PARTNERRE LTD
Form 424B3
March 10, 2010
Table of Contents

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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 10, 2010

PRELIMINARY PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED APRIL 10, 2009

$

PartnerRe Finance B LLC

% Senior Notes due 2020

The % Senior Notes Will Be Fully and Unconditionally Guaranteed

by PartnerRe Ltd.

This is an offering by PartnerRe Finance B LLC, or the issuer, of $ aggregate principal amount of its % senior notes due , 2020. Interest will be payable on the notes semi-annually in arrears on and of each year, beginning on , 2010.

The notes may be redeemed at the issuer s option in whole or in part, at any time at the greater of 100% of the principal amount or a make whole amount as described in this prospectus supplement under the caption Description of the Notes and the Guarantee Optional Redemption , in each case, plus accrued and unpaid interest to the redemption date.

The notes will be the issuer s senior unsecured obligations and will rank equally with all of its other senior unsecured indebtedness from time to time outstanding. The guarantee of the notes will be a senior unsecured obligation of PartnerRe Ltd., or the guarantor, and will rank equally with all other senior unsecured indebtedness of the guarantor from time to time outstanding.

To read about certain factors you should consider before investing in the notes, see Risk Factors on page S-8 of this prospectus supplement.

	Price to Public(1)	Underwriting Discount	Proceeds to PartnerRe Finance B LLC
Per note	%	%	%
Total	$	$	$

(1) Plus accrued interest, if any, from March , 2010, if settlement occurs after that date.

The Securities and Exchange Commission, state securities regulators, the Minister of Finance and the Registrar of Companies in Bermuda, the Bermuda Monetary Authority and the Autorité des Marchés Financiers have not approved or disapproved of these securities, or determined if this prospectus supplement or the accompanying base prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes only in book-entry form through the facilities of The Depository Trust Company (DTC) and its direct participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, on or about March , 2010.

Joint Book-Running Managers

BofA Merrill Lynch **Barclays Capital** **Credit Suisse**

The date of this prospectus supplement is

Table of Contents

TABLE OF CONTENTS

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

You should rely only on information contained or incorporated by reference in this prospectus supplement, the accompanying base prospectus and any free writing prospectus filed by the issuer or the guarantor with the Securities and Exchange Commission (the SEC). We have not, and the underwriters have not, authorized anyone to provide you with information that is different. The information in this prospectus supplement and the accompanying base prospectus may be accurate only as of the date of this prospectus supplement.

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of senior notes and also adds to and updates information contained in the accompanying base prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying base prospectus. The second part, the accompanying base prospectus, gives more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying base prospectus, you should rely on the information contained in this prospectus supplement.

References in this prospectus supplement and the accompanying base prospectus to PartnerRe, we, us, our or the Company, refer to PartnerR Ltd., the ultimate parent company of PartnerRe Finance B LLC, and, unless the context otherwise requires or unless otherwise stated, PartnerRe Ltd. s subsidiaries. References in this prospectus supplement to PRE Finance or the issuer refer to PartnerRe Finance B LLC, the issuer of the senior notes and an indirect wholly owned subsidiary of PartnerRe Ltd. References in this prospectus supplement and the accompanying base prospectus to PartnerRe Ltd. or the guarantor refer to PartnerRe Ltd. (excluding its subsidiaries).

PRE Finance is offering to sell the senior notes (the notes), and is seeking offers to buy the notes, only in jurisdictions where offers and sales are permitted. The distribution of this prospectus supplement and the accompanying base prospectus and the offering of the notes in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying base prospectus must inform themselves about and observe any restrictions relating to the offering of the notes and the distribution of this prospectus supplement and the accompanying base prospectus outside the United States. This prospectus supplement and the accompanying base prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Table of Contents

FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus supplement or the accompanying base 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) the occurrence of adverse claim development with respect to catastrophic events or other reinsured events, in particular the preliminary loss estimates relating to the earthquake in Chile and European Windstorm Xynthia, which are subject to adjustments that may be material as PartnerRe receives actual loss data from its clients;

(3) a decrease in the level of demand for reinsurance and/or an increase in the supply of reinsurance capacity;

(4) increased competitive pressures, including the consolidation and increased globalization of reinsurance providers;

(5) the continuation of unfavorable economic conditions, which may adversely affect the capital markets, our funding costs and/or the ability to obtain credit;

(6) actual losses and loss expenses exceeding our estimated loss reserves, which are necessarily based on actuarial and statistical projections of ultimate losses;

(7) integration and related risks associated with the acquisition of PARIS RE Holdings Limited;

(8) acts of terrorism, acts of war and other man-made or unanticipated perils;

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

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

(11) credit risk relating to our brokers, cedants and other counterparties;

(12) developments in and risks associated with global financial markets that could affect our investment portfolio;

(13) changing rates of interest, inflation and other economic conditions;

(14) availability of borrowings and letters of credit under our credit facilities and limitations imposed under the agreements relating thereto;

(15) ability to obtain adequate capital or any additional financing on favorable terms;

(16) impact of fluctuations in foreign currency exchange rates;

(17) actions by rating agencies that might impact our ability to continue to write existing business or write new business;

Table of Contents

(18) changes in accounting policies, their application or interpretation;

(19) changes in the political, governmental, 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;

(20) 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;

(21) defaults by others, including issuers of investment securities that we hold, reinsurers or other counterparties;

(22) potential industry impact of industry investigations into insurance market practices;

(23) legal decisions and rulings and new theories of liability;

(24) amount of dividends received from our subsidiaries;

(25) new mass tort actions or reemergence of old mass torts such as asbestosis;

(26) declines in the equity and credit markets;

(27) changes in social and environmental conditions;

(28) operational risks, including human or system failures;

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

(30) ability to attract and retain executive officers.

The words believe, anticipate, estimate, project, plan, expect, intend, hope, will likely result or will continue, or words of sim 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

SUMMARY

This summary contains basic information about PartnerRe and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing in the notes. You should read this entire prospectus supplement carefully, including the section entitled Risk Factors, the documents incorporated by reference (including the risk factors set forth in Part I, Item 1A of PartnerRe Ltd. s Annual Report on Form 10-K for the fiscal year ended December 31, 2009), our financial statements and the notes thereto incorporated by reference into this prospectus supplement, and the accompanying base prospectus, before making an investment decision.

THE COMPANIES

PartnerRe Finance B LLC

PRE Finance, which was formed on March 10, 2009, is a Delaware limited liability company. PRE Finance is an indirectly wholly owned subsidiary of PartnerRe, and a wholly owned direct subsidiary of PartnerRe U.S. Corporation (PartnerRe U.S. Holdings), that was created solely for purposes of issuing, from time to time, debt securities and lending the proceeds from such issuance to PartnerRe U.S. Holdings. The principal executive offices of PRE Finance are c/o PartnerRe U.S. Corporation, One Greenwich Plaza, Greenwich, Connecticut 06830-6352, Attention: Tom Forsyth, and its telephone number is (203) 485-4200.

PartnerRe Ltd.

PartnerRe Ltd. is incorporated under the laws of Bermuda, with its principal executive offices located at 90 Pitts Bay Road, Pembroke HM 08, Bermuda. Its telephone number is (441) 292-0888.

PartnerRe provides reinsurance on a worldwide basis through its wholly owned subsidiaries, including Partner Reinsurance Company Ltd., Partner Reinsurance Europe Limited, Partner Reinsurance Company of the U.S. (PartnerRe U.S.), PARIS RE S.A. and PARIS RE Switzerland AG. Risks 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. PartnerRe also offers alternative risk products that include weather and credit protection to financial, industrial and service companies on a worldwide basis.

RECENT DEVELOPMENTS

On March 8, 2010, we announced our initial estimates of expected claims relating to the recent earthquake in Chile and European Windstorm Xynthia. We expect that estimated total insured industry losses from the magnitude 8.8 earthquake in Chile, which occurred on February 27, 2010, to be in the range of approximately $6 billion - $10 billion. Within this context, we expect our claims relating to the earthquake will be between $220 million - $320 million pre-tax and are expected to be contained primarily within the Global (Non-U.S.) Property & Casualty, Catastrophe and PARIS RE sub-segments.

Our loss estimate is net of reinstatement premium and retrocession. It is based on a top down analysis as well as on model output, the assessment of individual treaties and client data, and is consistent with our market position in the region. This estimate is preliminary, as there is limited actual loss data.

European Windstorm Xynthia, which struck Europe over the weekend of February 27-28, 2010, is estimated to have caused industry losses in the range of $2 billion - $4 billion, having swept across several European

Table of Contents

countries including Portugal, Spain, France, Belgium, the Netherlands, Luxembourg, and Germany. We expect our claims relating to Windstorm Xynthia will be between $40 million - $70 million pre-tax and are expected to be contained primarily within the Catastrophe and PARIS RE sub-segments. This estimate is net of reinstatement premium and retrocession.

As noted above, at the time of making the estimates there was limited loss data. Accordingly, the estimates were based mainly on industry loss estimates noted above, output from industry and proprietary models and a review of in-force contracts. Actual losses may vary materially from these estimates.

Our actual losses from the Chilean earthquake and European Windstorm Xynthia may exceed our estimates as a result of, among other things, an increase in insured industry loss estimates, the receipt of additional information from clients and the attribution of losses to coverages that for the purpose of our estimates we assumed would not be exposed, in which case our financial results could be further materially adversely affected.

Table of Contents

THE OFFERING

The terms of the notes and the guarantee are summarized below solely for your convenience. This summary is not a complete description of the notes or the guarantee . You should read the full text and more specific details contained elsewhere in this prospectus supplement and the accompanying base prospectus. For a more detailed description of the notes and the guarantee, see the discussion under the caption Description of the Notes and the Guarantee beginning on page S-14 of this prospectus supplement.

Issuer	PartnerRe Finance B LLC.
Securities Offered	$ aggregate principal amount of % Senior Notes due 2020.
Maturity	The notes will mature on , 2020.
Interest	Interest on the notes will accrue at the rate of % per year, and will be payable semi-annually in arrears on and of each year, beginning on , 2010.
Ranking	The notes will be PRE Finance s senior unsecured obligations and will rank equally with all of its other senior unsecured indebtedness from time to time outstanding. As of the date of this prospectus supplement, PRE Finance has no subsidiaries or debt outstanding.
Guarantor	PartnerRe Ltd.
Guarantee	The guarantor will fully and unconditionally guarantee the notes, including the payment of principal, premium, if any, and interest. The guarantee will be a senior unsecured obligation of the guarantor, and will rank equally with all other senior unsecured indebtedness of the guarantor from time to time outstanding. As of December 31, 2009, the guarantor s indebtedness was approximately $959 million on an unconsolidated basis. As of December 31, 2009, the guarantor s subsidiaries had approximately $15.9 billion of outstanding liabilities (including policyholder liabilities on a consolidated basis), with such obligations ranking senior to the guarantee.
Optional Redemption	The issuer may redeem all or part of the notes at its option at any time at a redemption price equal to the greater of: 100% of the principal amount of the notes being redeemed; or

the Make-Whole Amount, as defined in Description of the Notes and the Guarantee Optional Redemption in this prospectus supplement for the notes being redeemed;

plus accrued and unpaid interest to the redemption date.

Use of Proceeds	We estimate that, after deducting net expenses and underwriting discounts and commissions, PRE Finance s net proceeds from this

Table of Contents

	offering will be approximately $ million. PRE Finance will lend all of the net proceeds from this offering to PartnerRe U.S. Holdings, its direct parent. PartnerRe U.S. Holdings will use the proceeds for general corporate purposes.
Risk Factors	See Risk Factors beginning on page S-8 of this prospectus supplement and the risk factors set forth in Part I, Item 1A of PartnerRe Ltd. s Annual Report on Form 10-K for the fiscal year ended December 31, 2009, which is incorporated by reference herein, for important information regarding us and an investment in the notes.
Book Entry	The notes will be issued in book-entry form and will be represented by global notes deposited with DTC and registered in the name of DTC or its nominees. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC and its participants, including Clearstream, Luxembourg and the Euroclear System, and these beneficial interests may not be exchanged for certificated notes, except in limited circumstances. See Description of the Notes and the Guarantee Book-Entry; Delivery and Form in this prospectus supplement.
No Listing of the Notes or Guarantee	We do not intend to apply to list the notes or the guarantee on any securities exchange or to have the notes or guarantee quoted on any automated quotation system.

Table of Contents

RISK FACTORS

An investment in the notes may involve various risks. Prior to making a decision about investing in our securities, and in consultation with your own financial and legal advisors, you should carefully consider, among other matters, the following factors, the section entitled Risk Factors in the accompanying prospectus, as well as those incorporated by reference in this prospectus supplement from PartnerRe Ltd. s Annual Report on Form 10-K for the fiscal year ended December 31, 2009 under the heading Risk Factors and other filings we may make from time to time with the SEC.

An active after-market for the notes may not develop.

The notes constitute a new issue of securities with no established trading market. We cannot assure you that an active after-market for the notes will develop or be sustained or that holders of the notes will be able to sell their notes at favorable prices or at all. Although the underwriters have indicated to us that they intend to make a market in the notes, as permitted by applicable laws and regulations, they are not obligated to do so and may discontinue any such market making at any time without notice. Accordingly, we cannot give any assurance as to the liquidity of, or trading market for, the notes. The notes are not listed, and we do not plan to apply to list the notes on any securities exchange or to include them in any automated quotation system.

The issuer may redeem the notes prior to the maturity date and you may not be able to reinvest in a comparable security.

The issuer may redeem the notes as described under Description of the Notes and the Guarantee Optional Redemption. In the event the issuer chooses to redeem your notes, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the notes.

Investors in the notes face additional risks because neither the issuer nor the guarantor has independent operations and the guarantor has subsidiaries that are regulated.

The notes are an obligation of PRE Finance. PRE Finance is a finance subsidiary which has no independent operations other than its financing activities. As a result, its ability to service the notes depends upon the distribution, earnings, losses or other payments from the guarantor and its operating subsidiaries to PRE Finance.

As a holding company, PartnerRe derives all its income from its subsidiaries. Accordingly, PartnerRe s ability to service its obligations, including its obligations under the guarantee, is primarily dependent on the earnings of its respective subsidiaries and the payment of those earnings to PartnerRe, in the form of dividends, loans or advances and through repayment of loans or advances. These operating subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the notes or the guarantee or to provide the issuer or guarantor with funds. In addition, any payment of dividends, loans or advances by those subsidiaries could be subject to statutory or contractual restrictions.

Because the guarantor is a holding company, the guarantor s rights and the rights of its creditors, including the holders of the notes who would be creditors of the guarantor by virtue of the guarantee, and its shareholders to participate in any distribution of the assets of any subsidiary upon such subsidiary s liquidation or reorganization or otherwise, would be subject to the prior claims of the subsidiary s creditors and policyholders, except in some cases to the extent that the guarantor is a creditor of the subsidiary. The rights of creditors of the guarantor, including the holders of the notes who are creditors of the guarantor by virtue of the guarantee, to participate in the distribution of stock owned by the guarantor in its subsidiaries, including the guarantor s insurance subsidiaries, may also be subject to the approval of insurance regulatory authorities having jurisdiction over such subsidiaries.

Table of Contents

As of December 31, 2009, the guarantor s indebtedness was approximately $959 million on an unconsolidated basis, with such obligations ranking equal to the guarantee. As of December 31, 2009, the guarantor s subsidiaries had approximately $15.9 billion of outstanding liabilities (including policyholder liabilities on a consolidated basis), with such obligations ranking senior to the guarantee.

PartnerRe may incur additional indebtedness.

There are no terms in the indenture, the notes or the guarantee that limit the issuer s or the guarantor s ability to incur additional indebtedness, and we expect from time to time to incur additional indebtedness. Any additional indebtedness so incurred could reduce the amount of cash the issuer or the guarantor would have available to pay its obligations under the notes or the guarantee.

Table of Contents

USE OF PROCEEDS

We estimate that, after deducting net expenses and underwriting discounts and commissions, PRE Finance s net proceeds from this offering will be approximately $ million. PRE Finance will lend all of the net proceeds from this offering to its direct parent, PartnerRe U.S. Holdings. PartnerRe U.S. Holdings will use the proceeds for general corporate purposes.

Table of Contents

CAPITALIZATION

The following table sets forth PartnerRe s consolidated capitalization as of December 31, 2009. The Actual column reflects PartnerRe s capitalization as of December 31, 2009 on a historical basis, without any adjustments to reflect subsequent or anticipated events. The As Adjusted column is adjusted to give effect to this offering. The following data is qualified in its entirety by, and should be read in conjunction with, our consolidated financial statements and the related notes thereto incorporated in this prospectus supplement and the accompanying prospectus by reference.

	As of December 31, 2009	
	Actual	As Adjusted
	(unaudited, in millions)	
Debt related to senior notes(1)	$ 250	$
Debt related to capital efficient notes(2)	63	63
Shareholders equity:		
Common shares (par value $1.00; issued: 82,585,707 shares)	$ 83	$ 83
Preferred shares:		
Series C cumulative redeemable preferred shares (par value $1.00, shares authorized, issued and outstanding: 11,600,000 shares; aggregate liquidation preference: $290,000,000)	12	12
Series D cumulative redeemable preferred shares (par value $1.00, shares authorized, issued and outstanding: 9,200,000 shares; aggregate liquidation preference: $230,000,000)	9	9
Additional paid-in capital	3,357	3,357
Other shareholders equity	85	85
Retained earnings	4,101	4,101
Common shares held in treasury, at cost (5,000 shares)(3)	(1)	(1)
Total shareholders equity	$ 7,646	$ 7,646
Total capitalization	$ 7,959	$

(1) PartnerRe Finance A LLC and PartnerRe Finance B LLC, the issuers of the senior notes, do not meet consolidation requirements under U.S. GAAP. Accordingly, the guarantor shows the related intercompany debt of $ million on its consolidated balance sheet at December 31, 2009.

(2) PartnerRe Finance II Inc., the issuer of the capital efficient notes, does not meet consolidation requirements under U.S. GAAP. Accordingly, the guarantor shows the related intercompany debt of $71.0 million on its consolidated balance sheet at December 31, 2009.

(3) In February 2010, PartnerRe repurchased 1.8 million of its common shares at a total cost of $140.0 million, representing an average cost of $75.83 per share.

Table of Contents

RATIO OF EARNINGS TO FIXED CHARGES

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

	Fiscal Year Ended December 31,				
	2009	2008	2007	2006	2005
Ratio of Earnings to Fixed Charges	48.53x	2.10x	14.51x	12.07x	0.23x(1)

(1) Additional earnings of $37.9 million would be necessary to result in a one-to-one ratio of the Ratio of Earnings to Fixed Charges. PRE Finance did not have any operations during the periods set forth above.

Table of Contents

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table sets forth summary historical consolidated financial and other data of PartnerRe. The year-end financial data has been derived from our audited financial statements, which have been audited by Deloitte & Touche. You should read the following information in conjunction with our financial statements and the related notes and the other financial and statistical information that is included or incorporated by reference in this prospectus supplement and the accompanying base prospectus.

The Statement of Operations data reflects the consolidated results of PartnerRe and its subsidiaries for 2007, 2008 and 2009, including the results of PARIS RE Holdings Ltd. from October 2, 2009 to December 31, 2009. The Balance Sheet data reflects the consolidated financial position of PartnerRe and its subsidiaries as at December 31, 2007, 2008 and 2009, including PARIS RE Holdings Ltd. at December 31, 2009.

	For the Years Ended December 31,		
	2007	2008	2009
	(in millions, except per share data and ratios)		
Statement of Operations data:			
Gross premiums written	$ 3,810	$ 4,028	$ 4,001
Net premiums written	3,757	3,989	3,949
Net premiums earned	$ 3,777	$ 3,928	$ 4,120
Net investment income	523	573	596
Net realized and unrealized investment (losses) gains	(72)	(531)	591
Net realized gain on purchase of capital efficient notes			89
Other (loss) income	(17)	10	22
Total revenues	4,211	3,980	5,418
Losses and loss expenses and life policy benefits	2,082	2,609	2,296
Total expenses	3,328	3,918	3,635
Income before taxes and interest in (losses) earnings of equity investments	883	62	1,783
Income tax expense	82	10	262
Interest in (losses) earnings of equity investments	(83)	(5)	16
Net income	$ 718	$ 47	$ 1,537
Basic net income per common share	$ 12.18	$ 0.22	$ 23.93
Diluted net income per common share	$ 11.87	$ 0.22	$ 23.51
Dividends declared and paid per common share	$ 1.72	$ 1.84	$ 1.88
Weighted average number of common and common share equivalents outstanding	57.6	55.6	63.9
Non-life ratios:			
Loss ratio	50.8%	63.9%	52.7%
Acquisition ratio	22.9	23.3	21.9
Other operating expense ratio	6.7	6.9	7.2
Combined ratio	80.4%	94.1%	81.8%

	At December 31,		
	2007	2008	2009
	(in millions, except per share data)		
Balance Sheet data:			
Total investments, funds held - directly managed and cash and cash equivalents	$ 11,572	$ 11,724	$ 18,165
Total assets	16,149	16,279	23,733
Unpaid losses and loss expenses and policy benefits for life and annuity contracts	8,773	8,943	12,427
Long-term debt	620	200	
Debt related to senior notes		250	250

Debt related to capital efficient notes	258	258	71
Total shareholders equity	4,322	4,199	7,646
Diluted book value per common and common share equivalents outstanding	$ 67.96	$ 63.95	$ 84.51
Number of common shares outstanding, net of treasury shares	54.3	56.5	82.6

Table of Contents

DESCRIPTION OF THE NOTES AND THE GUARANTEE

PRE Finance will issue the notes under an indenture as supplemented by a first supplemental indenture, each to be dated as of the date of the issuance of the notes, and each among PRE Finance, as issuer, PartnerRe Ltd., as guarantor, and The Bank of New York Mellon, as indenture trustee. We refer to the indenture and the first supplemental indenture collectively as the indenture.

PRE Finance will lend all of the net proceeds from the issuance of the notes to its direct parent, PartnerRe U.S. Holdings. PRE Finance s activities will be limited to issuing debt, including but not limited to the notes, and lending the proceeds from the issuance to PartnerRe U.S. Holdings, and any other activities necessary or incidental to these activities. PRE Finance will have no employees and, with limited exceptions, has agreed not to create, incur, assume or suffer to exist any lien upon or with respect to any of its assets.

The following description of certain terms of the notes and the guarantee and certain provisions of the indenture supplements the description under Description of the Debt Securities and Description of the Debt Securities Guarantee in the accompanying base prospectus and, to the extent it is inconsistent with that description, replaces the description in the accompanying base prospectus.

This description is only a summary of the material terms and does not purport to be complete. We urge you to read the indenture in its entirety because it, and not this description, will define your rights as a beneficial holder of the notes. A copy of the indenture, the notes and the guarantee will also be available during normal business hours at the office of the trustee.

Unless otherwise specified, in this section, guarantor and PartnerRe refer to PartnerRe Ltd. and not to any of its subsidiaries.

General

The notes are an obligation of PRE Finance. PRE Finance is a finance subsidiary which has no independent operations other than its financing activities. As a result, its ability to service the notes depends upon the distribution, earnings, losses or other payments from the guarantor and its operating subsidiaries to PRE Finance.

The notes will be issued in fully registered form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. The notes will mature on , 2020. The accompanying base prospectus describes additional provisions of the notes and of the indenture between us and The Bank of New York Mellon, as trustee, under which we will issue the notes. There is no limit on the aggregate principal amount of notes of this series that we may issue. Subject to certain tax limitations, we reserve the right, from time to time and without the consent of any holders of any of the notes, to re-open this series of notes on terms identical in all respects to the outstanding notes (except the date of issuance, the date interest begins to accrue and, in certain circumstances, the first interest payment date), so that such additional notes shall be consolidated with, form a single series with and increase the aggregate principal amount of the notes.

The notes will bear interest at a rate of % per year from , 2010. Interest will be paid semi-annually in arrears on and of each year, commencing , 2010, to the record holders on the preceding or . Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Optional Redemption

The issuer may redeem the notes at its option, in whole or in part, at any time and from time to time at a redemption price equal to the greater of:

100% of the principal amount of the notes to be redeemed; or

Table of Contents

the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the then current Treasury Rate plus basis points (the Make-Whole Amount).

In each case, we will pay accrued and unpaid interest on the principal amount being redeemed to the date of redemption.

Comparable Treasury Issue means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term (Remaining Life) of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

Comparable Treasury Price means, with respect to any redemption date, (1) the average of four Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

Quotation Agent means one of the Reference Treasury Dealers appointed by the issuer.

Reference Treasury Dealer means (1) each of Banc of America Securities LLC, Barclays Capital Inc. and Credit Suisse Securities (USA) LLC and their respective successors unless any of them ceases to be a primary U.S. Government securities dealer in New York City (Primary Treasury Dealer), in which case the issuer shall substitute another Primary Treasury Dealer and (2) one other Primary Treasury Dealers selected by the issuer.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Treasury Rate means, with respect to any redemption date, the rate per year equal to: (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue; provided that, if no maturity is within three months before or after the Remaining Life of the notes to be redeemed, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from those yields on a straight line basis, rounding to the nearest month; or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate shall be calculated on the third business day preceding the redemption date.

Notice of redemption will be mailed at least 30 but not more than 60 days before the redemption date to each holder of record of the notes to be redeemed at its registered address. The notice of redemption for the notes will state, among other things, (i) the redemption date, (ii) the redemption price, (iii) if less than all outstanding notes are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular notes to be redeemed and (iv) the place or places that payment will be made upon presentation and surrender of notes to be redeemed. Unless we default in the payment of the redemption price, interest will cease to accrue on any notes that have been called for redemption at the redemption date.

Table of Contents

Defeasance

The provisions of the indenture relating to defeasance, which are described under the caption Description of the Debt Securities Discharge, Defeasance and Covenant Defeasance in the accompanying base prospectus, will apply to the notes.

Ranking

The notes will be PRE Finance s senior unsecured indebtedness and will rank equally with all of its other senior unsecured indebtedness from time to time outstanding. As of the date of this prospectus supplement, PRE Finance has no subsidiaries or debt outstanding.

The Guarantee

The guarantor s obligations under the guarantee are equal in right of payment to all of its other senior unsecured indebtedness, except any indebtedness that by its terms is subordinated to the guarantee.

There are no terms in the indenture, the notes or the guarantee that limit the guarantor s ability to incur additional indebtedness, and the guarantor expects from time to time to incur additional indebtedness.

Because the guarantor is a holding company, the guarantor s rights and the rights of its creditors, including the holders of the notes who would be creditors of the guarantor by virtue of the guarantee, and its shareholders to participate in any distribution of the assets of any subsidiary upon such subsidiary s liquidation or reorganization or otherwise, would be subject to prior claims of the subsidiary s creditors and policyholders, except in some cases to the extent that the guarantor is a creditor of the subsidiary. The rights of creditors of the guarantor, including the holders of the notes who are creditors of the guarantor by virtue of the guarantee, to participate in the distribution of stock owned by the guarantor in its subsidiaries, including the guarantor s insurance subsidiaries, may also be subject to the approval of insurance regulatory authorities having jurisdiction over such subsidiaries.

As a holding company, PartnerRe derives all its income from its subsidiaries. Accordingly, PartnerRe s ability to service its obligations, including its obligations under the guarantee, is primarily dependent on the earnings of its respective subsidiaries and the payment of those earnings to PartnerRe, in the form of dividends, loans or advances and through repayment of loans or advances. These operating subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on the notes or the guarantee or to provide the issuer or guarantor with funds. In addition, any payment of dividends, loans or advances by those subsidiaries could be subject to statutory or contractual restrictions.

On an unconsolidated basis, the guarantor s indebtedness as of December 31, 2009 was approximately $959 million, with such obligations ranking equal to the guarantee. As of December 31, 2009, the guarantor s subsidiaries had approximately $15.9 billion of outstanding liabilities (including policyholder liabilities on a consolidated basis) that rank senior to the guarantee.

Book-Entry; Delivery and Form

Upon issuance, the notes will be represented by one or more fully registered global certificates, each of which we refer to as a global security. Each such global security will be deposited with, or on behalf of, DTC and registered in the name of DTC or a nominee thereof. Initial settlement for the notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC s rules and will be settled in immediately available funds using DTC s Same-Day Funds Settlement System. No assurance can be given as to the effect, if any, of settlement in immediately available funds on trading activity in the notes. Unless and until it is exchanged in whole or in part for notes in definitive form, no global security may be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor of DTC or a nominee of such successor.

Table of Contents

Security entitlements in the notes will be represented through book-entry accounts of financial institutions acting on behalf of holders of such entitlements (i.e., end investors) as direct and indirect participants in DTC. Investors may elect to hold security entitlements in the notes held by DTC through Clearstream, Luxembourg or Euroclear Bank S.A./N.V., as operator of the Euroclear System, (the Euroclear operator), if they are participants in such systems or indirectly through organizations that are participants in such systems. Clearstream, Luxembourg and the Euroclear operator will hold security entitlements on behalf of their participants through customers securities accounts in Clearstream, Luxembourg s and the Euroclear operator s names on the books of their respective depositaries, which in turn will hold such security entitlements in customers securities accounts in the depositaries names on the books of DTC.

So long as DTC, or its nominee, is a registered owner of a global security, DTC or its nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such global security for all purposes under the indenture. Except as provided below, the securities entitlement holders of the notes will not be entitled to have the notes represented by such global security registered in their names, will not receive or be entitled to receive physical delivery of the notes in definitive form and will not be considered the owners or holders thereof under the indenture.

Accordingly, each securities entitlement holder in a global security must rely on the procedures of DTC and, if such person is not a participant of DTC (a participant), on the procedures of the participant through which such person holds its interest, to exercise any rights of a holder under the indenture. We understand that, under existing industry practices, in the event that the issuer requests any action of holders of the notes or owners of security entitlements that a holder is entitled to give or take under the indenture, DTC would authorize the participants holding the relevant security entitlements to give or take such action, and such participants would authorize entitlement holders owning through such participants to give or take such action or would otherwise act upon the instructions of entitlement holders. Conveyance of notices and other communications by DTC to participants, by participants to indirect participants, as defined below, and by participants and indirect participants to entitlement holders will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

The following is based on information furnished by DTC:

DTC will act as securities depositary for the notes. Offered securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One or more fully-registered global securities will be issued for the notes in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants of DTC (direct participants) include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC is owned by the users of its regulated subsidiaries. Access to DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with one of DTC s direct participants, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of the notes under DTC s system must be made by or through direct participants, which will receive a credit for the notes on DTC s records. The ownership interest of each security entitlement holder is in

Table of Contents

turn to be recorded on the records of direct participants and indirect participants. Entitlement holders will not receive written confirmation from DTC of their purchase, but entitlement holders are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct participants or indirect participants through which such entitlement holders entered into the transaction. Transfers of security entitlement interests in the notes are to be accomplished by entries made on the books of participants acting on behalf of entitlement holders. Entitlement holders will not receive certificates representing their ownership interests in the notes, except in the limited circumstances that may be provided in the indenture.

To facilitate subsequent transfers, all notes deposited with DTC are registered in the name of DTC s partnership nominee, Cede & Co. The deposit of the notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual security entitlement holder of the notes. DTC s records reflect only the identity of the direct participants to whose accounts such securities are credited, which may or may not be the entitlement holders. The participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to entitlement holders will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. nor any other DTC nominee will consent or vote with respect to the notes. Under its usual procedures, DTC mails an omnibus proxy to the issuer as soon as possible after the applicable record date. The omnibus proxy assigns Cede & Co. s consenting or voting rights to those direct participants to whose accounts securities are credited on the applicable record date (identified in a listing attached to the omnibus proxy).

Payments on the notes will be made in immediately available funds to DTC, Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC s practice is to credit direct participants accounts upon DTC s receipt of funds and corresponding detail information from the issuer or the applicable agent on the applicable payment date in accordance with their respective holdings shown on DTC s records. Payments by participants to entitlement holders will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such participant and not of DTC, the trustee or the issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Any payment due to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) on behalf of entitlement holders is the responsibility of the issuer or the applicable agent, disbursement of such payments to direct participants shall be the responsibility of DTC, and disbursement of such payments to the entitlement holders shall be the responsibility of direct participants and indirect participants.

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

Clearstream, Luxembourg advises that it is incorporated under the laws of Luxembourg as a professional depositary. Clearstream, Luxembourg holds securities for its participating organizations (Clearstream, Luxembourg participants) and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg participants through electronic book-entry changes in accounts of Clearstream, Luxembourg participants, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Clearstream, Luxembourg provides to Clearstream, Luxembourg participants, among other things, services for safekeeping, administration, clearance and settlement

Table of Contents

of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in several countries. As a professional depositary, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector.

Clearstream, Luxembourg participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream, Luxembourg participant, either directly or indirectly.

Distributions with respect to the notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg participants in accordance with its rules and procedures, to the extent received by the U.S. depositary for Clearstream, Luxembourg.

Euroclear advises that it was created in 1968 to hold securities for its participants (Euroclear participants) and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the Euroclear Operator). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator.

Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters or agents for the notes. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

The Euroclear operator is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium. Securities clearance accounts and cash accounts with the Euroclear operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of Euroclear and applicable Belgian law (collectively, the Terms and Conditions). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts under the Terms and Conditions only on behalf of Euroclear participants, and has no record of or relationship with persons holding securities through Euroclear participants.

Distributions with respect to the notes held through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by the U.S. depositary for Euroclear.

Global Clearance and Settlement Procedures

Initial settlement for the notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC s rules and will be settled in immediately available funds using DTC s Same-Day Funds Settlement System. If and to the extent this prospectus supplement, with respect to any of the notes, indicates that investors may elect to hold interests in the notes through Clearstream, Luxembourg or Euroclear, secondary market trading between Clearstream, Luxembourg participants and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to conventional Eurobonds in immediately available funds. No assurance can be given as to the effect, if any, of settlement in immediately available funds on trading activity in the notes.

Table of Contents

Cross-market transfers between persons holding notes directly or indirectly through DTC, on the one hand, and holding notes directly or indirectly through Clearstream, Luxembourg or Euroclear participants, on the other hand, will be effected in DTC in accordance with DTC rules on behalf of Clearstream, Luxembourg or Euroclear, as the case may be, by its U.S. depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). Clearstream, Luxembourg or Euroclear, as the case may be, will, if the transaction meets its settlement requirements, deliver to its U.S. depositary instructions to take action to effect final settlement on its behalf by delivering or receiving the notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg participants and Euroclear participants may not deliver instructions directly to DTC.

Because of time-zone differences, credits of the notes received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and will be credited the business day following the DTC settlement date. Such credits or any transactions in the notes settled during such processing will be reported to the relevant Clearstream, Luxembourg or Euroclear participants on such business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of the notes by or through a Clearstream, Luxembourg participant or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear case account only as of the business day following settlement in DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the notes among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

About the Trustee

The Bank of New York Mellon is the indenture trustee and will be the principal paying agent and registrar for the notes. We have entered, and from time to time may continue to enter, into banking or other relationships with The Bank of New York Mellon or its affiliates.

The trustee may resign or be removed with respect to one or more series of debt securities under the indenture, and a successor trustee may be appointed to act with respect to such series.

Miscellaneous

The issuer will have the right at all times to assign any of its respective rights or obligations under the indenture to a direct or indirect wholly owned subsidiary of the issuer; provided that, in the event of any such assignment, the issuer will remain liable for all of its respective obligations. Subject to the foregoing, the indenture will be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns. The indenture provides that it may not otherwise be assigned by the parties thereto.

Table of Contents

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

In the opinion of Davis Polk & Wardwell LLP, the following are the material U.S. federal tax consequences of ownership and disposition of the notes. This discussion only applies to notes held as capital assets by those initial holders who purchase the notes at the issue price, which will equal the first price to the public at which a substantial amount of the notes is sold for money.

This discussion does not describe all of the tax consequences that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as:

- certain financial institutions;
- insurance companies;
- tax exempt organizations;
- dealers in securities;
- persons holding notes as part of a hedge, straddle, integrated transaction or similar transaction or persons entering into a constructive sale with respect to the notes;
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- regulated investment companies;
- real estate investment trusts; and
- persons subject to the alternative minimum tax.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds notes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and upon the activities of the partnership. Partnerships holding notes and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of holding and disposing of notes.

This summary is based on the Internal Revenue Code of 1986, as amended to the date hereof (the Code), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not address the effect of any state, local or foreign tax laws or any U.S. federal estate or gift tax considerations. Persons considering the purchase of notes are urged to consult their tax advisers with regard to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Tax Consequences to U.S. Holders

As used herein, the term U.S. Holder means, for U.S. federal income tax purposes, a beneficial owner of a note that is:

a citizen or resident of the United States;

a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or of any political subdivision thereof; or

an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Table of Contents

The term U.S. Holder also includes certain former citizens and residents of the United States.

Payments of Interest

It is expected, and therefore this discussion assumes, that the notes will be issued without original issue discount for U.S. federal income tax purposes. Accordingly, interest paid on a note will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the holder s method of accounting for federal income tax purposes.

Sale, Exchange or Retirement of the Notes

Upon the sale, exchange or retirement of a note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. Holder s adjusted tax basis in the note. For these purposes, the amount realized does not include any amount attributable to accrued interest. Amounts attributable to accrued interest are treated as interest as described under Payments of Interest above. Gain or loss realized on the sale, exchange or retirement of a note will generally be capital gain or loss and will be long term capital gain or loss if at the time of sale, exchange or retirement the note has been held for more than one year.

Backup Withholding and Information Reporting

Information returns will be filed with the Internal Revenue Service (IRS) in connection with payments on the notes and the proceeds from a sale or other disposition of the notes. A U.S. Holder will be subject to United States backup withholding on these payments if the U.S. Holder fails to provide its taxpayer identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder s U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Tax Consequences to Non-U.S. Holders

As used herein, the term Non-U.S. Holder means, for U.S. federal income tax purposes, a beneficial owner of a note that is:

- an individual who is classified as a nonresident for U.S. federal income tax purposes;
- a foreign corporation; or
- a foreign estate or trust.

A Non-U.S. Holder does not include a holder who is an individual present in the United States for 183 days or more in the taxable year of disposition and who is not otherwise a resident of the United States for U.S. federal income tax purposes. Such a holder is urged to consult his or her own tax adviser regarding the U.S. federal income tax consequences of the sale, exchange or other disposition of a note.

Payments of Interest

Subject to the discussion below concerning backup withholding, payments of principal and interest on the notes by the issuer or any paying agent to any Non-U.S. Holder will not be subject to U.S. federal withholding tax, provided that

- the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the total combined voting power of all classes of stock of PartnerRe U.S. Holdings entitled to vote and is not a controlled foreign corporation related, directly or indirectly, to PartnerRe U.S. Holdings through stock ownership; and

Table of Contents

the beneficial owner of that note certifies on a properly executed IRS Form W-8BEN, under penalties of perjury, that it is not a United States person.

If a Non-U.S. Holder does not qualify for exemption under the preceding paragraph, and the Non-U.S. Holder s receipt of interest on a note is not effectively connected with a trade or business in the United States conducted by such Non-U.S. Holder, payments of interest on the notes will be subject to U.S. federal withholding tax at a rate of 30% (or lower treaty rate if the Non-U.S. Holder provides appropriate documentation).

If a Non-U.S. Holder of a note is engaged in a trade or business in the United States, and if interest on the note is effectively connected with the conduct of this trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed in the preceding paragraph, will generally be taxed in the same manner as a U.S. Holder (see Tax Consequences to U.S. Holders above), subject to an applicable income tax treaty providing otherwise, except that the Non-U.S. Holder will be required to provide to the issuer a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax. These holders are urged to consult their own tax advisers with respect to other U.S. tax consequences of the ownership and disposition of notes including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate).

Sale, Exchange, Redemption or Other Disposition of a Note

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder of a note will not be subject to U.S. federal income tax on gain realized on the sale, exchange, redemption or other disposition of such note, unless the gain is effectively connected with the conduct by the holder of a trade or business in the United States.

If a Non-U.S. Holder of a note is engaged in a trade or business in the United States, and if gain realized by the Non-U.S. Holder on a sale, exchange, redemption or other disposition of a note is effectively connected with the conduct of such trade or business, the Non-U.S. Holder will generally be taxed in the same manner as a U.S. Holder (see Tax Consequences to U.S. Holders above), subject to an applicable income tax treaty providing otherwise. These holders are urged to consult their tax advisers with respect to other U.S. tax consequences of the ownership and disposition of notes including the possible imposition of a branch profits tax at a rate of 30% (or lower treaty rate).

Backup Withholding and Information Reporting

Information returns will be filed with the IRS in connection with payments of interest on the notes. Unless the Non-U.S. Holder complies with certification procedures to establish that it is not a United States person, information returns may be filed with the IRS in connection with the proceeds from a sale or other disposition and the Non-U.S. Holder may be subject to United States backup withholding on payments on the notes or on the proceeds from a sale or other disposition of the notes. Compliance with the certification procedures required to claim the exemption from withholding tax on interest described above will satisfy the certification requirements necessary to avoid backup withholding as well. The amount of any backup withholding from a payment to a Non-U.S. Holder will be allowed as a credit against the Non-U.S. Holder s U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Table of Contents

CERTAIN BENEFIT PLAN INVESTOR CONSIDERATIONS

Each fiduciary of a pension, profit-sharing or other employee benefit plan to which Title I of the Employee Retirement Income Security Act of 1974, as amended (ERISA), applies (a Plan) should consider the fiduciary standards of ERISA in the context of the Plan s particular circumstances before authorizing an investment in the notes. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the Plan.

Section 406 of ERISA and Section 4975 of the Internal Revenue Code prohibit Plans, as well as individual retirement accounts and Keogh plans to which Section 4975 of the Internal Revenue Code applies (also Plans), from engaging in specified transactions involving plan assets with persons who are parties in interest under ERISA or disqualified persons under the Internal Revenue Code (together, Parties in Interest) with respect to such Plan. A violation of those prohibited transaction rules may result in an excise tax or other liabilities under ERISA and/or Section 4975 of the Internal Revenue Code for such persons, unless exemptive relief is available under an applicable statutory or administrative exemption.

Employee benefit plans that are governmental plans, as defined in Section 3(32) of ERISA, certain church plans, as defined in Section 3(33) of ERISA, and non-U.S. plans, as described in Section 4(b)(4) of ERISA, are not subject to the requirements of ERISA, or Section 4975 of the Internal Revenue Code, but governmental and non-U.S. plans may be subject to other legal restrictions.

Under a regulation (the Plan Assets Regulation) issued by the U.S. Department of Labor, the assets of the issuer would be deemed to be plan assets of a Plan for purposes of ERISA and Section 4975 of the Internal Revenue Code if a Plan makes an equity investment in the issuer and no exception were applicable under the Plan Assets Regulation. An equity interest is defined under the Plan Assets Regulation as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. Based on the limited legal authority in this area, it is uncertain but nonetheless possible that the notes will be treated as equity interests in the issuer.

If the assets of the issuer were deemed to be plan assets, the persons providing services to the assets of the issuer may become Parties in Interest with respect to an investing Plan and may be governed by the fiduciary responsibility provisions of Title I of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Internal Revenue Code with respect to transactions involving those assets.

In this regard, if the person or persons with discretionary responsibilities over the notes or the guarantee were affiliated with PartnerRe, any such discretionary actions taken regarding those assets could be deemed to constitute a prohibited transaction under ERISA or the Internal Revenue Code (e.g., the use of such fiduciary authority or responsibility in circumstances under which those persons have interests that may conflict with the interests of the investing Plans and affect the exercise of their best judgment as fiduciaries).

Under an exception contained in the Plan Assets Regulation, the assets of the issuer would not be deemed to be plan assets of investing Plans if the notes are publicly-offered securities that is, they are:

- widely held, i.e., owned by more than 100 investors independent of the issuer and of each other;
- freely transferable; and
- sold to a Plan as part of an offering pursuant to an effective registration statement under the Securities Act of 1933 (the Securities Act) and then timely registered under Section 12(b) or 12(g) of the Exchange Act.

Table of Contents

PRE Finance expects that the notes will meet the criteria of publicly-offered securities above, although no assurance can be given in this regard. The underwriters expect that the notes will be held by at least 100 independent investors at the conclusion of the offering and that the notes will be freely transferable. The notes will be sold as part of an offering under an effective registration statement under the Securities Act, and then will be timely registered under the Exchange Act.

Even if the assets of the issuer are not deemed to be plan assets of Plans investing in the issuer, investments by Plans in the notes could be deemed to constitute direct or indirect prohibited transactions under ERISA and Section 4975 of the Internal Revenue Code with respect to an investing Plan.

For example, if PartnerRe were a Party in Interest with respect to an investing Plan, either directly or by reason of the activities of one or more of its affiliates, sale of the notes to the Plan and/or extensions of credit between PartnerRe and the issuer, as represented by e.g., the subordinated guarantee, would likely be prohibited by Section 406(a)(1) of ERISA and Section 4975(c)(1) of the Internal Revenue Code, unless exemptive relief were available under an applicable administrative exemption.

The U.S. Department of Labor has issued five prohibited transaction class exemptions (PTCEs) that may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase or holding of the notes by Plans. Those class exemptions are:

PTCE 96-23, for specified transactions determined by in-house asset managers;

PTCE 95-60, for specified transactions involving insurance company general accounts;

PTCE 91-38, for specified transactions involving bank collective investment funds;

PTCE 90-1, for specified transactions involving insurance company separate accounts; and

PTCE 84-14, for specified transactions determined by independent qualified professional asset managers.

In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide a limited exemption for the purchase and sale of securities and related lending transactions, provided that neither the issuer of the securities nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction and provided further that the Plan pays no more, and receives no less, than adequate consideration in connection with the transaction (the so-called service-provider exemption).

The notes may not be purchased or held by or on behalf of any Plan, any entity whose underlying assets include plan assets by reason of any Plan s investment in the entity (a Plan Asset Entity) or any person investing plan assets of any Plan, unless the purchaser or holder is eligible for the exemptive relief available under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service-provider exemption.

Any purchaser or holder of the notes or any interest in the notes will be deemed to have represented by its purchase and holding that it either:

is not a Plan or a Plan Asset Entity and is not purchasing such securities on behalf of or with plan assets of any Plan; or

is eligible for the exemptive relief available under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service-provider exemption with respect to such purchase or holding.

Table of Contents

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing the notes on behalf of or with plan assets of any Plan consult with their counsel regarding the potential consequences if the assets of the issuer were deemed to be plan assets and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service-provider exemption.

Purchasers of the notes have the exclusive responsibility for ensuring that their purchase and holding of the notes does not violate the prohibited transaction rules of ERISA or Section 4975 of the Code. The sale of any notes to any Plan is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Table of Contents

UNDERWRITING

The guarantor and the issuer have entered into an underwriting agreement with Banc of America Securities LLC, Barclays Capital Inc. and Credit Suisse Securities (USA) LLC, as representatives of the underwriters, pursuant to which, and subject to its terms and conditions, the issuer has agreed to sell to the underwriters, and the underwriters have agreed, severally and not jointly, to purchase from the issuer the respective principal amount of notes set forth opposite their names in the following table.

Underwriters	Principal Amount of Notes
Banc of America Securities LLC	$
Barclays Capital Inc.	$
Credit Suisse Securities (USA) LLC	$
Total	$

The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the notes are conditioned upon the delivery of legal opinions by their counsel and other conditions. The underwriters are obligated to purchase all the notes, if any notes are purchased.

The underwriters have advised PartnerRe that they intend to offer the notes initially at the offering price shown on the cover page of this prospectus supplement and may offer the notes to certain dealers at the offering price less a selling concession not to exceed % of the principal amount of the notes. The underwriters may allow, and dealers may reallow, a concession on sales to other dealers not to exceed % of the principal amount of the notes. After the initial offering of the notes, the underwriters may change the public offering price and the concession to selected dealers.

PartnerRe and PRE Finance have agreed that, without the prior written consent of the representatives, on behalf of the underwriters, PartnerRe and PRE Finance will not, during the period beginning on the date of the underwriting agreement and continuing to and including the closing under the underwriting agreement, offer, sell, contract to sell or otherwise dispose of, any securities that are substantially similar to the notes.

PartnerRe estimates that the expenses of this offering that are payable by PRE Finance or one of its affiliates, including printing fees and legal and accounting expenses, but excluding underwriting discounts and commissions, will be approximately $.

New Issue of Notes

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have advised us that they presently intend to make a market in the notes as permitted by applicable laws and regulations. The underwriters are not obligated, however, to make a market in the notes, and they may discontinue this market-making at any time in their sole discretion. Accordingly, we cannot assure investors that there will be adequate liquidity or an adequate trading market for the notes.

Price Stabilization and Short Positions

The underwriters may engage in over-allotment and stabilizing transactions or purchases and passive market-making for the purpose of pegging, fixing or maintaining the price of the notes in accordance with Regulation M under the Securities Exchange Act of 1934:

Over-allotment involves sales by the underwriters of notes in excess of the number of notes the underwriters are obligated to purchase, which creates a short position. Since the underwriters in this

Table of Contents

offering do not have an over-allotment option to purchase additional securities, their short position will be a naked short position. A naked short position can only be closed out by buying notes in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the notes in the open market after pricing that could adversely affect investors who purchase in the offering;

Stabilizing transactions permit bids to purchase the notes so long as the stabilizing bids do not exceed a specified maximum. These stabilizing transactions may have the effect of raising or maintaining the market price of the notes or preventing or retarding a decline in the market price of the notes. As a result, the price of the notes may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time.

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

Electronic Distributions

This prospectus supplement in electronic format may be made available on Internet sites or through other online services maintained by one or more of the underwriters or by their affiliates. In these cases, prospective investors may view offering terms online and, depending upon the underwriter, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of notes for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations.

Other than this prospectus supplement in electronic format, the information on any underwriter s web site and any information contained in any other web site maintained by any underwriter is not a part of this prospectus supplement, has not been approved and/or endorsed by us or the underwriters in their capacity as underwriters and should not be relied upon by investors.

Indemnification

We have agreed to indemnify the underwriters against liabilities relating to the offering, including liabilities under the Securities Act of 1933, and to contribute to payments that the underwriters may be required to make for these liabilities.

United Kingdom Legal Matters

Each underwriter has represented and warranted that:

(1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the FSMA)) in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply; and

(2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

European Economic Area Legal Matters

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus

Table of Contents

Directive is implemented in that relevant member state (the relevant implementation date), each underwriter has represented and agreed that it has not made and will not make an offer of the notes to the public in that relevant member state that would require the publication in that relevant member state or approval by the competent authority of that relevant member state or, where appropriate, the competent authority of another relevant member state, of a prospectus in relation to the notes in that relevant member state; subject to such restriction, they may, with effect from and including the relevant implementation date, make an offer of notes to the public in that relevant member state at any time:

(1) to legal entities that are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(2) to any legal entity that has two or more of (A) an average of at least 250 employees during the last financial year; (B) a total balance sheet of more than 43,000,000 and (C) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

(3) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior written consent of the representatives; or

(4) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of notes shall require PRE Finance or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For purposes of this provision, the expression an offer of notes to the public in relation to any notes in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the same may be varied in that relevant member state by any measure implementing the Prospectus Directive in that relevant member state, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state.

The restrictions described above concerning the relevant member states are in addition to any other applicable restrictions in the member states that have implemented the Prospectus Directive.

Other Relationships

From time to time, the underwriters and their respective affiliates have directly and indirectly provided investment and/or commercial banking services to us for which they have received customary compensation and expense reimbursement. The underwriters and their respective affiliates may in the future provide similar services to us. For example, Credit Suisse is a co-documentation agent under the Company s $660 million syndicated, unsecured credit facility and represented PARIS RE Holdings Limited as financial advisor during its acquisition by PartnerRe.

Table of Contents

VALIDITY OF THE NOTES

Certain legal matters with respect to United States and New York law with respect to the validity of the offered securities will be passed upon for PartnerRe Ltd. and PRE Finance by Davis Polk & Wardwell LLP, New York, New York. Certain legal matters with respect to Bermuda law will be passed upon for PartnerRe Ltd. and PRE Finance by corporate counsel for PartnerRe Ltd. Certain legal matters will be passed on for the underwriters by Willkie Farr & Gallagher LLP, New York, New York.

WHERE YOU CAN FIND MORE INFORMATION

Government Filings. We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the SEC s public reference rooms at 100 F Street, N.E., Washington, D.C., 20549. Please call the SEC at l-800-SEC-0330 for further information on the public reference rooms. Our SEC filings subsequent to June 2001 are also available to you free of charge at the SEC s web site at *http://www.sec.gov*.

Stock Market. PartnerRe s common shares are traded on the New York Stock Exchange and the NYSE Euronext Paris under the symbol PRE. Material filed by PartnerRe Ltd. can be inspected at the New York Stock Exchange, 20 Broad Street, 17th Floor, New York, New York 10005.

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 an important part of this prospectus supplement, and information that we file later with the SEC 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 SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until this offering has been completed:

1. Our Annual Report on Form 10-K for the year ended December 31, 2009 filed with the SEC on March 1, 2010;

2. The portions of our Definitive Proxy Statement on Schedule 14A for the 2009 annual meeting of shareholders incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2008; and

3. Current Reports on Form 8-K filed on May 28, 2009, July 10, 2009, October 7, 2009, February 22, 2010 and March 10, 2010.

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;

- 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

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

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;

(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 sim 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;
- depositary 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,

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 i