will be entitled to appoint, remove or replace any of, or increase or reduce the number of, the Capital Trustees of such Capital Trust. The duties and obligations of the Capital Trustees of each Capital Trust will be governed by the amended and restated trust agreement of such Capital Trust.

Unless otherwise disclosed in the related prospectus supplement, two of the Capital Trustees, which we refer to as the Administrative Trustees, of each Capital Trust will be persons who are employees or officers of or affiliated with PartnerRe. One Capital Trustee of each Capital Trust will be a financial institution, which we refer to as the Property Trustee, that is not affiliated with PartnerRe. Each Property Trustee will have a minimum amount of combined capital and surplus of not less than \$50,000,000, and shall act as property trustee and as indenture trustee for the purposes of compliance with the provisions of the Trust Indenture Act, pursuant to the terms set forth in the applicable prospectus supplement. In addition, one Capital Trustee of each Capital Trust, which may be the Property Trustee, if it otherwise meets the requirements of applicable law, will have its principal place of business or reside in the State of Delaware, which we refer to as the Delaware Trustee. We or one of our affiliates will pay all fees and expenses related to each Capital Trust and the offering of preferred securities and common securities by such Capital Trust.

The office of the Delaware Trustee for each Capital Trust in the State of Delaware is located at c/o BNY Mellon Trust of Delaware, White Clay Center, Route 273, Newark, DE 19711. The principal executive offices for each Capital Trust is located at c/o PartnerRe U.S. Corporation, One Greenwich Plaza, Greenwich, CT 06830-6352. The telephone number for both Capital Trusts is (203) 485-4200.

Table of Contents

RISK FACTORS

Before you invest in securities issued by PartnerRe, the Finance Subsidiaries or the Capital Trusts, you should carefully consider the risks involved. Accordingly, you should carefully consider:

the information contained in or incorporated by reference into this prospectus;

information contained in or incorporated by reference into any prospectus supplement relating to specific offerings of securities;

the risks described in our Annual Report on Form 10-K for the year ended December 31, 2008 filed with the Commission on February 27, 2009, which we incorporate by reference into this prospectus; and

other risks and other information that may be contained in, or incorporated by reference from, other filings we make with the Commission.

FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus may be considered forward-looking statements as defined in Section 27A of the United States Securities Act of 1933 and Section 21E of the United States Securities Exchange Act of 1934. Forward-looking statements are made based upon our assumptions and expectations concerning the potential effect of future events on our financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements are subject to significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements. Our forward-looking statements could be affected by numerous foreseeable and unforeseeable events and developments. The following review of important factors should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included herein or elsewhere:

- (1) the occurrence of catastrophic events or other reinsured events with a frequency or severity exceeding our expectations;
- (2) a decrease in the level of demand for reinsurance and/or an increase in the supply of reinsurance capacity;
- (3) increased competitive pressures, including the consolidation and increased globalization of reinsurance providers;
- (4) the continuation of unfavorable economic conditions, which may adversely affect the capital markets, our funding costs and/or the ability to obtain credit;
- (5) actual losses and loss expenses exceeding our estimated loss reserves, which are necessarily based on actuarial and statistical projections of ultimate losses;
- (6) acts of terrorism, acts of war and other man-made or unanticipated perils;

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- (7) changes in the cost, availability and performance of retrocessional reinsurance, including the ability to collect reinsurance recoverables;

- (8) concentration risk in dealing with a limited number of brokers;

Table of Contents

- (9) credit risk relating to our brokers, cedants and other counterparties;
- (10) developments in and risks associated with global financial markets that could affect our investment portfolio;
- (11) changing rates of interest, inflation and other economic conditions;
- (12) availability of borrowings and letters of credit under our credit facilities;
- (13) ability to obtain any additional financing on favorable terms;
- (14) impact of fluctuations in foreign currency exchange rates;
- (15) actions by rating agencies that might impact our ability to continue to write existing business or write new business;
- (16) changes in accounting policies, their application or interpretation;
- (17) changes in the legal or regulatory environments in which we operate, including the passage of federal or state legislation subjecting our non-U.S. operations to supervision or regulation, including additional tax regulation, in the United States or other jurisdictions in which we operate;
- (18) the passage of legislation in the U.S. that would subject our U.S. shareholders to tax rates on dividends that are disadvantageous or our U.S. reinsurance subsidiary to higher U.S. taxation, and any measures designed to limit harmful tax competition that may affect Bermuda;
- (19) defaults by others, including issuers of investment securities that we hold, reinsurers or other counterparties;
- (20) potential industry impact of industry investigations into insurance market practices;
- (21) legal decisions and rulings and new theories of liability;
- (22) amount of dividends received from our subsidiaries;
- (23) new mass tort actions or reemergence of old mass torts such as asbestosis;
- (24) declines in the equity and credit markets;

(25) changes in social and environmental conditions;

(26) operational risks, including human or system failures; and

(27) limitations on the voting and ownership of our shares or the ability to enforce a judgment against us in the U.S.

The foregoing review of important factors should not be construed as exhaustive.

The words believe, anticipate, estimate, project, plan, expect, intend, hope, will likely result or will continue, or words of similar meaning generally involve forward-looking statements. We caution readers not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents

USE OF PROCEEDS

The net proceeds from the sale of preferred securities by each Capital Trust will be used to purchase junior subordinated debt securities of the Finance Subsidiaries. Unless the applicable prospectus supplement states otherwise, the net proceeds from the sale of securities offered by PartnerRe or the Finance Subsidiaries will be used for working capital, capital expenditures, acquisitions or other general corporate purposes of Partner Re and its affiliates.

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED SHARE DIVIDENDS OF PARTNERRE

For purposes of computing the following ratios, earnings consist of net income before income tax expense plus fixed charges to the extent that these charges are included in the determination of earnings and exclude undistributed earnings (losses) of equity investments. Fixed charges consist of interest costs plus one-third of minimum rental payments under operating leases (estimated by management to be the interest factor of such rentals).

	2008	2007	2006	2005	2004
Ratio of Earnings to Fixed Charges	2.10x	14.51x	12.07x	0.23x(1)	9.62x
Ratio of Earnings to Combined Fixed Charges and Preference Share Dividends	1.30x	9.49x	8.27x	0.14x(1)	6.99x

- (1) Additional earnings of \$37.9 million and \$72.4 million would be necessary to result in a one-to-one ratio of the Ratio of Earnings to Fixed Charges and the Ratio of Earnings to Combined Fixed Charges and Preference Share Dividends, respectively.

Table of Contents

GENERAL DESCRIPTION OF THE OFFERED SECURITIES

We may from time to time offer under this prospectus, separately or together:

common shares;

preferred shares;

depository shares, each representing a fraction of a common share or of a preferred share;

unsecured senior or subordinated debt securities;

warrants to purchase common shares;

warrants to purchase preferred shares;

warrants to purchase debt securities;

share purchase contracts to purchase common shares;

share purchase units, each representing ownership of a share purchase contract and, as security for the holder's obligation to purchase common shares under the share purchase contract, any of (1) our debt obligations, (2) debt obligations of third parties, including U.S. Treasury securities, or (3) preferred securities of any of the Capital Trusts; and

units which may consist of any combination of the securities listed above.

Each Finance Subsidiary may from time to time offer unsecured senior, subordinated or junior subordinated debt securities, which will be fully and unconditionally guaranteed by us to the extent described in this prospectus.

Each Capital Trust may offer preferred securities representing undivided beneficial interests in their respective assets, which will be fully and unconditionally guaranteed by us to the extent described in this prospectus.

DESCRIPTION OF OUR CAPITAL SHARES

The following is a summary of certain provisions of:

our Memorandum of Association and Bye-Laws, which set forth certain terms of our capital stock,

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the certificate of designation for our 6.75% Series C Cumulative Redeemable Preferred Shares, which we refer to in this prospectus as the Series C Preferred Shares, and

the certificate of designation for our 6.50% Series D Cumulative Redeemable Preferred Shares, which we refer to in the prospectus as the Series D Preferred Shares.

This summary is not complete. You should read our Memorandum of Association and Bye-Laws and the certificate of designation of each series of our preferred shares for complete information regarding the provisions of these governing documents including the definitions of some of the terms used below. Copies of our Memorandum of Association and Bye-Laws and the certificates of designation are incorporated by reference as

Table of Contents

exhibits to the registration statement of which this prospectus forms a part. Whenever we refer to particular sections or defined terms of our Memorandum of Association, Bye-Laws or the certificates of designation, those sections or defined terms are incorporated by reference into this prospectus, and the statement in connection with which such reference is made is qualified in its entirety by such reference.

General

Our total authorized share capital consists of 200,000,000 shares, par value \$1.00 per share. More specifically, this share capital consists of 11,600,000 Series C Preferred Shares, 9,200,000 Series D Preferred Shares, 144,000,000 designated shares and 35,200,000 undesignated shares, par value \$1.00 per share. As of April 7, 2009 approximately 56,579,095 common shares, net of treasury shares, were issued and outstanding, 11,600,000 Series C Preferred Shares were issued and outstanding and 9,200,000 Series D Preferred Shares were issued and outstanding.

Common Shares

Our common shares are listed on the New York Stock Exchange under the symbol PRE. The common shares currently issued and outstanding are fully paid and nonassessable within the meaning of applicable Bermuda law. There are no provisions of Bermuda law, our Memorandum of Association or our Bye-Laws which impose any limitation on the rights of shareholders to hold or vote common shares by reason of their not being residents of Bermuda.

Under our Bye-Laws, the holders of common shares have no redemption, conversion or sinking fund rights. Subject to the restrictions set forth under Transfer of Shares and Anti-Takeover Effects of Certain Bye-Law Provisions Voting Rights Limitations, below, holders of common shares are entitled to one vote per share on all matters submitted to a vote of holders of common shares and do not have any cumulative voting rights. If we are liquidated, dissolved, or wound-up, the holders of common shares are entitled to share equally and ratably in our assets, if any, remaining after the payment of all of our debts and liabilities and the liquidation preference of any outstanding preferred shares.

Other than as required by Bermuda law or in respect of alteration of class rights and reporting requirements and certain procedural matters, all actions by our shareholders are decided by a simple majority of votes cast.

The holders of common shares will receive such dividends, if any, as may be declared by our board of directors out of funds legally available for such purposes.

A description of our common shares is also set forth in our registration statements filed under the Exchange Act on Form 8-A on October 4, 1993 (file No. 000-22530) and October 24, 1996 (file No. 001-14536), including any amendment or report for the purpose of updating such description.

Series C Preferred Shares

The Series C Preferred Shares are listed on the New York Stock Exchange under the symbol PRE PrC. The Series C Preferred Shares currently issued and outstanding are fully paid and nonassessable within the meaning of applicable Bermuda law.

The holders of the Series C Preferred Shares have no preemptive rights with respect to any of our common shares or any of our other securities convertible into or carrying rights or options to purchase any such shares. The Series C Preferred Shares are not subject to any sinking fund or other obligation on our part to redeem or retire the Series C Preferred Shares. Unless we redeem them, the Series C Preferred Shares will have a perpetual term with no maturity. We have not issued shares that are senior to the Series C Preferred Shares with respect to payment of dividends and distribution of assets in liquidation. Our Series C Preferred Shares rank equally with our Series D Preferred Shares, with respect to dividends and distribution of assets in liquidation.

Table of Contents

Dividends. Holders of the Series C Preferred Shares are entitled to receive, when, as and if declared by our board of directors out of funds legally available for the payment of dividends, cumulative preferential cash dividends in an amount per share equal to 6.75% of the liquidation preference per annum (equivalent to \$1.6875 per share). Such dividends are payable quarterly, when, as and if declared by the board of directors.

If any of the Series C Preferred Shares are outstanding, unless full cumulative dividends on the Series C Preferred Shares have been paid, we generally may not:

declare or pay any dividends upon any other capital shares ranking *pari passu* with the Series C Preferred Shares, as to dividends and the distribution of assets upon any liquidation, dissolution or winding up of PartnerRe, unless either all dividends are declared upon the Series C Preferred Shares, or all dividends declared upon the Series C Preferred Shares and the shares ranking equally with the Series C Preferred Shares are declared pro rata;

declare or pay any dividends upon the common shares or any other capital shares ranking junior to the Series C Preferred Shares, as to dividends or the distribution of assets upon any liquidation, dissolution or winding up of PartnerRe; or

redeem any common shares or other shares ranking junior to the Series C Preferred Shares.

Liquidation. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Company, the holders of the Series C Preferred Shares will be entitled to receive from our assets legally available for distribution to shareholders, \$25.00 per share, plus all dividends accrued and unpaid to the date fixed for distribution. This distribution must be made before we make any distribution to holders of our common shares and any other shares ranking junior to the Series C Preferred Shares.

Redemption. We, at our option upon not less than 30 nor more than 90 days written notice, may redeem the Series C Preferred Shares, in whole at any time or in part from time to time, for cash at a redemption price of \$25.00 per share, plus all accrued and unpaid dividends, if any, thereon to the date fixed for redemption, without interest.

Voting. Generally, the Series C Preferred Shares shall have no voting rights. However, the holders of Series C Preferred Shares, together with the holders of any other shares ranking equally with the Series C Preferred Shares, voting as a single class, shall have the right to elect two directors to our board of directors whenever dividends payable on the Series C Preferred Shares or any other shares ranking equally with the Series C Preferred Shares are in arrears in an amount equivalent to dividends for six full dividend periods.

Whenever we have paid all arrearages in dividends on the Series C Preferred Shares and any shares that rank equal to the Series C Preferred Shares then outstanding and we have paid or declared and set apart for payment, dividends for the current quarterly dividend period, then the right of holders of the Series C Preferred Shares and any shares that rank equal to the Series C Preferred Shares to be represented by directors shall cease. As of April 10, 2009, there were no dividends in arrears on the Series C Preferred Shares.

In addition, without the written consent of the holders of at least 75% of the outstanding Series C Preferred Shares, we may not:

amend or repeal any of the provisions of our Memorandum of Association, Bye-Laws or the certificate of designation relating to the Series C Preferred Shares that would vary the rights, preferences or voting powers of the holders of the Series C Preferred Shares;

authorize any amalgamation, consolidation, merger or statutory share exchange that affects the Series C Preferred Shares, unless each Series C Preferred Share remains outstanding with no variation in its

Table of Contents

rights, preferences or voting powers or is converted into or exchanged for preferred shares of the surviving entity having rights, preferences and voting powers identical to that of a Series C Preferred Share; or

authorize any creation or increase in the authorized amount of, any shares of any class or series or any security convertible into shares of any class or series ranking prior to the Series C Preferred Shares in payment of dividends or the distribution of assets on any liquidation, dissolution or winding up of the Company.

We may create and issue additional classes or series of shares that rank equal or junior to the Series C Preferred Shares without the consent of any holder of the Series C Preferred Shares.

A more detailed description of our Series C Preferred Shares is set forth in our registration statement filed under the Exchange Act on Form 8-A on May 2, 2003 (file No. 001-14536), including any amendment or report for the purpose of updating such description.

Series D Preferred Shares

The Series D Preferred Shares are listed on the New York Stock Exchange under the symbol `PRE PrD`. The Series D Preferred Shares currently issued and outstanding are fully paid and nonassessable within the meaning of applicable Bermuda law.

The holders of Series D Preferred Shares have no preemptive rights with respect to any of our common shares or any of our other securities convertible into or carrying rights or options to purchase any such shares. The Series D Preferred Shares are not subject to any sinking fund or other obligation on our part to redeem or retire the Series D Preferred Shares. Unless we redeem them, the Series D Preferred Shares will have a perpetual term with no maturity. We have not issued shares that are senior to the Series D Preferred Shares with respect to payment of dividends and distribution of assets in liquidation. Our Series D Preferred Shares rank equally with our Series C Preferred Shares with respect to payment of dividends and distribution of assets in liquidation.

Dividends. Holders of Series D Preferred Shares are entitled to receive, when, as and if declared by our board of directors out of funds legally available for the payment of dividends, cumulative preferential cash dividends in an amount per share equal to 6.50% of the liquidation preference per annum (equivalent to \$1.625 per share). Such dividends are paid quarterly when, as and if declared by the board of directors.

If any of the Series D Preferred Shares are outstanding, unless full cumulative dividends on the Series D Preferred Shares have been paid, we generally may not:

declare or pay any dividends upon any other capital shares ranking *pari passu* with the Series D Preferred Shares, as to dividends and the distribution of assets upon any liquidation, dissolution or winding up of PartnerRe, unless either all dividends are declared upon the Series D Preferred Shares, or all dividends declared upon the Series D Preferred Shares and the shares ranking equally with the Series D Preferred Shares are declared pro rata;

declare or pay any dividends upon the common shares or any other capital shares ranking junior to the Series D Preferred Shares, as to dividends or the distribution of assets upon any liquidation, dissolution or winding up of PartnerRe; or

redeem any common shares or other shares ranking junior to the Series D Preferred Shares.

Liquidation. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, the holders of Series D Preferred Shares will be entitled to receive from our assets legally available for distribution to

Table of Contents

shareholders, \$25.00 per share, plus all dividends accrued and unpaid to the date fixed for distribution. This distribution must be made before we make any distribution to holders of our common shares and any other shares ranking junior to the Series D Preferred Shares.

Redemption. The Series D Preferred Shares are not redeemable prior to November 15, 2009. On or after such date, we at our option upon not less than 30 nor more than 90 days written notice, may redeem the Series D Preferred Shares, in whole at any time or in part from time to time, for cash at a redemption price of \$25.00 per share, plus all accrued and unpaid dividends, if any, thereon to the date fixed for redemption, without interest.

Voting. Generally, the Series D Preferred Shares shall have no voting rights. However, the holders of Series D Preferred Shares, together with the holders of any other shares ranking equally with the Series D Preferred Shares, voting as a single class, shall have the right to elect two directors to our board of directors whenever dividends payable on the Series D Preferred Shares or any other shares ranking equally with the Series D Preferred Shares are in arrears in an amount equivalent to dividends for six full dividend periods.

Whenever we have paid all arrearages in dividends on the Series D Preferred Shares and any shares that rank equal to the Series D Preferred Shares then outstanding and we have paid or declared and set apart for payment, dividends for the current quarterly dividend period, then the right of holders of the Series D Preferred Shares and any shares that rank equal to the Series D Preferred Shares to be represented by directors shall cease. As of April 10, 2009, there were no dividends in arrears on the Series D Preferred Shares.

In addition, without the written consent of the holders of at least 75% of the outstanding Series D Preferred Shares, we may not:

amend or repeal any of the provisions of our Memorandum of Association, Bye-Laws or the certificate of designation relating to the Series D Preferred Shares that would vary the rights, preferences or voting powers of the holders of the Series D Preferred Shares;

authorize any amalgamation, consolidation, merger or statutory share exchange that affects the Series D Preferred Shares, unless each Series D Preferred Share remains outstanding with no variation in its rights, preferences or voting powers or is converted into or exchanged for preferred shares of the surviving entity having rights, preferences and voting powers identical to that of a Series D Preferred Share; or

authorize any creation or increase in the authorized amount of, any shares of any class or series or any security convertible into shares of any class or series ranking prior to the Series D Preferred Shares in payment of dividends or the distribution of assets on any liquidation, dissolution or winding up of the Company.

We may create and issue additional classes or series of shares that rank equal with or junior to the Series D Preferred Shares without the consent of any holder of the Series D Preferred Shares.

A more detailed description of our Series D Preferred Shares is set forth in our registration statement filed under the Exchange Act on Form 8-A on November 12, 2004 (file No. 001-14536), including any amendment or report for the purpose of updating such description.

Other Preferred Shares

From time to time, pursuant to the authority granted by our Bye-Laws, our board of directors may create and issue one or more series of preferred shares. The particular rights and preferences of the preferred shares offered by any prospectus supplement and the extent, if any, to which the general provisions described below may apply to the offered preferred shares, will be described in the prospectus supplement.

Table of Contents

A prospectus supplement will specify the terms of a particular class or series of preferred shares as follows:

the number of shares to be issued and sold and any distinctive designation;

the dividend rights of the preferred shares, whether dividends will be cumulative and, if so, from which date or dates and the relative rights or priority, if any, of payment of dividends on preferred shares and any limitations, restrictions or conditions on the payment of such dividends;

the voting powers, if any, of the preferred shares, equal to or greater than one vote per share, which may include the right to vote, as a class or with other classes of capital stock, to elect one or more of our directors;

the terms and conditions (including the price or prices, which may vary under different conditions and at different redemption dates), if any, upon which all or any part of the preferred shares may be redeemed, at whose option such a redemption may occur, and any material limitations, restrictions or conditions on such redemption;

the terms, if any, upon which the preferred shares will be convertible into or exchangeable for our shares of any other class, classes or series;

the relative amounts, and the relative rights or priority, if any, of payment in respect of preferred shares, which the holders of the preferred shares will be entitled to receive upon our liquidation, dissolution or winding up;

the terms, if any, of any purchase, retirement or sinking fund to be provided for the preferred shares;

the restrictions, limitations and conditions, if any, upon the issuance of our indebtedness so long as any preferred shares are outstanding; and

any other relative rights, preferences, limitations and powers not inconsistent with applicable law, the Memorandum of Association or the Bye-Laws.

Undesignated Shares

As of December 31, 2008, we have authorized 35,200,000 shares, par value \$1.00 per share, the rights and preferences of which are undesignated. Without further action of our shareholders, our board of directors may fix the relative rights, preferences and limitations of such shares. Such determination may include:

fixing the dividend rates and payment dates;

the extent of voting rights, if any,

the terms and prices of redemption;

the amount payable on the shares in the event of liquidation;

sinking fund provisions; and

the terms and conditions on which shares may be converted if the shares are to be issued with the privilege of conversion.

Table of Contents

Transfer of Shares

Our Bye-Laws contain various provisions affecting the transferability of our capital shares. Under the Bye-Laws, our board of directors has absolute discretion to decline to register a transfer of any share which is not fully-paid. In addition, our board of directors may decline to register any transfer of shares unless:

the appropriate instrument of transfer is submitted along with such evidence as our board of directors may reasonably require showing the right of the transferor to make the transfer;

where applicable, the consent of the Bermuda Monetary Authority has been obtained; or

the instrument of transfer is in respect of only one class of shares.

Our Board may also decline to register a transfer of shares if it determines that such transfer would result in a person controlling more than 9.9% of all our outstanding shares. This limit may also have the effect of deterring purchases of large blocks of common shares or proposals to acquire us, even if some or a majority of the shareholders might deem these purchases or acquisition proposals to be in their best interests. With respect to this issue, also see the provisions discussed below under **Anti-Takeover Effects of Certain Bye-Laws Provisions**.

If our board of directors refuses to register any transfer of shares, it shall send notice of such refusal to the transferee within three months of the date on which the transfer was lodged with us.

Our Bermuda counsel has advised us that while the precise form of the restrictions on transfers contained in the Bye-Laws is untested, as a matter of general principle, restrictions on transfers are enforceable under Bermuda law and are not uncommon.

Anti-Takeover Effects of Certain Bye-Laws Provisions

In addition to those provisions of the Bye-Laws discussed above under **Transfers of Shares**, our Bye-Laws contain certain provisions that make it more difficult to acquire control of us by means of a tender offer, open market purchase, a proxy fight or otherwise. These provisions are designed to encourage persons seeking to acquire control of us to negotiate with our board of directors. We believe that, as a general rule, the interests of our shareholders would be best served if any change in control results from negotiations with our board of directors. Our board of directors would negotiate based upon careful consideration of the proposed terms, such as the price to be paid to shareholders, the form of consideration to be paid and the anticipated tax effects of the transaction. However, these provisions could have the effect of discouraging a prospective acquiror from making a tender offer or otherwise attempting to obtain control of us. To the extent these provisions discourage takeover attempts, they could deprive shareholders of opportunities to realize takeover premiums for their shares or could depress the market price of the shares.

Board Provisions. Our Bye-laws provide for a classified board, to which approximately one-third of our board of directors is elected each year at our annual general meeting of shareholders. Accordingly, our directors serve three-year terms rather than one-year terms. Each class of directors is required to have a minimum of one director and a maximum of four directors.

The classification of directors will have the effect of making it more difficult for shareholders to change the composition of our board of directors. At least two annual meetings of shareholders, instead of one, will generally be required to effect a change in a majority of our board of directors. Such a delay may help ensure that our directors, if confronted by a holder attempting to force a proxy contest, a tender or exchange offer, or an extraordinary corporate transaction, would have sufficient time to review the proposal as well as any available alternatives to the proposal and to act in what they believe to be in our best interests, including the shareholders

Table of Contents

best interests. The classification provisions will apply to every election of directors, however, regardless of whether a change in the composition of our board of directors would be beneficial to PartnerRe and its shareholders and whether or not a majority of our shareholders believe that such a change would be desirable.

The classification provisions could also have the effect of discouraging a third party from initiating a proxy contest, making a tender offer or otherwise attempting to obtain control of PartnerRe, even though such an attempt might be beneficial to PartnerRe and its shareholders. The classification of our board of directors could thus increase the likelihood that incumbent directors will retain their positions. In addition, because the classification provisions may discourage accumulations of large blocks of our stock by purchasers whose objective is to take control of PartnerRe and remove a majority of our board of directors, the classification of our board of directors could tend to reduce the likelihood of fluctuations in the market price of the shares that might result from accumulations of large blocks for such a purpose. Accordingly, shareholders could be deprived of certain opportunities to sell their shares at a higher market price than might otherwise be the case.

Voting Rights Limitations. Our Bye-Laws provide that the voting rights with respect to shares directly or indirectly beneficially or constructively owned by any person owning more than 9.9% of the voting power of the outstanding shares, including common shares and preferred shares, of PartnerRe will be limited to voting power of 9.9%. The voting rights with respect to all shares held by such person in excess of the 9.9% limitation will be allocated to the other holders of shares pro rata based on the number of shares held by all such other holders of shares, subject only to the further limitation that no shareholder allocated any such voting rights may exceed the 9.9% limitation as a result of such allocation.

Availability of Shares for Future Issuances. We have available for issuance a large number of authorized but unissued common shares. Generally, these shares may be issued by action of our directors without further action by shareholders, except as may be required by applicable stock exchange requirements. The availability of these shares for issue could be viewed as enabling the directors to make more difficult a change in our control. For example, the directors could determine to issue warrants or rights to acquire shares. In addition, we have authorized a sufficient amount of our shares such that we could put in place a shareholder rights plan without further action by shareholders. A shareholder rights plan could serve to dilute or deter stock ownership of persons seeking to obtain control of us.

Our ability to take these actions makes it more difficult for a third party to acquire us without negotiating with our board of directors, even if some or a majority of the shareholders desired to pursue a proposed transaction. Moreover, these powers could discourage or defeat unsolicited stock accumulation programs and acquisition proposals.

Table of Contents

DESCRIPTION OF THE DEPOSITARY SHARES

General

We may elect to offer depositary shares, each representing a fraction of a common share or a particular series of preferred shares as described below. The relevant fraction will be set forth in the prospectus supplement relating to our common shares or a particular series of preferred shares. If we elect to do so, depositary receipts evidencing depositary shares will be issued to the public.

We will deposit the common shares or a class or series of preferred shares represented by depositary shares under a deposit agreement among us, a depositary selected by us and the holders of the depositary receipts. The depositary will be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a common share or preferred share represented by such depositary share, to all the rights and preferences of the common shares or preferred shares, including dividend, voting, redemption and liquidation rights.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. We will distribute depositary receipts to those persons purchasing the fractional common shares or related class or series of preferred shares in accordance with the terms of the offering described in the related prospectus supplement. If we issue depositary shares we will file copies of the forms of deposit agreement and depositary receipt as exhibits to the registration statement of which this prospectus forms a part, and the following summary is qualified in its entirety by reference to such exhibits.

The following description of the depositary shares sets forth the material terms and provisions of the depositary shares to which any prospectus supplement may relate. The particular terms of the depositary shares offered by any prospectus supplement, and the extent to which the general provisions described below may apply to the offered securities, will be described in the prospectus supplement.

Dividends and Other Distributions

The depositary will distribute all cash dividends or other distributions received on the related common shares or class or series of preferred shares to the record holders of depositary shares relating to the common shares or class or series of preferred shares in proportion to the number of such depositary shares owned by the holders.

If there is a distribution other than in cash, the depositary will distribute property received by it to the record holders of depositary shares that are entitled to receive the distribution, unless the depositary determines that it is not feasible to make such distribution. If this occurs, the depositary may, with our approval, sell the property and distribute the net proceeds from such sale to the applicable holders.

Withdrawal of Shares

Upon surrender of the depositary receipts at the corporate trust office of the depositary, unless the related depositary shares have previously been called for redemption, the holder of the depositary shares is entitled to delivery of the number of whole shares of the related common shares or preferred shares and any money or other property represented by the depositary shares. Holders of depositary shares will be entitled to receive whole shares of the related common shares or preferred shares on the basis set forth in the prospectus supplement. However, holders of such whole common shares or preferred shares will not be entitled to exchange them for depositary shares. If the depositary receipts delivered by the holder evidence a number of depositary shares in excess of the number of depositary shares representing the number of whole common shares or preferred shares to be withdrawn, the depositary will deliver to such holder at the same time a new depositary receipt evidencing such excess number of depositary shares. We will not deliver fractional common shares or preferred shares upon surrender of depositary receipts to the depositary.

Table of Contents

Redemption of Depositary Shares

If we redeem common shares or preferred shares held by the depositary, the depositary will redeem as of the same redemption date the number of depositary shares representing the common shares or the related preferred shares redeemed. The redemption price per depositary share will be equal to the applicable fraction of the redemption price per share payable with respect to such common shares or preferred shares. If we redeem less than all the depositary shares, the depositary shares to be redeemed will be selected by lot or pro rata as the depositary may determine.

Voting the Common Shares or Preferred Shares

Upon receipt of notice of any meeting at which the holders of the common shares or preferred shares are entitled to vote, the depositary will mail the information contained in such notice of meeting to the record holders of the depositary shares underlying such shares. Each record holder of such depositary shares on the record date will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the amount of the preferred shares or common shares represented by such holder's depositary shares. The record date for the depositary shares will be the same date as the record date for the applicable common shares or preferred shares. The depositary will try, as far as practicable, to vote the number of the common shares or preferred shares represented by such depositary shares in accordance with such instructions. We will agree to take all action which the depositary deems necessary in order to enable the depositary to do so.

Amendment of the Deposit Agreement

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may at any time be amended by agreement between us and the depositary. However, any amendment which materially and adversely alters the rights of the holders of depositary receipts will not be effective unless such amendment has been approved by the holders of depositary receipts representing at least a majority of the depositary shares then outstanding.

Charges of Depositary

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will also pay charges of the depositary in connection with the initial deposit of the related common shares or class or series of preferred shares and any redemption of such common shares or preferred shares. Holders of depositary receipts will pay all other transfer and other taxes and governmental charges and such other charges as are expressly provided in the deposit agreement to be for their accounts.

Miscellaneous

The depositary will forward all reports and communications from us which are delivered to the depositary and which we are required to furnish to the holders of the common shares or preferred shares.

Neither we nor the depositary will be liable if either of us is prevented or delayed by law or any circumstance beyond our control in performing our obligations under the deposit agreement. Our obligations and the obligations of the depositary under the deposit agreement will be limited to performance in good faith of their duties under the deposit agreement. Neither we nor the depositary will be obligated to prosecute or defend any legal proceeding relating to any depositary shares or class or series of preferred shares unless satisfactory indemnity is furnished. We and the depositary may rely on written advice of counsel or accountants, or information provided by persons presenting preferred shares for deposit, holders of depositary shares or other persons believed to be competent and on documents believed to be genuine.

Table of Contents

Resignation and Removal of Depositary; Termination of the Deposit Agreement

The depositary may resign at any time by delivering to us notice of its resignation, and we may at any time remove the depositary. Any resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of the appointment. We will appoint a successor depositary within 60 days after delivery of the notice of resignation or removal. The deposit agreement may be terminated at our direction or by the depositary if 90 days have expired after the depositary has delivered to us written notice of its resignation and a successor depositary has not been appointed. Upon termination of the deposit agreement, the depositary will discontinue the transfer of depositary receipts, will suspend the distribution of dividends to the holders thereof, and will not give any further notices (other than notice of such termination) or perform any further acts under the deposit agreement. The depositary will continue to deliver common or preferred share certificates, together with such dividends and distributions and the net proceeds of any sales of rights, preferences, privileges or other property in exchange for depositary receipts surrendered. Upon our request, the depositary shall deliver all books, records, certificates evidencing common or preferred shares, depositary receipts and other documents relating to the subject matter of the depositary agreement to us.

Table of Contents

DESCRIPTION OF THE DEBT SECURITIES

We or any of the Finance Subsidiaries may offer debt securities. The following description of debt securities sets forth the material terms and provisions of the debt securities to which any prospectus supplement may relate.

Our senior debt securities would be issued under a senior indenture between us and The Bank of New York Mellon, as trustee. Our subordinated debt securities would be issued under a subordinated indenture between us and The Bank of New York Mellon, as trustee. Each of these indentures is an exhibit to the registration statement of which this prospectus forms a part.

Each Finance Subsidiary's senior debt securities would be issued under a senior indenture between the relevant Finance Subsidiary, us, as guarantor, and The Bank of New York Mellon, as trustee. Each Finance Subsidiary's subordinated debt securities would be issued under a subordinated indenture between the relevant Finance Subsidiary, us, as guarantor, and The Bank of New York Mellon, as trustee. Each Finance Subsidiary may also issue junior subordinated debt securities, including to a Capital Trust in connection with the issuance of preferred securities and common securities by that Capital Trust. These junior subordinated debt securities would be issued under a junior subordinated indenture between the relevant Finance Subsidiary, us, as guarantor, and The Bank of New York Mellon, as trustee. Each of these indentures is an exhibit to the registration statement of which this prospectus forms a part.

In this prospectus, we refer to our senior indenture, our subordinated indenture, each of the Finance Subsidiaries' senior indentures, each of the Finance Subsidiaries' subordinated indentures, and each of the Finance Subsidiaries' junior subordinated indentures collectively as the indentures and each individually as an indenture. In this prospectus, we refer to our senior indenture and each of the Finance Subsidiaries' senior indentures collectively as the senior indentures and each individually as a senior indenture. In this prospectus, we refer to our subordinated indenture and each of the Finance Subsidiaries' subordinated indentures collectively as the subordinated indentures and each individually as a subordinated indenture. In this prospectus, we refer to each of the Finance Subsidiaries' junior subordinated indentures collectively as the junior subordinated indentures and each individually as a junior subordinated indenture. The particular terms of the debt securities offered by any prospectus supplement, and the extent to which the general provisions described below may apply to the offered debt securities, will be described in the prospectus supplement.

The following summaries of the material terms and provisions of the indentures and the related debt securities are not complete. You should read the indentures and the debt securities for complete information regarding the terms and provisions of the indentures, including the definitions of some of the terms used below, and the debt securities. Wherever we refer to particular articles, sections or defined terms of an indenture, those articles, sections or defined terms are incorporated herein by reference, and the statement in connection with which such reference is made is qualified in its entirety by such reference. Whenever we refer to particular articles, sections or defined terms of an indenture, without specific reference to an indenture, those articles, sections or defined terms are contained in all indentures. The indentures are subject to and governed by the Trust Indenture Act.

Our senior indenture and our subordinated indenture are substantially identical to one another, except for certain covenants relating to subordination contained in our subordinated indenture. Each of the Finance Subsidiaries' senior indentures and each respective entity's subordinated indenture are also substantially identical to one another, except for certain covenants relating to subordination contained in such Finance Subsidiary's subordinated indenture. Each of the Finance Subsidiaries' subordinated indentures and each respective entity's junior subordinated indenture are substantially identical to one another, except for certain rights and covenants and provisions relating to subordination, the possible issuance of securities to the applicable Capital Trust and certain events of default not included in the junior subordinated indentures.

Table of Contents

General Information Regarding the Debt Securities

The indentures do not limit the aggregate principal amount of the debt securities which we or any of the Finance Subsidiaries may issue. The indentures provide that we or any of the Finance Subsidiaries may issue the debt securities from time to time in one or more series. (Section 3.01) While the indentures do not limit the amount of other indebtedness or the debt securities which the issuer or its subsidiaries may issue, the supplemental indentures related to offerings by certain Finance Subsidiaries of currently outstanding debt securities have imposed restrictions on the activities of the issuer, including its ability to issue other types of debt securities.

Unless otherwise provided in the related prospectus supplement, senior debt securities will be unsecured obligations of the relevant issuer and will rank equally with all of such issuer's other unsecured and unsubordinated indebtedness. The subordinated debt securities will be unsecured obligations of the relevant issuer, subordinated in right of payment to the prior payment in full of all senior indebtedness of such issuer as described below under Subordination of the Subordinated Debt Securities Issued by PartnerRe, Subordination of the Subordinated Debt Securities Issued by the Finance Subsidiaries and in the applicable prospectus supplement. The junior subordinated debt securities will be unsecured obligations of the relevant issuer, subordinated in right of payment to the prior payment in full of all of such issuer's senior and subordinated indebtedness, as described below under Subordination of the Junior Subordinated Debt Securities Issued by the Finance Subsidiaries.

Because we are a holding company, our rights and the rights of our creditors (including the holders of our debt securities and the holders of any of the Finance Subsidiaries' debt securities who are creditors of PartnerRe by virtue of our guarantee of the debt securities issued by the Finance Subsidiaries) and shareholders to participate in any distribution of assets of any of our subsidiaries upon that subsidiary's liquidation or reorganization or otherwise would be subject to the prior claims of that subsidiary's creditors and policyholders, except to the extent that we may ourselves be a creditor with recognized claims against that subsidiary. The rights of our creditors (including the holders of our debt securities and the holders of any of the Finance Subsidiaries' debt securities who are creditors of PartnerRe by virtue of our guarantee of the debt securities issued by the Finance Subsidiaries) to participate in the distribution of stock owned by us in certain of our subsidiaries, including our insurance subsidiaries, may also be subject to approval by certain insurance regulatory authorities having jurisdiction over such subsidiaries.

If any of the Finance Subsidiaries issues junior subordinated debt securities to a Capital Trust in connection with the issuance of preferred securities and common securities by such Capital Trust, such junior subordinated debt securities may be distributed pro rata to the holders of such preferred securities and common securities in connection with the dissolution of such Capital Trust upon the occurrence of certain events. These events will be described in the prospectus supplement relating to such preferred securities and common securities.

The prospectus supplement relating to the particular debt securities being offered will include specific terms relating to the offering. The terms will include, among other terms, some or all of the following, as applicable:

the title and series of such debt securities, which may include medium-term notes;

the aggregate principal amount of such debt securities and any limit upon such principal amount;

the date or dates on which the principal of such debt securities will be payable;

the rate or rates at which such debt securities will bear interest, if any;

the date or dates from which such interest, if any, will accrue or the method by which such date or dates will be determined;

Table of Contents

the date or dates on which interest, if any, on such debt securities will be payable and any regular record dates applicable to the date or dates on which interest will be so payable;

any right to extend or defer the interest payment period and the duration of the extension;

the portion of the principal amount of the debt securities that will be payable if the maturity is accelerated, if other than the entire principal amount;

the place or places where the principal of, any premium or interest on or any additional amounts with respect to such debt securities will be payable;

any optional or mandatory redemption terms or prepayment, conversion, sinking fund or remarketing provisions;

if other than denominations of \$2,000 or multiples of \$1,000, the denominations in which any debt securities to be issued in registered form (as defined below) will be issuable;

if other than a denomination of \$5,000, the denominations in which any debt securities to be issued in bearer form (as defined below) will be issuable;

any convertibility or exchangeability provisions;

any index, formula or other method used to determine the amount of payments of principal of, or any premium or interest with respect to such debt securities;

whether such debt securities will be issued in the form of one or more temporary or permanent global securities and, if so, the identity of the depository for such global security or securities;

whether such debt securities are senior debt securities or subordinated debt securities and, if subordinated debt securities, the specific subordination provisions applicable thereto;

in the case of debt securities issued by any of the Finance Subsidiaries, the agreement relating to our guarantee of such debt securities;

in the case of junior subordinated debt securities issued by any of the Finance Subsidiaries to a Capital Trust, the form of amended and restated trust agreement and the agreement relating to our guarantee of the preferred securities of such Capital Trust;

United States federal income tax considerations, if any;

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the currency or currencies, if other than the U.S. dollar, in which payments of the principal of and interest on the debt securities will be payable;

in the case of junior subordinated debt securities issued by any of the Finance Subsidiaries to a Capital Trust, the terms and conditions of any obligation or right of the applicable Finance Subsidiary or such Capital Trust to convert or exchange such junior subordinated debt securities into or for preferred securities of such Capital Trust;

any deletions from, modifications of or additions to the Events of Default or covenants of the issuer with respect to such debt securities;

in the case of subordinated debt securities or junior subordinated debt securities, any modifications, including additions to or exclusions from, the definition of Senior Indebtedness (defined under Subordination of the Subordinated Debt Securities Issued by PartnerRe , Subordination of the

Table of Contents

Subordinated Debt Securities Issued by the Finance Subsidiaries and Subordination of the Junior Subordinated Debt Securities Issued by the Finance Subsidiaries); and

any other terms of such debt securities and any other deletions from or modifications or additions to the applicable indenture in respect of such debt securities. (Section 3.01)

The issuer will have the ability under the indentures to reopen a previously issued series of the debt securities and issue additional debt securities of that series or establish additional terms of that series. The issuer is also permitted to issue debt securities with the same terms as previously issued debt securities. (Section 3.01)

Unless otherwise provided in the related prospectus supplement, principal, premium and interest, if any, with respect to any debt securities will be payable at the office or agency maintained by the issuer for such purposes. The payment office will initially be the corporate trust office of the trustee. In the case of debt securities issued in registered form, interest may be paid by check mailed to the persons entitled to the payment at their addresses appearing on the security register or by wire transfer to an account maintained by the payee with a bank located in the United States. A security issued in registered form is a security for which the issuer or the paying agent keeps a record of all the current holders. Interest on debt securities issued in registered form will be payable on any interest payment date to the persons in whose names the debt securities are registered at the close of business on the regular record date with respect to such interest payment date. Interest on such debt securities which have a redemption date after a regular record date, and on or before the following interest payment date, will also be payable to the persons in whose names the debt securities are registered. All paying agents initially designated by the issuer for the debt securities will be named in the related prospectus supplement. The issuer may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that the issuer will be required to maintain a paying agent in each place where the principal of or any premium or interest on the debt securities are payable. (Sections 3.07, 10.02 and 11.06)

Unless otherwise provided in the related prospectus supplement, the debt securities may be presented for transfer or exchanged for other debt securities of the same series at the office or agency maintained by the issuer for such purposes. This office will initially be the corporate trust office of the trustee. If so required by the issuer or the security registrar, any debt security presented for transfer must be duly endorsed or accompanied by a written instrument of transfer. Debt securities received upon exchange will contain identical terms and provisions, in any authorized denominations, and of a like aggregate principal amount. Such transfer or exchange will be made without service charge, but the issuer may require payment of a sum sufficient to cover any tax or other governmental charge and any other expenses then payable. The issuer will not be required to:

issue, register the transfer of, or exchange, the debt securities during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of any such debt securities and ending at the close of business on the day of such mailing,

register the transfer or exchange of any debt security so selected for redemption in whole or in part, except the unredeemed portion of any debt security being redeemed in part, or

register the transfer of or exchange any debt security which, in accordance with its terms, has been surrendered for repayment at the option of the holder, except the portion, if any, of such debt security not to be so repaid. (Section 3.05)

We and the Finance Subsidiaries have appointed the trustee as security registrar. Any transfer agent (in addition to the security registrar) initially designated by the relevant issuer for any debt securities will be named in the related prospectus supplement. The relevant issuer may at any time designate additional transfer agents or rescind the designation of any transfer agent or approve a change in the office through which any transfer agent acts, except that such issuer will be required to maintain a transfer agent in each place where the principal of, any premium or interest on the debt securities are payable. (Section 10.02)

Table of Contents

Unless otherwise provided in the related prospectus supplement, the debt securities will be issued only in fully registered form without coupons in denominations of \$2,000 and any integral multiple of \$1,000. The debt securities may be represented in whole or in part by one or more global debt securities (as defined below) registered in the name of a depository or its nominee and, if so represented, interests in such global debt security will be shown on, and transfers thereof will be effected only through, records maintained by the designated depository and its participants as described below. Where the debt securities of any series are issued in bearer form, the special restrictions and considerations, including special offering restrictions and special United States federal income tax considerations, applicable to such debt securities and to payment on and transfer and exchange of such debt securities will be described in the related prospectus supplement. A security issued in bearer form is a security for which the issuer does not keep a record of the holder. The owner is deemed to be the person holding the security.

If the purchase price of any debt securities is payable in one or more foreign currencies or currency units or if any debt securities are denominated in one or more foreign currencies or currency units or if the principal of, or any premium or interest on any debt securities is payable in one or more foreign currencies or currency units, the restrictions, elections, certain United States federal income tax considerations, specific terms and other information with respect to such debt securities and such foreign currency or currency units will be set forth in the related prospectus supplement.

The issuer will comply with Section 14(e) under the Exchange Act, and any other tender offer rules under the Exchange Act which may then be applicable, in connection with any obligation of the issuer to purchase debt securities at the option of the holders. Any such obligation applicable to a series of debt securities will be described in the related prospectus supplement.

You should refer to the prospectus supplement relating to a particular series of debt securities for information regarding any deletions from, modifications of or additions to the Events of Defaults described below or covenants contained in the indentures, including any addition of a covenant or other provisions providing event risk or similar protection.

Conversion and Exchange

The terms, if any, on which debt securities of any series are convertible into or exchangeable for common shares, preferred shares or other securities, whether or not issued by PartnerRe or any of the Finance Subsidiaries, property or cash, or a combination of any of the foregoing, will be set forth in the related prospectus supplement. Such terms may include provisions for conversion or exchange, either mandatory, at the option of the holder, or at the option of the issuer, in which the securities, property or cash to be received by the holders of the debt securities would be calculated according to the factors and at such time as described in the related prospectus supplement. Any such conversion or exchange will comply with applicable law, including securities laws, and the issuer's organizational documents.

Global Securities

The debt securities of a series may be issued in whole or in part under a book entry system in the form of one or more global debt securities. Each global security will be deposited with, or on behalf of, a depository identified in the prospectus supplement relating to such series.

The depository will be a limited purpose trust company organized under the laws of the State of New York, 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 pursuant to the provisions of Section 17A of the Exchange Act. The depository was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among its participants through electronic book-entry changes in accounts of the participants, thereby eliminating

Table of Contents

the need for physical movement of securities certificates. The depositary's participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of which (and/or their representatives) own the depositary. Access to the depositary's book-entry system is also available to others, such as banks, brokers, dealers, and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

The specific terms of the depositary arrangement with respect to a series of the debt securities will be described in the prospectus supplement relating to such series. We and the Finance Subsidiaries anticipate that the following provisions will apply to all depositary arrangements.

Upon the issuance of a global security in registered form, the depositary for such global security or its nominee will credit, on its book-entry registration and transfer system, the respective principal amounts of the debt securities represented by such global security to the participants' accounts. Such accounts will be designated by the underwriters or agents with respect to such debt securities or by the issuer if such debt securities are offered and sold directly by the issuer. Ownership of beneficial interests in a global security will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests by participants in the global security will be shown on, and the transfer of that ownership will be effected only through the participants' records. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in definitive form. These laws may impair the ability to transfer beneficial interests in a global security.

So long as the depositary, or its nominee, is the owner of record of a global security, we and the relevant Finance Subsidiary, as the case may be, consider such depositary or its nominee the sole owner or holder of the debt securities represented by a global security for all purposes under the applicable indenture. Except as described below, owners of beneficial interests in a global security will not be entitled to have the debt securities represented by a global security registered in their names, and will not receive or be entitled to receive physical delivery of the debt securities of that series in definitive form and will not be considered the owners or holders thereof under the indenture under which these debt securities are issued. Accordingly, each person owning a beneficial interest in a global security must rely on the procedures of the depositary. Persons who are not participants must rely on the procedures of the participant through which they own their interest. We and the Finance Subsidiaries understand that under existing industry practices, if we request any action of holders or if any owner of a beneficial interest in a global security desires to give or take any action which a holder is entitled to give or take under the applicable indenture, the depositary would authorize the participants holding the relevant beneficial interests to give or take such action, and such participants would authorize beneficial owners owning through such participants to give or take such action or would otherwise act upon the instruction of beneficial owners holding through them.

Payments of principal of, any premium and interest on, the debt securities represented by a global security registered in the name of a depositary or its nominee will be paid to the depositary or its nominee, as the case may be, as the registered owner. None of the trustee, any paying agent, the security registrar or the issuer will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of the global security for such debt securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

We and the Finance Subsidiaries expect that the depositary for a series of the debt securities or its nominee, upon receipt of any payment with respect to such debt securities, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interest in the principal amount of the global security for such debt securities as shown on the records of such depositary or its nominee. We and the Finance Subsidiaries also expect that payments by participants to owners of beneficial interests in such global security held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in street name, and will be the responsibility of such participants.

Table of Contents

The indentures provide that global securities will be exchanged for the debt securities of such series in definitive form of like tenor and of an equal aggregate principal amount, in authorized denominations, if:

the depository for a series of the debt securities notifies the issuer that it is unwilling or unable to continue as depository or if such depository ceases to be eligible under the applicable indenture and a successor depository is not appointed by the issuer within 90 days of written notice;

the issuer determines that the debt securities of a particular series will no longer be represented by global securities and execute and deliver to the trustee a company order to such effect; or

an Event of Default with respect to a series of the debt securities has occurred and is continuing.

With respect to the second bullet point above, we and the Finance Subsidiaries understand, however, that under current industry practices, the depository would notify its participants of our request, but will only withdraw beneficial interests from a global security at the request of each participant. We or the relevant Finance Subsidiary, as the case may be, would issue definitive certificates in exchange for any such interests withdrawn. Such definitive debt securities will be registered in such name or names as the depository shall instruct the trustee. (Section 3.05) We expect that such instructions may be based upon directions received by the depository from participants with respect to ownership of beneficial interests in global securities.

Consolidation, Amalgamation, Merger and Sale of Assets

Each indenture provides that the issuer may not (1) consolidate or amalgamate with or merge into any person or convey, transfer or lease the properties and assets of the issuer as an entirety or substantially as an entirety to any person, or (2) permit any person to consolidate or amalgamate with or merge into the issuer, or convey, transfer or lease such person's properties and assets as an entirety or substantially as an entirety to the issuer, unless:

such person is a corporation, limited liability company, incorporated association, company or business trust, as the case may be, organized and existing under the laws of the United States of America, any state thereof or the District of Columbia, Bermuda or any country which is, on the date of the indenture, a member of the Organization of Economic Cooperation and Development;

such person will expressly assume, by supplemental indenture, the due and punctual payment of the principal of, or any premium and interest on, all of the debt securities issued under the applicable indenture, and the performance of the issuer's obligations under such indenture and the debt securities issued under the applicable indenture, and provides for conversion or exchange rights in accordance with the provisions of the debt securities of any series that are convertible or exchangeable into common shares or other securities;

immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the issuer as a result of such transaction as having been incurred by the issuer or such subsidiary at the time of such transaction, no Event of Default, and no event which after notice or lapse of time or both would become an Event of Default, will have happened and be continuing; and

certain other conditions are met. (Section 8.01)

The senior subordinated and junior subordinated indentures of the Finance Subsidiaries include a like restriction on consolidation, amalgamation and merger involving PartnerRe, as guarantor of each Finance Subsidiary's obligations under the respective Finance Subsidiary's senior subordinated and junior subordinated debt securities. (Section 8.03 of the senior, subordinated and junior subordinated indentures of the Finance Subsidiaries)

Table of Contents

Events of Default Under Senior and Subordinated Indentures

Unless the issuer provides other or substitute Events of Default in a prospectus supplement, the following events will constitute an Event of Default under the senior and subordinated indentures with respect to any debt securities issued under such indentures:

- (1) default in paying interest on any debt security, when it becomes due and payable, and the default continues for a period of 30 days;
- (2) default in paying principal or any premium on any debt security, when such principal or premium becomes due and payable;
- (3) default in the performance, or breach, of any covenant or warranty in the applicable indenture for the benefit of such debt securities, and the continuance of such default or breach for a period of 60 days after written notice of default is given under the indenture;
- (4) if any event of default as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any Indebtedness of the issuer for borrowed money (other than Indebtedness which is non-recourse to the issuer) happens and consists of default in the payment of more than \$100,000,000 in principal amount of such Indebtedness when due (after giving effect to any applicable grace period) or shall result in such Indebtedness in principal amount in excess of \$100,000,000 becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such default is not cured or waived or such acceleration is not rescinded or annulled within a period of 30 days after there has been given written notice as provided in the applicable indenture;
- (5) the issuer fails within 60 days to pay, bond or otherwise discharge any uninsured judgment or court order for the payment of money in excess of \$100,000,000, which is not stayed on appeal or is not otherwise being appropriately contested in good faith; and
- (6) certain events relating to bankruptcy, insolvency or reorganization of the issuer.

In the senior and subordinated indentures of each Finance Subsidiary, the Events of Default described in clauses (3) through (6) above also include references to PartnerRe, as guarantor under the applicable indenture.

If an Event of Default (other than an Event of Default described in (6) of the preceding paragraph) occurs with respect to the debt securities of any series and continues, either the trustee or the holders of at least 25% in principal amount of the outstanding debt securities of such series may, by written notice as provided in the applicable indenture, declare the principal amount (or such lesser amount as may be provided for in the debt securities of such series) of all outstanding debt securities of such series to be due and payable immediately. At any time after a declaration of acceleration has been made, but before a judgment or decree for payment of money has been obtained by the trustee, and subject to applicable law and certain other provisions of the applicable indenture, the holders of a majority in aggregate principal amount of the debt securities of such series may, under certain circumstances, rescind and annul such acceleration. An Event of Default described in (6) of the preceding paragraph will cause the principal amount and accrued interest (or such lesser amount as provided for in the debt securities of such series) to become immediately due and payable without any declaration or other act by the trustee or any holder. (Section 5.02 of the senior indentures and subordinated indentures)

Each senior and subordinated indenture provides that, within 90 days after the occurrence of any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the debt securities of any series (a default), the trustee will transmit, in the manner set forth in such indenture, notice of such default to the holders of the debt securities of such series unless such default has been cured or waived.

Table of Contents

However, except in the case of a default in the payment of principal, premium, interest or any sinking fund or purchase fund installment with respect to, any debt security of such series, the trustee may withhold such notice if and so long as the issuer's board of directors, its executive committee or a trust committee of directors and/or responsible officers of the trustee in good faith determine that the withholding of such notice is in the best interest of the holders of the debt securities of such series. In addition, in the case of any default of the character described in (4) of the second preceding paragraph, no such notice to holders will be given until at least 30 days after the default occurs. (Section 6.02)

If an Event of Default occurs and continues with respect to the debt securities of any series, the trustee may in its discretion proceed to protect and enforce its rights and the rights of the holders of the debt securities of such series by all appropriate judicial proceedings. (Section 5.03) Each senior and subordinated indenture provides that, subject to the duty of the trustee during any default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under such indenture at the request or direction of any of the holders of the debt securities, unless such holders shall have offered to the trustee indemnity satisfactory to it in its reasonable judgment. (Section 6.01) Subject to the provisions for the indemnification of the trustee, and applicable law and certain other provisions of the applicable indenture, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to debt securities of such series. (Section 5.12)

Events of Default under Junior Subordinated Indentures

Unless the issuer provides other or substitute Events of Default in a prospectus supplement, the following events will constitute an Event of Default under the junior subordinated indentures with respect to any debt securities issued under such indentures:

- (1) default in paying interest on any debt security, when they become due and payable, and the default continues for a period of 30 days;
- (2) default in paying principal, any premium on any debt security, when such principal or premium becomes due and payable; and
- (3) certain events relating to bankruptcy, insolvency or reorganization of the issuer.

In the junior subordinated indenture of each Finance Subsidiary, the Events of Default described in clause (3) above also include references to PartnerRe, as guarantor under the applicable indenture.

These events of default do not include the failure to comply with or breach of other covenants in the junior subordinated indenture (other covenant breach). Accordingly, an other covenant breach will not result in the acceleration of payment of the debt securities issued under the junior subordinated indenture. Although an other covenant breach will not constitute an event of default, it will otherwise constitute a breach of contract under the junior subordinated indenture and could give rise to a claim against the relevant issuer relating to the specific breach; however, the remedy of the holders of any debt securities issued under the junior subordinated indenture may be limited to direct monetary damages (if any). An other covenant breach will only give rise to possible remedies if it continues for 90 days after delivery of specified notice.

If an Event of Default (other than an Event of Default described in (3) above) occurs with respect to the debt securities of any series and continues, either the trustee or the holders of at least 25% in principal amount of the outstanding debt securities of such series may, by written notice as provided in the applicable indenture, declare the principal amount (or such lesser amount as may be provided for in the debt securities of such series) of all outstanding debt securities of such series to be due and payable immediately. At any time after a declaration of acceleration has been made, but before a judgment or decree for payment of money has been obtained by the

Table of Contents

trustee, and subject to applicable law and certain other provisions of the applicable indenture, the holders of a majority in aggregate principal amount of the debt securities of such series may, under certain circumstances, rescind and annul such acceleration. An Event of Default described in (3) above will cause the principal amount and accrued interest (or such lesser amount as provided for in the debt securities of such series) to become immediately due and payable without any declaration or other act by the trustee or any holder. (Section 5.02 of the junior subordinated indentures)

Each junior subordinated indenture provides that, within 90 days after the occurrence of any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the debt securities of any series (a junior subordinated default), the trustee will transmit, in the manner set forth in such indenture, notice of such junior subordinated default to the holders of the debt securities of such series unless such junior subordinated default has been cured or waived. However, except in the case of a junior subordinated default in the payment of principal, premium, interest or any sinking fund or purchase fund installment with respect to, any debt security of such series, the trustee may withhold such notice if and so long as the issuer's board of directors, its executive committee or a trust committee of directors and/or responsible officers of the trustee in good faith determine that the withholding of such notice is in the best interest of the holders of the debt securities of such series. (Section 6.02)

If an Event of Default occurs and continues with respect to the debt securities of any series, the trustee may in its discretion proceed to protect and enforce its rights and the rights of the holders of the debt securities of such series by all appropriate judicial proceedings. (Section 5.03) Each junior subordinated indenture provides that, subject to the duty of the trustee during any junior subordinated default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under such indenture at the request or direction of any of the holders of the debt securities, unless such holders shall have offered to the trustee indemnity satisfactory to it in its reasonable judgment. (Section 6.01) Subject to the provisions for the indemnification of the trustee, and applicable law and certain other provisions of the applicable indenture, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to debt securities of such series. (Section 5.12)

Modification and Waiver

The issuer and the trustee may modify or amend any of the indentures with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each series affected by the modification or amendments. However, each affected holder must consent to certain modifications or amendments, including:

changes to the stated maturity of the principal of, or any premium or installment of interest with respect to, any debt security; or

reductions of the principal amount of, or the rate (or modify the calculation of such principal amount or rate) of interest with respect to, or any premium payable upon the redemption of, any debt security.

In addition, no supplemental indenture may directly or indirectly modify or eliminate the subordination provisions of the subordinated indentures or junior subordinated indentures in any manner which might terminate or impair the subordination of the subordinated debt securities or junior subordinated debt securities, as the case may be, to Senior Indebtedness (as defined under Subordination of the Subordinated Debt Securities Issued by PartnerRe, Subordination of the Subordinated Debt Securities Issued by the Finance Subsidiaries or Subordination of the Junior Subordinated Debt Securities Issued by the Finance Subsidiaries, as applicable) without the prior written consent of the holders of such Senior Indebtedness. (Section 9.07 of the subordinated indentures and junior subordinated indentures)

Table of Contents

The relevant issuer and the trustee may modify or amend any of the indentures and debt securities of any series without the consent of any holder in order to, among other things:

provide for such issuer's successor pursuant to a consolidation, amalgamation, merger or sale of assets;

provide for a successor trustee with respect to debt securities of all or any series;

cure any ambiguity, defect or inconsistency;

make any other provisions with respect to matters or questions arising under any indenture which will not adversely affect the interests of the holders of debt securities of any series; or

make any other change that does not materially adversely affect the interests of the holders of any debt securities then outstanding under the applicable indenture. (Section 9.01)

The holders of at least a majority in principal amount of debt securities of any series may, on behalf of the holders of all debt securities of that series, waive compliance by the issuer with certain restrictive provisions of the applicable indenture. (Section 10.06) The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may, on behalf of the holders of all debt securities of that series, waive any past default and its consequences under the applicable indenture with respect to debt securities of that series, except a default:

in paying principal, premium or interest with respect to debt securities of that series; or

in respect of a covenant or provision of the applicable indenture that cannot be modified or amended without the consent of the holder of each debt security of any series. (Section 5.13)

Under each indenture, the issuer is required to furnish to the trustee annually a statement as to its performance of certain of its obligations under that indenture and as to any default in such performance. The issuer is also required to deliver to the trustee, within five days after its occurrence, written notice of any Event of Default or any event which after notice or lapse of time or both would constitute an Event of Default. (Section 10.07)

Discharge, Defeasance and Covenant Defeasance

The issuer may discharge certain obligations to holders of any series of debt securities that have not already been delivered to the trustee for cancellation and that either have become due and payable or will become due and payable within one year (or scheduled for redemption within one year) by depositing with the trustee, in trust, funds in U.S. dollars or in the Foreign Currency (defined below) in which such debt securities are payable in an amount sufficient to pay the entire indebtedness on such debt securities with respect to principal and any premium and interest to the date of such deposit (if such debt securities have become due and payable) or to the maturity thereof, as the case may be. (Section 4.01)

Each indenture provides that, unless the provisions of Section 4.02 thereof are made inapplicable to debt securities of or within any series pursuant to Section 3.01 thereof, the issuer may elect either:

to defease and be discharged from any and all obligations with respect to such debt securities (except for, among other things, obligations to register the transfer or exchange of such debt securities, to replace temporary or mutilated, destroyed, lost or stolen debt securities, to maintain an office or agency with respect to such debt securities and to hold moneys for payment in trust)

(defeasance); or

to be released from its obligations with respect to such debt securities under certain covenants as described in the related prospectus supplement, and any omission to comply with such obligations will

Table of Contents

not constitute a default or an Event of Default with respect to such debt securities (covenant defeasance). Defeasance or covenant defeasance, as the case may be, will be conditioned upon the irrevocable deposit by the issuer with the trustee, in trust, of an amount in U.S. dollars or in the Foreign Currency (defined below) in which such debt securities are payable at stated maturity, or Government Obligations (as defined below), or both, applicable to such debt securities which through the scheduled payment of principal and interest in accordance with their terms will provide money in an amount sufficient to pay the principal of, and any premium and interest on, such debt securities on the scheduled due dates. (Section 4.02)

Such a trust may only be established if, among other things:

the applicable defeasance or covenant defeasance does not result in a breach or violation of, or constitute a default under or any material agreement or instrument to which the issuer is a party or by which it is bound;

no Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to the debt securities to be defeased will have occurred and be continuing on the date of establishment of such a trust after giving effect to such establishment and, with respect to defeasance only, no bankruptcy proceeding will have occurred and be continuing at any time during the period ending on the 91st day after such date;

with respect to registered securities and any bearer securities for which the place of payment is within the United States, the issuer has delivered to the trustee an opinion of counsel (as specified in each indenture) to the effect that the holders of such debt securities will not recognize income, gain or loss for United States federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred, and such opinion of counsel, in the case of defeasance, must refer to and be based upon a letter ruling of the Internal Revenue Service received by the issuer, a Revenue Ruling published by the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the applicable indenture; and

with respect to defeasance, the issuer has delivered to the trustee an officers certificate as to solvency and the absence of intent of preferring holders over other creditors. (Section 4.02)

Foreign Currency means any currency, currency unit or composite currency, including, without limitation, the euro, issued by the government of one or more countries other than the United States of America or by any recognized confederation or association of such governments. (Section 1.01)

Government Obligations means debt securities which are (1) direct obligations of the United States of America or the other government or governments or confederation or association of governments which issued the Foreign Currency in which the debt securities of a particular series are payable, for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America or such other government or governments or confederation or association of governments which issued the Foreign Currency in which the debt securities of such series are payable, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America or such other government or governments or confederation or association of governments, which, in the case of clauses (1) and (2), are not callable or redeemable at the option of the issuer or issuers thereof, and will also include a depository receipt issued by a bank or trust company as custodian with respect to any such Government Obligation or a specific payment of interest on or principal of or any other amount with respect to any such Government Obligation held by such custodian for the account of the holder of

Table of Contents

such depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian with respect to the Government Obligation or the specific payment of interest on or principal of or any other amount with respect to the Government Obligation evidenced by such depository receipt. (Section 1.01)

If after the issuer has deposited funds and/or Government Obligations to effect defeasance or covenant defeasance with respect to debt securities of any series, (1) the holder of a debt security of that series is entitled to, and does, elect pursuant to Section 3.01 of the applicable indenture or the terms of such debt security to receive payment in a currency other than that in which such deposit has been made in respect of such debt security, or (2) a Conversion Event (as defined below) occurs in respect of the Foreign Currency in which such deposit has been made, the indebtedness represented by such debt security will be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of, any premium and interest on, such debt security as such debt security becomes due out of the proceeds yielded by converting the amount or other properties so deposited in respect of such debt security into the currency in which such debt security becomes payable as a result of such election or such Conversion Event based on (a) in the case of payments made pursuant to clause (1) above, the applicable market exchange rate for such currency in effect on the second business day prior to such payment date, or (b) with respect to a Conversion Event, the applicable market exchange rate for such Foreign Currency in effect (as nearly as feasible) at the time of the Conversion Event. (Section 4.02)

Conversion Event means the cessation of use of (1) a Foreign Currency both by the government of the country or countries which issued such Foreign Currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community or (2) any currency unit or composite currency for the purposes for which it was established. (Section 1.01)

If the issuer effects covenant defeasance with respect to any of its debt securities and such debt securities are declared due and payable because of the occurrence of any Event of Default other than an Event of Default with respect to any covenant as to which there has been covenant defeasance, the amount in such Foreign Currency in which such debt securities are payable, and Government Obligations on deposit with the trustee, will be sufficient to pay amounts due on such debt securities at the time of the stated maturity but may not be sufficient to pay amounts due on such debt securities at the time of the acceleration resulting from such Event of Default. However, the relevant issuer (and the guarantor, if applicable) would remain liable to make payment of such amounts due at the time of acceleration.

Subordination of the Subordinated Debt Securities Issued by PartnerRe

Our subordinated debt securities will, to the extent set forth in our subordinated indenture, be subordinate in right of payment to the prior payment in full of all Senior Indebtedness (as defined below in this section) of ours, whether outstanding at the date of our subordinated indenture or thereafter incurred. (Section 16.01 of our subordinated indenture) Holders of our Senior Indebtedness will first be entitled to receive payment in full of all amounts due on our Senior Indebtedness before the holders of our subordinated debt securities are entitled to receive payment on account of principal, premium, interest on our subordinated debt securities, if certain events occur. These events include:

any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relative to us or to our creditors, as such, or to our assets; or

any voluntary or involuntary liquidation, dissolution or other winding up of ours, whether or not involving insolvency or bankruptcy; or

any assignment for the benefit of creditors or any other marshalling of assets and liabilities of ours.
(Section 16.03 of our subordinated indenture)

Table of Contents

If we are liquidated or become insolvent, holders of our Senior Indebtedness and holders of other obligations of ours that are not subordinated to our Senior Indebtedness may recover more, ratably, than the holders of our subordinated debt securities.

Subject to the payment in full of all Senior Indebtedness of ours, the rights of the holders of our subordinated debt securities will be subrogated to the rights of the holders of our Senior Indebtedness to receive payments or distributions of cash, property or securities of ours applicable to such Senior Indebtedness until the principal of, and any premium and interest on, our subordinated debt securities have been paid in full. (Section 16.04 of our subordinated indenture)

No payment of principal of or any premium or interest with respect to our subordinated debt securities, or payments to acquire such securities (other than pursuant to their conversion), may be made if:

any Senior Indebtedness of ours is not paid when due and any applicable grace period with respect to such default has ended and such default has not been cured or waived or ceased to exist, or

if the maturity of any Senior Indebtedness of ours has been accelerated because of a default. (Section 16.02 of our subordinated indenture)

Our subordinated indenture does not limit or prohibit us from incurring additional Senior Indebtedness, which may include Indebtedness that is senior to our subordinated debt securities, but subordinate to our other obligations. The senior debt securities issued by us will constitute Senior Indebtedness under our subordinated indenture.

For purposes of this section, the term Senior Indebtedness means all Indebtedness of ours outstanding at any time, except:

our subordinated debt securities;

Indebtedness as to which, by the terms of the instrument creating or evidencing the same, it is provided that such Indebtedness is subordinated to or ranks equally with our subordinated debt securities or any other Indebtedness ranking *pari passu* with our subordinated debt securities;

interest accruing after the filing of a petition initiating any bankruptcy, insolvency or other similar proceeding unless such interest is an allowed claim enforceable against us in a proceeding under federal or state bankruptcy laws;

trade accounts payable;

liability for income, franchise, real estate or other taxes owed or owing; and

our guarantees of any junior subordinated debt securities of the Finance Subsidiaries, including those issued to a Capital Trust (or similar financing vehicle of PartnerRe).

Such Senior Indebtedness will continue to be Senior Indebtedness and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness. (Sections 1.01 and 16.08 of our subordinated indenture)

Our subordinated indenture provides that the foregoing subordination provisions, including the definition of Senior Indebtedness, insofar as they relate to any particular issue of our subordinated debt securities, may be changed prior to such issuance. Any such change would be described in

the related prospectus supplement.

Table of Contents

Subordination of the Subordinated Debt Securities Issued by the Finance Subsidiaries

The subordinated debt securities issued by the Finance Subsidiaries will, to the extent set forth in the applicable subordinated indenture, be subordinate in right of payment to the prior payment in full of all Senior Indebtedness (as defined below in this section) of the relevant issuer, whether outstanding at the date of such subordinated indenture or thereafter incurred. (Section 16.01 of the Finance Subsidiaries' subordinated indentures) Holders of Senior Indebtedness of any of the Finance Subsidiaries will first be entitled to receive payment in full of all amounts due or to become due on or in respect of all such Senior Indebtedness, or provision will be made for such payment in cash, before the holders of the subordinated debt securities of the relevant issuer are entitled to receive or retain any payment on account of principal, premium or interest with respect to such subordinated debt securities, if certain events occur. These events include:

any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relative to the relevant issuer or to its creditors, as such, or to its assets; or

any voluntary or involuntary liquidation, dissolution or other winding up of the relevant issuer, whether or not involving insolvency or bankruptcy; or

any assignment for the benefit of creditors or any other marshalling of assets and liabilities of the relevant issuer.
(Section 16.03 of the Finance Subsidiaries' subordinated indentures)

If any of the Finance Subsidiaries is liquidated or becomes insolvent, holders of Senior Indebtedness of the relevant issuer and holders of other obligations of such issuer that are not subordinated to such Senior Indebtedness may recover more, ratably, than the holders of subordinated debt securities of such issuer.

Subject to the payment in full of all Senior Indebtedness of the relevant Finance Subsidiary, the rights of the holders of subordinated debt securities of such issuer will be subrogated to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of the relevant issuer applicable to such Senior Indebtedness until the principal of, any premium and interest on such subordinated debt securities have been paid in full. (Section 16.04 of the Finance Subsidiaries' subordinated indentures)

No payment of principal of or any premium or interest on the subordinated debt securities of the relevant Finance Subsidiary, or payments to acquire such securities (other than pursuant to their conversion), may be made if:

any Senior Indebtedness of such issuer is not paid when due and any applicable grace period with respect to such default has ended and such default has not been cured or waived or ceased to exist, or

if the maturity of any Senior Indebtedness of such issuer has been accelerated because of a default.
(Section 16.02 of the Finance Subsidiaries' subordinated indentures)

The subordinated indentures of the Finance Subsidiaries do not limit or prohibit the relevant issuer from incurring additional Senior Indebtedness, which may include Indebtedness that is senior to its subordinated debt securities, but subordinate to the relevant issuer's other obligations. The senior debt securities issued by a Finance Subsidiary will constitute Senior Indebtedness under such Finance Subsidiary's subordinated indenture.

Table of Contents

For purposes of this section, the term Senior Indebtedness means all Indebtedness of the relevant Finance Subsidiary outstanding at any time, except:

the subordinated debt securities issued by such Finance Subsidiary;

Indebtedness as to which, by the terms of the instrument creating or evidencing the same, it is provided that such Indebtedness is subordinated to or ranks equally with such subordinated debt securities or any other Indebtedness ranking *pari passu* with such subordinated debt securities;

interest accruing after the filing of a petition initiating any bankruptcy, insolvency or other similar proceeding unless such interest is an allowed claim enforceable against such Finance Subsidiary in a proceeding under federal or state bankruptcy laws;

trade accounts payable;

liability for income, franchise, real estate or other taxes owed or owing; and

any junior subordinated debt securities, including those issued to a Capital Trust (or similar financing vehicle of PartnerRe). Such Senior Indebtedness will continue to be Senior Indebtedness of the relevant issuer and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness. (Sections 1.01 and 16.08 of the Finance Subsidiaries subordinated indentures)

The Finance Subsidiaries subordinated indentures provide that the foregoing subordination provisions, including the definition of Senior Indebtedness, insofar as they relate to any particular issue of subordinated debt securities by the relevant issuer, may be changed prior to such issuance. Any such change would be described in the related prospectus supplement.

Subordination of the Junior Subordinated Debt Securities Issued by the Finance Subsidiaries

The junior subordinated debt securities issued by the Finance Subsidiaries will, to the extent set forth in the applicable junior subordinated indenture, be subordinate in right of payment to the prior payment in full of all Senior Indebtedness (as defined below in this section) of the relevant issuer, whether outstanding at the date of the applicable junior subordinated indenture or thereafter incurred. (Section 16.01 of the junior subordinated indenture) Holders of Senior Indebtedness of any of the Finance Subsidiaries will first be entitled to receive payment in full of all amounts due or to become due on or in respect of all such Senior Indebtedness, or provision will be made for such payment in cash, before the holders of the junior subordinated debt securities of the relevant issuer are entitled to receive or retain any payment on account of principal, premium or interest with respect to, junior subordinated debt securities if certain events occur. These events include:

any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relative to the relevant issuer or to its creditors, as such, or to its assets; or

any voluntary or involuntary liquidation, dissolution or other winding up of the relevant issuer, whether or not involving insolvency or bankruptcy; or

any assignment for the benefit of creditors or any other marshalling of assets and liabilities of the relevant issuer.

(Section 16.03 of the junior subordinated indentures)

Table of Contents

If any of the Finance Subsidiaries is liquidated or becomes insolvent, holders of Senior Indebtedness of the relevant issuer and holders of such issuer's other obligations that are not subordinated to such Senior Indebtedness may recover more, ratably, than the holders of junior subordinated debt securities of such issuer.

Subject to the payment in full of all Senior Indebtedness of the relevant Finance Subsidiary, the rights of the holders of junior subordinated debt securities of such issuer will be subrogated to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of the relevant issuer applicable to such Senior Indebtedness until the principal of, and any premium and interest on, junior subordinated debt securities have been paid in full. (Section 16.04 of the junior subordinated indentures)

No payment of principal (including redemption and sinking fund payments) of or any premium or interest on the junior subordinated debt securities of a Finance Subsidiary, or payments to acquire such securities (other than pursuant to their conversion), may be made if:

any Senior Indebtedness of such Finance Subsidiary is not paid when due and any applicable grace period with respect to such default has ended and such default has not been cured or waived or ceased to exist, or

if the maturity of any Senior Indebtedness of such Finance Subsidiary has been accelerated because of a default.
(Section 16.02 of the junior subordinated indentures)

The junior subordinated indentures of the Finance Subsidiaries generally do not limit or prohibit the relevant issuer from incurring additional Senior Indebtedness, which may include Indebtedness that is senior to the junior subordinated debt securities, but subordinate to the relevant issuer's other obligations; however, the supplemental indenture, dated as of November 7, 2006, under which PRE Finance II issued 6.440% Fixed-to-Floating Rate Junior Subordinated Capital Efficient Notes due 2066 (CENts), states that for so long as any CENts remain outstanding, PRE Finance II has agreed that its activities will be limited to issuing CENts and lending the proceeds from the sale of CENts to PartnerRe U.S., and any other activities necessary or incidental to these activities.

For purposes of this section, the term Senior Indebtedness means all Indebtedness of the relevant Finance Subsidiary outstanding at any time, except:

the junior subordinated debt securities issued by such Finance Subsidiary;

Indebtedness as to which, by the terms of the instrument creating or evidencing the same, it is provided that such Indebtedness is subordinated to or ranks equally with the junior subordinated debt securities or any other Indebtedness ranking *pari passu* with the junior subordinated debt securities;

interest accruing after the filing of a petition initiating any bankruptcy, insolvency or other similar proceeding unless such interest is an allowed claim enforceable against such issuer in a proceeding under federal or state bankruptcy laws;

trade accounts payable;

liability for income, franchise, real estate or other taxes owed or owing; and

any junior subordinated debt securities issued to a Capital Trust (or similar financing vehicle of PartnerRe).

Table of Contents

Such Senior Indebtedness will continue to be Senior Indebtedness of the relevant issuer and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness. (Section 1.01 and 16.08 of the junior subordinated indentures)

The junior subordinated indentures provide that the foregoing subordination provisions, including the definition of Senior Indebtedness, insofar as they relate to any particular issue of junior subordinated debt securities, may be changed prior to such issuance. Any such change would be described in the related prospectus supplement.

New York Law to Govern

The indentures and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in that state. (Section 1.13 of the senior indentures and the subordinated indentures and Section 1.14 of the junior subordinated indentures)

Information Concerning the Trustee

The Finance Subsidiaries may from time to time borrow from, maintain deposit accounts with and conduct other banking transactions with The Bank of New York Mellon and its affiliates in the ordinary course of business.

Under each indenture, The Bank of New York Mellon is required to transmit annual reports to all holders regarding its eligibility and qualifications as trustee under the applicable indenture and related matters. (Section 7.03)

CERTAIN PROVISIONS OF THE JUNIOR SUBORDINATED DEBT SECURITIES

ISSUED TO THE CAPITAL TRUSTS

Option to Extend Interest Payment Date

Unless provided otherwise in the related prospectus supplement, each Finance Subsidiary will have the right at any time and from time to time during the term of any series of junior subordinated debt securities issued to a Capital Trust to defer payment of interest for such number of consecutive interest payment periods as may be specified in the related prospectus supplement. This right to extend is subject to the terms, conditions and covenants, if any, specified in this prospectus and such prospectus supplement. However, the relevant issuer may not defer such interest payments beyond the stated maturity of the junior subordinated debt securities. (Section 3.11 of the junior subordinated indentures)

Option to Extend Maturity Date

Unless provided otherwise in the related prospectus supplement, each Finance Subsidiary will have the right to change the stated maturity of the principal of the junior subordinated debt securities issued to a Capital Trust upon the liquidation of such Capital Trust and the exchange of the junior subordinated debt securities for the preferred securities of such Capital Trust. The relevant issuer may also extend the stated maturity of the principal of the junior subordinated debt securities, provided that at the time such election to extend the stated maturity is made and at the time such extension commences, the following conditions are satisfied:

no event of default on the junior subordinated debt securities has occurred and is continuing;

such Capital Trust is not in arrears on payments of distributions on its preferred securities and no deferred distributions have accumulated;

Table of Contents

the junior subordinated debt securities are, and immediately after such extension will be, rated at least investment grade by either Standard & Poor's Ratings Services, Moody's Investors Service, Inc. or another nationally recognized statistical rating organization; and

the extended stated maturity is no later than the 49th anniversary of the initial issuance of the preferred securities of such Capital Trust.

If any Finance Subsidiary exercises its right to liquidate such Capital Trust and exchange the junior subordinated debt securities for the preferred securities of such Capital Trust as described above, any changed stated maturity of the principal of the junior subordinated debt securities shall be no earlier than the date that is 15 years after the initial issue date of the preferred securities and no later than the date 30 years (plus an extended term of up to an additional 19 years if the conditions described above are satisfied) after the initial issue date of the preferred securities of such Capital Trust. (Section 3.13 of the junior subordinated indentures)

Additional Sums

If any Finance Subsidiary issues junior subordinated debt securities to a Capital Trust, and such Capital Trust is required to pay any taxes, duties, assessments or governmental charges of whatever nature, other than withholding taxes (including backup withholding taxes), imposed by the United States, or any other taxing authority, then the applicable Finance Subsidiary will be required to pay additional interest (Additional Sums) on the junior subordinated debt securities. The amount of any Additional Sums will be an amount sufficient so that the net amounts received and retained by such Capital Trust after paying any such taxes, duties, assessments or other governmental charges will be not less than the amounts that such Capital Trust would have received had no such taxes, duties, assessments or other governmental charges been imposed. This means that the Capital Trust will be in the same position it would have been in if it did not have to pay such taxes, duties, assessments or other charges.

Redemption

Except as otherwise provided in the related prospectus supplement, if an Investment Company Event or a Tax Event (each, a Special Event) shall occur and be continuing, the relevant Finance Subsidiary may, at its option, redeem such junior subordinated debt securities, in whole but not in part, at any time within 90 days of the occurrence of the Special Event, at a redemption price equal to 100% of the principal amount of such junior subordinated debt securities then outstanding plus accrued and unpaid interest to the date fixed for redemption. (Section 11.08 of the junior subordinated indentures)

For purposes of the junior subordinated indenture, Investment Company Event means, in respect of a Capital Trust, the receipt by such Capital Trust of an opinion of counsel rendered by an independent law firm experienced in such matters, to the effect that, as a result of the occurrence of a change in law or regulation or a written change in the interpretation or application of law or regulation by any legislative body, court or governmental agency or regulatory authority, there is more than an insubstantial risk that such Capital Trust is or will be considered an investment company, or a company controlled by an investment company, that is required to be registered under the Investment Company Act, which change becomes effective on or after the date of original issuance of the preferred securities of such Capital Trust. (Section 1.01 of the junior subordinated indenture) Tax Event means, in respect of a Capital Trust, the receipt by such Capital Trust or the relevant Finance Subsidiary of an opinion of counsel, rendered by an independent law firm experienced in such matters, to the effect that, as a result of any amendment to, or change (including any announced prospective change) in, the laws (or any regulation thereunder) of the United States or any political subdivision or taxing authority thereof or therein, or as a result of any official administrative pronouncement or judicial decision interpreting or applying such laws or regulations (including any change in interpretation or application of law or regulation by any applicable taxing authority), which amendment or change is effective or which pronouncement or decision is

Table of Contents

announced on or after the date of issuance of the preferred securities of such Capital Trust, there is more than an insubstantial risk that:

such Capital Trust is or will be, within 90 days of delivery of such opinion of counsel, subject to United States federal income tax with respect to income received or accrued on the corresponding series of junior subordinated debt securities;

interest payable by the relevant issuer on such junior subordinated debt securities is not or will not be, within 90 days of delivery of such opinion of counsel, deductible by such issuer, in whole or in part, for United States federal income tax purposes; or

such Capital Trust is or will be, within 90 days of delivery of such opinion of counsel, subject to more than a de minimis amount of other taxes, duties or other governmental charges. (Section 1.01 of the junior subordinated indentures)

Certain Covenants

PartnerRe and each Finance Subsidiary will covenant, as to the junior subordinated debt securities issued to a Capital Trust in connection with the issuance of preferred securities and common securities by such Capital Trust, that if:

- (1) any event occurs, of which the relevant issuer has actual knowledge that (A) with the giving of notice or lapse of time or both, would constitute an Event of Default under the junior subordinated indenture and (B) in respect of which the issuer shall not have taken reasonable steps to cure;
- (2) PartnerRe shall be in default with respect to its payment of obligations under the preferred securities guarantee relating to such preferred securities; or
- (3) the relevant issuer shall have given notice of its election to defer interest payments on the junior subordinated debt securities as provided in the junior subordinated indenture and shall not have rescinded such notice, or such election, shall be continuing, it will not, and will not permit any of its subsidiaries to:

declare or pay any dividends or distributions on, or redeem, purchase, acquire or make a liquidation payment with respect to, any of PartnerRe's outstanding capital stock; or

make any payment of principal, interest, premium, if any, on or repay, repurchase or redeem any debt security of PartnerRe or the relevant issuer, as the case may be, that ranks equal to or junior in interest to the junior subordinated debt securities or the related guarantee, as the case may be, or make any guarantee payments with respect to any guarantee by PartnerRe or the relevant issuer, as the case may be, of the debt securities of any subsidiary of PartnerRe or the relevant issuer, as the case may be, if such guarantee ranks equal to or junior in interest to the junior subordinated debt securities or the guarantee in respect thereof, as the case may be, except in each case for the transactions described in the immediately following sentence.

Notwithstanding the preceding sentence and regardless of whether any event described in clauses (1)-(3) above shall have occurred or be continuing, PartnerRe shall not be restricted from making or effecting the following dividends, distributions, redemptions, purchases, declarations, payments, exchanges and conversions:

dividends or distributions in the common shares or options or other rights to acquire the common shares of PartnerRe;

Table of Contents

redemptions or purchases of any rights outstanding under a shareholder rights plan of PartnerRe, or the declaration of a dividend of such rights or the issuance of shares under such plan in the future;

purchases of common shares related to the issuance of common shares under any of PartnerRe's benefit plans for its directors, officers or employees;

the purchase of fractional shares resulting from a reclassification of the capital stock of PartnerRe;

the exchange or conversion of any class or series of the capital stock of PartnerRe (or any of its subsidiary's) for another class or series of the capital stock of PartnerRe (or any of its subsidiary's) or of any class or series of its (or any of its subsidiary's) indebtedness pursuant to the terms of the capital stock or indebtedness as originally issued;

the purchase of fractional interests in shares of the capital of PartnerRe (or any of its subsidiary's) stock pursuant to the conversion or exchange provisions of such capital stock or the security being converted or exchanged; and

any inter-company payments, other than dividend payments by the relevant Finance Subsidiary or its direct parent, PartnerRe U.S. Corporation. (Section 10.09 of the junior subordinated indentures).

If any of the Finance Subsidiaries issues the junior subordinated debt securities to a Capital Trust in connection with the issuance of preferred securities and common securities of such Capital Trust, for so long as such junior subordinated debt securities remain outstanding, the relevant issuer will also covenant:

to maintain directly or indirectly 100% ownership of the common securities of such Capital Trust; provided, however, that any permitted successor of such issuer under the junior subordinated indenture may succeed to its ownership of such common securities;

not to voluntarily dissolve, wind-up or liquidate such trust, except in connection with the distribution of its junior subordinated debt securities to the holders of preferred securities and common securities in liquidation of such Capital Trust, the redemption of all of the preferred securities and common securities of such Capital Trust, or certain mergers, consolidations or amalgamations, each as permitted by the amended and restated trust agreement of such Capital Trust; and

to take reasonable steps as necessary so that such Capital Trust will not fail or cease to qualify as a grantor trust for United States federal income tax purposes.

(Section 10.11 of the junior subordinated indentures)

Direct Action Right Upon Certain Events of Default

If an Event of Default with respect to junior subordinated debt securities of a Finance Subsidiary issued to a Capital Trust has occurred and is continuing and such event is attributable to a default in the payment of interest or principal on the related junior subordinated debt securities on the date such interest or principal is otherwise payable, a holder of preferred securities of such Capital Trust may institute a legal proceeding directly against the relevant issuer and/or against PartnerRe, as guarantor, which is referred to in this prospectus as a Direct Action, for enforcement of payment to such holder of the principal of or interest on such related junior subordinated debt securities having a principal amount equal to the aggregate liquidation amount of the related preferred securities of such holder. The relevant issuer and PartnerRe may not amend the applicable junior subordinated indenture to remove the foregoing right to bring a Direct Action without the prior written consent of the holders of all of the preferred securities of such trust. In addition, so long as PartnerRe is a guarantor of the

Table of Contents

obligations of the Finance Subsidiaries and the Capital Trusts and a Direct Action may be brought directly against PartnerRe, the Finance Subsidiaries and the Capital Trusts are not subject to the information reporting requirements of the Exchange Act. If the right to bring a Direct Action is removed, each Finance Subsidiary and each Capital Trust may become subject to the reporting obligations under the Exchange Act. Each Finance Subsidiary will have the right under the applicable junior subordinated indenture to set-off any payment made to such holder of preferred securities by it, in connection with a Direct Action. (Section 1.12 of the junior subordinated indentures) The holders of preferred securities will not be able to exercise directly any other remedy available to the holders of the related junior subordinated debt securities. For more information on the reporting obligations of PartnerRe, the Finance Subsidiaries and the Capital Trusts, see [Where You Can Find More Information](#) .

The holders of the preferred securities would not be able to exercise directly any remedies other than those set forth in the preceding paragraph available to the holders of the junior subordinated debt securities unless there shall have been an event of default under the applicable amended and restated trust agreement. See [Description of the Trust Preferred Securities Events of Default; Notice](#). (Section 5.08 of the junior subordinated indentures)

Table of Contents

DESCRIPTION OF THE DEBT SECURITIES GUARANTEES

Concurrently with any issuance by a Finance Subsidiary of its senior debt securities, we will execute and deliver a senior debt securities guarantee for the benefit of the holders from time to time of such senior debt securities. The Bank of New York Mellon will act as indenture trustee under the senior debt securities guarantee for the purposes of compliance with the Trust Indenture Act. The senior debt securities guarantee will be qualified as an indenture under the Trust Indenture Act. Similarly, concurrently with any issuance by a Finance Subsidiary of its subordinated debt securities, we will execute and deliver a subordinated debt securities guarantee for the benefit of the holders from time to time of such subordinated debt securities. The Bank of New York Mellon will act as indenture trustee under the subordinated debt securities guarantee for the purposes of compliance with the Trust Indenture Act. The subordinated debt securities guarantee will be qualified as an indenture under the Trust Indenture Act. Concurrently with any issuance by a Finance Subsidiary of its junior subordinated debt securities, we will execute and deliver a junior subordinated debt securities guarantee for the benefit of the holders from time to time of such junior subordinated debt securities. The Bank of New York Mellon will act as indenture trustee under the junior subordinated debt securities guarantees for the purposes of compliance with the Trust Indenture Act. The junior subordinated debt securities guarantees will be qualified as indentures under the Trust Indenture Act.

The following summary sets forth the material terms and provisions of our guarantee of the Finance Subsidiaries' senior debt securities, subordinated debt securities and junior subordinated debt securities. The following summary of certain provisions of the guarantees is not complete. You should read the forms of guarantee and the Trust Indenture Act for more complete information regarding the provisions of the guarantees, including the definitions of some of the terms used below. The forms of guarantee have been attached as exhibits to the registration statement of which this prospectus forms a part and are incorporated by reference in this summary. Whenever we refer to particular sections or defined terms of the guarantees, such sections or defined terms are incorporated herein by reference, and the statement in connection with which such reference is made is qualified in its entirety by such reference. The indenture trustee, as guarantee trustee under each guarantee, will hold the applicable guarantee for the benefit of the holders of the related debt securities.

General

We will fully and unconditionally guarantee all obligations of the Finance Subsidiaries under the applicable indenture and the related debt securities. Unless otherwise provided in a prospectus supplement, each guarantee will be an unsecured obligation of PartnerRe, and the guarantees of the Finance Subsidiaries' subordinated and junior subordinated debt securities will be subordinated in right of payment to the prior payment in full of all of our senior indebtedness.

Since PartnerRe is a holding company, its rights and the rights of its creditors, including the holders of any of the Finance Subsidiaries' debt securities who are creditors of PartnerRe by virtue of the guarantees, and shareholders to participate in any distribution of the assets of any of our subsidiaries upon such subsidiary's liquidation or reorganization or otherwise would be subject to prior claims of that subsidiary's creditors and policyholders, except to the extent that PartnerRe may itself be a creditor with recognized claims against that subsidiary. The right of creditors of PartnerRe, including the holders of any of the Finance Subsidiaries' debt securities who are creditors of PartnerRe by virtue of the guarantees, to participate in the distribution of the stock owned by PartnerRe in certain of its subsidiaries, including PartnerRe's insurance subsidiaries, may also be subject to approval by certain insurance regulatory authorities having jurisdiction over such subsidiaries.

Waiver of Events of Default

The holders of not less than a majority of the outstanding principal amount of the relevant Finance Subsidiary's senior debt securities or subordinated debt securities, as the case may be, may, by vote, on behalf of all such holders, waive any past event of default of PartnerRe and its consequences on any of its payment or other obligations under the senior or subordinated debt securities guarantee agreement, as applicable.

Table of Contents

The holders of a majority in liquidation preference of the preferred securities issued by a Capital Trust may, by vote, on behalf of all holders, waive any past event of default of PartnerRe and its consequences on any of its payment or other obligations under the junior subordinated debt securities guarantee agreement.

Amendments

The senior debt securities guarantee, the subordinated debt securities guarantee and the junior subordinated debt securities guarantee may only be amended in writing with the prior approval of the holders of not less than a majority of the outstanding principal amount of the applicable debt securities. In addition, certain amendments affecting the obligations of PartnerRe may only be made in writing with the prior approval of each holder.

In the event that junior subordinated debt securities are issued to a Capital Trust, the junior subordinated debt securities guarantees may only be amended in writing with the prior approval of the holders of at least a majority in liquidation preference of the then outstanding preferred securities issued by the applicable Capital Trust. In addition, certain amendments affecting the obligations of PartnerRe may only be made in writing with the prior approval of each holder of the then outstanding preferred securities.

No consent of the holders of the Finance Subsidiaries senior, subordinated or junior subordinated debt securities, as the case may be, is required to amend the applicable guarantee in a way that does not adversely affect in any material respect the rights of such holders.

DESCRIPTION OF THE WARRANTS TO PURCHASE COMMON SHARES OR PREFERRED SHARES

PartnerRe Ltd. may offer warrants to purchase common shares or preferred shares from time to time. The following statements with respect to the common share warrants and preferred share warrants are summaries of, and subject to, the detailed provisions of a share warrant agreement to be entered into by us and a share warrant agent to be selected at the time of issue. The particular terms of any warrants offered by any prospectus supplement, and the extent to which the general provisions described below may apply to the offered securities, will be described in the prospectus supplement.

General

The share warrants, evidenced by share warrant certificates, may be issued under the share warrant agreement independently or together with any other securities offered by any prospectus supplement and may be attached to or separate from such other offered securities. If share warrants are offered, the related prospectus supplement will describe the designation and terms of the share warrants, including without limitation the following:

the offering price, if any;

the designation and terms of the common shares or preferred shares purchasable upon exercise of the share warrants;

if applicable, the date on and after which the share warrants and the related offered securities will be separately transferable;

the number of common shares or preferred shares purchasable upon exercise of one share warrant and the initial price at which such shares may be purchased upon exercise;

the date on which the right to exercise the share warrants shall commence and the date on which such right shall expire;

Table of Contents

a discussion of certain United States federal income tax considerations;

the call provisions, if any;

the currency, currencies or currency units in which the offering price, if any, and exercise price are payable;

the antidilution provisions of the share warrants; and

any other material terms of the share warrants.

The common shares or preferred shares issuable upon exercise of the share warrants will, when issued in accordance with the share warrant agreement, be fully paid and nonassessable.

Exercise of Share Warrants

Share warrants may be exercised by surrendering to the share warrant agent the share warrant certificate with the form of election to purchase on the reverse thereof duly completed and signed by the warrant holder, or its duly authorized agent, indicating the warrant holder's election to exercise all or a portion of the share warrants evidenced by the certificate. The signature to be guaranteed by a bank or trust company, by a broker or dealer which is a member of the Financial Industry Regulatory Authority (FINRA) or by a member of a national securities exchange. Surrendered share warrant certificates shall be accompanied by payment of the aggregate exercise price of the share warrants to be exercised, as set forth in the related prospectus supplement, in lawful money of the United States, unless otherwise provided in the related prospectus supplement. Upon receipt by the share warrant agent, the share warrant agent will requisition from the transfer agent for the common shares or the preferred shares, as the case may be, for issuance and delivery to or upon the written order of the exercising warrant holder, a certificate representing the number of common shares or preferred shares purchased. If less than all of the share warrants evidenced by any share warrant certificate are exercised, the share warrant agent shall deliver to the exercising warrant holder a new share warrant certificate representing the unexercised share warrants.

Antidilution and Other Provisions

The exercise price payable and the number of common shares or preferred shares purchasable upon the exercise of each share warrant and the number of share warrants outstanding may be subject to adjustment in certain events. The adjustment events may include the issuance of a stock dividend to holders of common shares or preferred shares or a combination, subdivision or reclassification of common shares or preferred shares. In lieu of adjusting the number of common shares or preferred shares purchasable upon exercise of each share warrant, we may elect to adjust the number of share warrants. We may, at our option, reduce the exercise price at any time. We may pay the cash value of any fractional shares otherwise issuable upon exercise of any share warrants. Notwithstanding the foregoing, in case of our consolidation, merger, or sale or conveyance of our property as an entirety or substantially as an entirety, if provided for in the relevant share warrant agreement, the holder of each outstanding share warrant shall have the right to the kind and amount of shares of stock and other securities and property (including cash) receivable by a holder of the number of common shares or preferred shares into which such share warrants were exercisable immediately prior thereto.

No Rights as Shareholders

Holders of share warrants will not be entitled, by virtue of being such holders, to vote, to consent, to receive dividends, to receive notice as shareholders with respect to any meeting of shareholders for the election of our directors or any other matter, or to exercise any rights whatsoever as our shareholders.

Table of Contents

DESCRIPTION OF THE WARRANTS TO PURCHASE DEBT SECURITIES

PartnerRe Ltd. may offer warrants to purchase debt securities from time to time. The following statements with respect to the debt warrants are summaries of, and subject to, the detailed provisions of a debt warrant agreement to be entered into by us and a debt warrant agent to be selected at the time of issue. The particular terms of any warrants offered by any prospectus supplement, and the extent to which the general provisions described below may apply to the offered securities, will be described in the prospectus supplement.

General

The debt warrants, evidenced by debt warrant certificates, may be issued under the debt warrant agreement independently or together with any other securities offered by any prospectus supplement and may be attached to or separate from such other offered securities. If debt warrants are offered, the related prospectus supplement will describe the designation and terms of the debt warrants, including without limitation the following:

the offering price, if any;