

PARTNERRE LTD  
Form PREM14A  
August 06, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to ss.240.14a-12

PartnerRe Ltd.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common shares, CHF 4.51 par value per share, of PARIS RE Holdings Limited ("Paris Re").

(2) Aggregate number of securities to which transaction applies:

75,793,212 Paris Re common shares outstanding as of July 31, 2009 (excluding the 4,928,616 Paris Re common shares already owned by PartnerRe, Ltd.); 8,487,750 Paris Re common shares subject to outstanding Paris Re warrants as of July 31, 2009; 1,904,315 Paris Re common shares subject to outstanding Paris Re options as of July 31, 2009; and 1,185,270 Paris re common shares subject to outstanding Paris Re restricted share units as of July 31, 2009.

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

\$21.49, computed pursuant to Exchange Act Rule 0-11(c)(1) and 0-11(a)(4), the average of the high and low prices per share of Paris Re's common shares on Euronext Paris as of July 31, 2009 (calculated using an exchange rate of 1.00 euro to U.S. \$1.4279 on July 31, 2009, representing the noon buying rate on such date by the Federal Reserve

Bank of New York).

(4) Proposed maximum aggregate value of transaction:  
\$1,710,010,342.88

The maximum aggregate value was determined based upon the sum of (A) the 75,793,212 outstanding PartnerRe common shares multiplied by \$21.49; (B) 8,487,750 Paris Re common shares subject to outstanding Paris Re warrants multiplied by \$6.37 (which is the difference between \$21.49 and \$15.12, the exercise price of such warrants); (C) 1,904,315 Paris Re common shares subject to outstanding Paris Re options multiplied by \$0.88 (which is the difference between \$21.49 and \$20.61, the weighted average exercise price of such options); and (D) 1,185,270 Paris re common shares subject to outstanding Paris Re restricted share units multiplied by \$21.49 per share.

(5) Total fee paid:  
\$95,418.58, computed in accordance with Exchange Act Rule 0-11(c)(1) and Section 14(g) of the Exchange Act by multiplying the proposed maximum aggregate value of the transaction by 0.0000558.

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

PRELIMINARY COPY DATED AUGUST 6, 2009 — SUBJECT TO COMPLETION

Wellesley House South  
90 Pitts Bay Road  
Pembroke HM 08, Bermuda

, 2009

To the Shareholders of PartnerRe Ltd.,

You are cordially invited to attend the special general meeting of your company, PartnerRe Ltd., to be held at p.m. local time on \_\_\_\_\_, \_\_\_\_\_, 2009, at 5th Floor, Wellesley House South, 90 Pitts Bay Road, Pembroke HM 08, Bermuda.

On July 4, 2009, PartnerRe Ltd., which we refer to as “PartnerRe,” entered into agreements to effect a multi-step acquisition of all of the outstanding common shares and warrants of PARIS RE Holdings Limited, which we refer to as “Paris Re,” a French-listed, Swiss-domiciled diversified reinsurer.

As a first step in the acquisition, PartnerRe will cause a wholly-owned, Swiss-domiciled subsidiary of PartnerRe formed for the purpose of the acquisition, which we refer to as the “acquisition subsidiary,” to purchase all of the Paris Re common shares and Paris Re warrants held by six private equity firms and their related investment vehicles pursuant to the terms of a purchase agreement. We refer to this purchase as the “block purchase” and to the agreement governing the purchase (as amended) as the “block purchase agreement.” Under the block purchase agreement, PartnerRe will acquire approximately 57.5% of the outstanding Paris Re common shares. These shares, when added together with the approximately 6.1% of the outstanding Paris Re common shares that PartnerRe purchased from certain other Paris Re shareholders prior to the announcement of the Paris Re acquisition and the additional 19.5% of the outstanding Paris Re common shares that PartnerRe has subsequently committed to acquire simultaneously with the closing of the block purchase from certain other Paris Re shareholders, will give PartnerRe an aggregate ownership of approximately 83.1% of the outstanding Paris Re common shares following the closing of the block purchase.

Following the closing of the block purchase and subject to certain conditions, PartnerRe will cause the acquisition subsidiary to commence a voluntary public exchange offer, which we refer to as the “exchange offer,” for all remaining outstanding Paris Re common shares and Paris Re warrants. The exchange offer will be commenced pursuant to the terms of a transaction agreement dated July 4, 2009 between PartnerRe and Paris Re, which we refer to as the “transaction agreement.” If, after completion of the exchange offer, PartnerRe and its affiliates own at least 90% of the outstanding Paris Re common shares, PartnerRe will effect a compulsory merger, which we refer to as the “merger,” in accordance with Swiss law to acquire all remaining outstanding Paris Re common shares. In the merger, Paris Re will be merged into the acquisition subsidiary, with the acquisition subsidiary surviving the merger.

In each step of the acquisition, PartnerRe has exchanged or will exchange 0.300 PartnerRe common shares for each Paris Re common share and 0.167 PartnerRe common shares for each Paris Re warrant. The per share consideration and per warrant consideration are each subject to adjustment in certain circumstances, including if the parties’ tangible book values per share diverge significantly relative to each other prior to the closing of the block purchase.

Immediately prior to the closing of the block purchase, Paris Re intends, subject to obtaining the requisite regulatory approvals, to effect an extraordinary cash distribution by way of a capital reduction to all Paris Re shareholders in the amount of CHF 4.17 per Paris Re common share (the Swiss franc equivalent of \$3.85 as of July 7, 2009, the date on which Paris Re fixed the U.S. dollar/Swiss franc currency exchange rate to be used for the extraordinary cash distribution). We refer to this cash distribution as the “share capital repayment.” If the share capital repayment is not paid in full immediately prior to the closing of the block purchase, PartnerRe will fund, under certain circumstances, the payment by Paris Re of the unpaid portion of the share capital repayment.

The transactions described above are collectively referred to herein as the “transactions,” and the block purchase agreement, the transaction agreement and the agreements governing the purchase of an additional approximately 25.6% of Paris Re common shares described above are collectively referred to herein as the “transaction documents.”

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The PartnerRe common shares issuable in connection with the transactions will represent approximately 31.1% of the PartnerRe common shares outstanding following the completion of the transactions based on certain assumptions more fully described in the accompanying proxy statement.

At the special general meeting, you will be asked to consider and vote on the following proposals:

- the proposal to issue PartnerRe common shares and securities exercisable or exchangeable for PartnerRe common shares to the holders of Paris Re securities in connection with the transactions, which proposal we refer to as the “share issuance proposal;”
- the proposal to increase the size of the board of directors of PartnerRe from 11 to 12, which proposal we refer to as the “board size proposal;” and
- the proposal to amend PartnerRe’s 2005 Employee Equity Plan, as amended and restated, which proposal we refer to as the “2005 employee equity plan,” to increase the PartnerRe common shares available for issuance and to increase the number of PartnerRe common shares that may be awarded as restricted shares or restricted share units, which we refer to as the “equity plan proposal.”

The board of directors of PartnerRe has unanimously determined that the transactions and the transaction documents, including the issuance of PartnerRe common shares and securities exercisable or exchangeable for PartnerRe common shares, the increase in the size of the PartnerRe board of directors and the amendment to the 2005 employee equity plan, are advisable and in the best interests of PartnerRe and its shareholders. Accordingly, the board of directors of PartnerRe recommends that you vote (i) “FOR” the share issuance proposal, (ii) “FOR” the board size proposal and (iii) “FOR” the equity plan proposal.

The transaction documents provide that PartnerRe shareholder approval of the share issuance proposal and the board size proposal are conditions to the completion of the transactions. PartnerRe shareholder approval of the equity plan proposal is not a condition to the completion of the transactions. If the board size proposal and the equity plan proposal are approved, the increase in the size of the PartnerRe board of directors and the amendment to the 2005 employee equity plan will only be effective if the block purchase closes.

Your vote is very important. Each of the proposals requires the affirmative vote of a majority of the votes cast by all PartnerRe shareholders at the special general meeting, subject to the quorum requirements, where applicable, of the rules of the New York Stock Exchange and PartnerRe’s Bye-Laws, which are more fully described in the accompanying proxy statement. Even if you plan to attend the special general meeting, we recommend that you submit your proxy so that your vote will be counted if you later decide not to attend the meeting. You can also authorize the voting of your shares via the internet or by telephone as provided in the instructions set forth on the enclosed proxy card. If you hold PartnerRe common shares in “street name” through an account with a bank or a broker, you may be unable to vote by telephone or over the internet. Please follow the instructions that your bank or broker provides.

The accompanying proxy statement explains the proposals and the proposed transactions in greater detail. We urge you to read this proxy statement, including the matters discussed under “Risk Factors,” carefully.

Yours sincerely,

John A. Rollwagen

Chairman of the Board of Directors

Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the transactions, passed upon the merits or fairness thereof or passed upon the adequacy or accuracy of the disclosure in this proxy statement. Any representation to the contrary is a criminal offense.

This proxy statement is dated \_\_\_\_\_, 2009  
and is first being mailed to PartnerRe shareholders on or about \_\_\_\_\_, 2009.

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PARTNERRE LTD.  
Wellesley House South  
90 Pitts Bay Road  
Pembroke HM 08, Bermuda

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON \_\_\_\_\_, 2009

To the Shareholders of PartnerRe Ltd.:

A special general meeting of shareholders of PartnerRe Ltd., which we refer to as “PartnerRe,” will be held at \_\_\_\_\_ p.m. local time on \_\_\_\_\_, 2009, at 5th Floor, Wellesley House South, 90 Pitts Bay Road, Pembroke HM 08, Bermuda. The meeting will be held for the following purposes:

1. To vote on the proposal to approve the issuance of PartnerRe common shares and securities exercisable or exchangeable for PartnerRe common shares to the holders of securities of PARIS RE Holdings Limited, which we refer to as “Paris Re,” on the terms and conditions set out in:
  - the purchase agreement dated as of July 4, 2009, as amended, among PartnerRe, the selling Paris Re shareholders named therein and, with respect to selected provisions, Paris Re, pursuant to which a wholly-owned, Swiss-domiciled subsidiary of PartnerRe formed for the purpose of the acquisition, which we refer to as the “acquisition subsidiary,” will acquire approximately 57.5% of the outstanding Paris Re common shares, which we refer to as the “block purchase;”
  - the additional purchase agreements entered into between PartnerRe and certain other Paris Re shareholders pursuant to which the acquisition subsidiary will acquire simultaneously with the closing of the block purchase, 19.5% of the outstanding Paris Re common shares in the aggregate; and
  - the transaction agreement dated as of July 4, 2009 between PartnerRe and Paris Re providing for the acquisition by the acquisition subsidiary of all remaining outstanding Paris Re common shares and Paris Re warrants through a voluntary public exchange offer to be followed by a merger.

This issuance will be in addition to the PartnerRe common shares that PartnerRe has previously issued in exchange for approximately 6.1% of the Paris Re outstanding common shares.

We refer to this proposal as the “share issuance proposal” and the transactions contemplated by the foregoing agreements as the “transactions.”

2. To vote on the proposal to increase the size of the board of directors of PartnerRe from 11 to 12, which proposal we refer to as the “board size proposal.”
3. To vote on the proposal to amend PartnerRe’s 2005 Employee Equity Plan, as amended and restated, which we refer to as the “2005 employee equity plan,” to increase the PartnerRe common shares available for issuance and to increase the number of PartnerRe common shares that may be awarded as restricted shares or restricted share units, which proposal we refer as the “equity plan proposal.”
4. To transact other business as may properly come before the meeting or any properly reconvened meeting following an adjournment or postponement thereof.

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The board of directors of PartnerRe recommends that you vote (i) “FOR” the share issuance proposal, (ii) “FOR” the board size proposal and (iii) “FOR” the equity plan proposal.

Only shareholders of record at the close of business on \_\_\_\_\_, 2009 will be entitled to vote at the special general meeting either in person or by proxy. Each of these shareholders is cordially invited to be present and vote at the special general meeting in person.

Registration for the special general meeting will begin at \_\_\_\_\_ p.m., local time. Each shareholder may be asked to present valid picture identification, such as a driver’s license or passport. If you own shares in “street name” and you wish to vote at the special general meeting in person, you will need to ask your bank or broker for an admission card in the form of a confirmation of beneficial ownership. You will need to bring a confirmation of beneficial ownership with you to vote at the

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special general meeting. If you do not receive your confirmation of beneficial ownership in time, bring your most recent brokerage statement with you to the special general meeting. We can use that to verify your ownership of PartnerRe common shares and admit you to the meeting; however, you will not be able to vote your shares at the meeting without a confirmation of beneficial ownership.

Your vote is very important. The transaction documents provide that PartnerRe shareholder approval of the share issuance proposal and the board size proposal are conditions to the completion of the transactions. PartnerRe shareholder approval of the equity plan proposal is not a condition to the completion of the transactions. If the board size proposal and the equity plan proposal are approved, the increase in the size of the PartnerRe board of directors and the amendment to the 2005 employee equity plan will only be effective if the block purchase closes.

Whether you expect to attend the special general meeting or not, please complete, sign, date and promptly return the enclosed proxy card in the accompanying envelope. If you are a registered shareholder, you can also authorize the voting of your PartnerRe common shares (i) over the internet by visiting the web address [www.proxyvote.com](http://www.proxyvote.com) and following the instructions provided and (ii) by telephone by dialing 1-800-690-6903 and following the recorded instructions. The telephone and internet voting facilities close at 11:59 p.m. Eastern Time on \_\_\_\_\_, 2009. If you hold PartnerRe common shares in "street name" through an account with a bank or a broker, you may be unable to vote by telephone or over the internet. Please follow the instructions that your bank or broker provides. Your prompt response is necessary to assure that your PartnerRe common shares are represented at the special general meeting.

The accompanying document describes the proposed transactions in more detail. We encourage you to read the entire document carefully.

By order of the Board of Directors

Christine Patton  
Secretary and Corporate Counsel to the Board

Pembroke, Bermuda  
, 2009

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