

PARTNERRE LTD
Form S-3
May 06, 2005

As filed with the Securities and Exchange Commission on May 6, 2005
Registration No.
333-_____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

PartnerRe Ltd.

(Exact name of registrant as specified in its charter)

Bermuda

(State or other jurisdiction of
incorporation or organization)

Not Applicable

(I.R.S. Employer Identification
Number)

**96 Pitts Bay Road
Pembroke HM 08
Bermuda (441) 292-0888**
(Address, including zip code, and
telephone number, including
area code, of registrant's principal
executive offices)

**c/o Scott D. Moore
PartnerRe U.S. Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Name, address, including zip
code, and telephone
number, including area code, of
agent for service)

PartnerRe Finance II Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

02-0540831

(I.R.S. Employer Identification
Number)

**c/o PartnerRe U.S.
Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Address, including zip code, and
telephone number, including
area code, of registrant's principal
executive offices)

**c/o Scott D. Moore
PartnerRe U.S. Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Name, address, including zip
code, and telephone number,
including area code, of agent for
service)

PartnerRe Capital Trust II

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

**c/o PartnerRe U.S.
Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Not Applicable

(I.R.S. Employer Identification Number)

c/o Scott D. Moore

**PartnerRe U.S. Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Name, address, including zip code, and telephone number, including area code, of agent for service)

PartnerRe Capital Trust III

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

**c/o PartnerRe U.S.
Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Not Applicable

(I.R.S. Employer Identification Number)

c/o Scott D. Moore

**PartnerRe U.S. Corporation
One Greenwich Plaza
Greenwich, CT 06830-6352
(203) 485-4200**
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

**Albert A. Benchimol
Executive Vice President &
Chief Financial Officer
96 Pitts Bay Road
Pembroke HM 08
(441) 292-0888**

**Richard J. Sandler, Esq.
Ethan T. James, Esq.**

**Davis Polk & Wardwell
450 Lexington Avenue
New York, NY 10017
(212) 450-4000**

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. _____

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
		\$	\$	\$
Common Shares (4)				
Preferred Shares (5)				
Depositary Shares (6)				
Debt Securities (7)				
Warrants to Purchase Common or Preferred Shares				
Warrants to Purchase Debt Securities				
Share Purchase Contracts				
Share Purchase Units (8)				
Units (9)				
Debt Securities of PartnerRe Finance II Inc. (10)				
Guarantee of Debt Securities of PartnerRe Finance II Inc. (11)				

Preferred
Securities of
PartnerRe Capital
Trust II

Preferred
Securities of
PartnerRe Capital
Trust III

Guarantee of
Preferred
Securities of
Capital Trust
II and certain
backup
undertakings (12)

Guarantee of
Preferred
Securities of
Capital Trust
III and certain
backup
undertakings (12)

Total	\$ 630,000,000(2)	100%(3)	\$ 630,000,000(2)(3)	\$74,151(1)
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(1) These offered securities may be sold separately, together or as units with other offered securities. This amount does not include an additional \$370,000,000 of securities being carried forward from Registration Statements No. 333-109326 and 333-101486 on Form S-3 pursuant to Rule 429 of the Securities Act. All classes of securities from the previous registration statements are being carried forward. A registration fee of

\$30,721 for such additional securities was previously paid with the filing of the previous registration statements and is also being carried forward.

(2) Such indeterminate number or amount of common shares, preferred shares, depositary shares, debt securities, warrants, share purchase contracts and share purchase units of PartnerRe, debt securities of PartnerRe Finance II, preferred securities of Capital Trust II and preferred securities of Capital Trust III as may from time to time be issued at indeterminate prices, in U.S. Dollars or the equivalent thereof denominated in foreign currencies or units of two or more foreign currencies or composite currencies. In no event will the aggregate maximum offering price of all securities issued by PartnerRe, PartnerRe Finance II, Capital Trust II and Capital Trust III pursuant to this Registration Statement exceed \$1,000,000,000, or if any debt securities are issued with original issue discount, such greater amount as shall result in an aggregate offering price of \$1,000,000,000.

(3) Estimated solely for purposes of calculating the registration fee. Pursuant to Rule 457(o) under the Securities Act of 1933, which permits the registration fee to be calculated on the basis of the maximum offering price of all the securities listed, the table does not specify by each class information as to the amount to be registered, proposed maximum offering price per unit or proposed maximum aggregate offering price. Unless otherwise indicated in an amendment to this filing, no separate consideration will be received for common shares, preferred shares or debt securities that are issued by PartnerRe or PartnerRe

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Finance II upon conversion or exchange of debt securities, preferred shares, preferred securities or depositary shares registered hereunder.

- (4) Also includes such presently indeterminate number of common shares as may be issued by PartnerRe (a) upon conversion of or exchange for any debt securities or preferred shares that provide for conversion or exchange into common shares, (b) upon exercise of warrants to purchase common shares or (c) pursuant to share purchase contracts.
- (5) Also includes such presently indeterminate number of preferred shares as may be issued by PartnerRe (a) upon conversion of or exchange for any debt securities that provide for conversion or exchange into preferred shares, (b) upon exercise of warrants to purchase preferred shares or (c) pursuant to share purchase contracts.
- (6) To be represented by depositary receipts representing an interest in all or a specified portion of a common share or preferred share.
- (7) Subject to Note (2), such indeterminate principal amount of debt securities (which may be senior or subordinated).
- (8) Each share purchase unit consists of (a) a share purchase contract under which the holder, upon settlement, will purchase an indeterminate number of common shares and (b) a beneficial interest in debt securities, preferred securities, or debt obligations of third parties purchased with the proceeds from the sale of the share purchase units. Each beneficial interest will be pledged to secure the obligation of such holder to purchase such common shares. No separate consideration will be received for the share purchase contract or the related beneficial interests.
- (9) There are being registered hereby such indeterminate number of Units as may be issued at indeterminate prices. Units may consist of any combination of the securities being registered hereby.
- (10) Subject to Note (2), such indeterminate principal amount of debt securities (which may be senior, subordinated or junior subordinated debt securities issued to a Capital Trust).
- (11) No separate consideration will be received for the guarantees of the debt securities issued by PartnerRe Finance II.
- (12) No separate consideration will be received for the guarantees of the preferred securities issued by Capital Trust II or Capital Trust III. The guarantees include the rights of holders of the preferred securities under the guarantees and certain backup undertakings, comprised of obligations of PartnerRe as guarantor of the junior subordinated debt securities under a junior subordinated indenture, any supplemental indentures thereto and any related guarantee agreement and under the applicable trust agreement to provide certain indemnities in respect of, and be responsible for certain costs, expenses, debts and liabilities of Capital Trust II and/or Capital Trust III, as described in the Registration Statement. All obligations under the applicable trust agreement, including the indemnity obligation, are included in the back-up undertakings.

The registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 6, 2005

PROSPECTUS

PartnerRe Ltd.

Common Shares, Preferred Shares, Debt Securities, Depositary Shares, 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 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, PartnerRe Finance II, PartnerRe Capital Trust II and/or PartnerRe Capital Trust III 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;
- senior, subordinated or junior subordinated debt securities of PartnerRe Finance II which we will guarantee;
- preferred securities of Capital Trust II and/or Capital Trust III which we will guarantee; and
- share purchase contracts, share purchase units and units.

The offering price of all securities issued under this prospectus may not exceed \$1,000,000,000.

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 3 and in our annual report on Form 10-K for the year ended December 31, 2004 filed on March 10, 2005.

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 _____, 2005.

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS OR ANY SUPPLEMENT. NEITHER WE, PARTNERRE FINANCE II INC., PARTNERRE CAPITAL TRUST II NOR PARTNERRE CAPITAL TRUST III HAS AUTHORIZED ANYONE ELSE TO PROVIDE YOU WITH DIFFERENT INFORMATION. WE, 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 OR ANY SUPPLEMENT IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE ON THE FRONT OF THOSE DOCUMENTS. OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THAT DATE.

TABLE OF CONTENTS

	<u>Page</u>
About This Prospectus	1
PartnerRe Ltd	1
PartnerRe Finance II Inc	1
The Capital Trusts	2
Risk Factors	3
Forward-Looking Statements	3
Use of Proceeds	4
Ratio of Earnings to Fixed Charges and Preferred Share Dividends of PartnerRe	4

General Description of the Offered Securities	5
Description of our Capital Shares	5
Description of the Depositary Shares	12
Description of the Debt Securities	14
Certain Provisions of the Junior Subordinated Debt Securities Issued to the Capital Trusts	30
Description of the Debt Securities Guarantees	33
Description of the Warrants to Purchase Common Shares or Preferred Shares	35
Description of the Warrants to Purchase Debt Securities	37
Description of the Trust Preferred Securities	38
Description of the Trust Preferred Securities Guarantees	46
Description of the Share Purchase Contracts and the Share Purchase Units	50
Description of Units	50
Plan of Distribution	51
Legal Opinions	53
Experts	53
Where You Can Find More Information	53
Incorporation of Certain Documents by Reference	54
Enforcement of Civil Liabilities Under United States Federal Securities Laws	55

Except as expressly provided in an underwriting agreement, no offered securities may be offered or sold in Bermuda (although offers may be made to persons in Bermuda from outside Bermuda) and offers may only be accepted from persons resident in Bermuda, for Bermuda exchange control purposes, where such offers have been delivered outside of Bermuda. Persons resident in Bermuda, for Bermuda exchange control purposes, may require the prior approval of the Bermuda Monetary Authority in order to acquire any offered securities.

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.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we, PartnerRe Finance and the Capital Trusts have filed with 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, preferred securities and preferred securities guarantees described in this prospectus. This means:

- we, PartnerRe Finance and the Capital Trusts may issue any combination of securities covered by this prospectus from time to time, up to a total initial offering price of \$1,000,000,000;
- we, PartnerRe Finance and the Capital Trusts, 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 or update information contained in this prospectus.

This prospectus provides you with a general description of the securities we, PartnerRe Finance 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, PartnerRe Finance, the Capital Trusts and the offered securities, please refer to the registration statement. To the extent that information in any prospectus supplement is inconsistent with information contained in this prospectus, the information in 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.

PARTNERRE LTD.

Overview

We provide reinsurance on a worldwide basis through our wholly owned subsidiaries, Partner Reinsurance Company Ltd., PartnerRe SA and Partner Reinsurance Company of the U.S. Risks reinsured include, but are not limited to, property, casualty, motor, agriculture, aviation/space, catastrophe, credit/surety, engineering/energy, marine, special risk, other lines, and life/annuity and health. We also offer alternative risk products that include weather and credit protection to industrial and service companies on a worldwide basis.

We are a Bermuda company with principal executive offices located at 96 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.

PARTNERRE FINANCE II INC.

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

THE CAPITAL TRUSTS

PartnerRe Capital Trust II, and PartnerRe Capital Trust III are statutory business trusts each created under Delaware law pursuant to a trust agreement executed by PartnerRe Finance, 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 will be amended and restated in its entirety substantially in the form incorporated by reference as an exhibit to the registration statement of which this prospectus forms a part. Each restated trust agreement will be qualified as an indenture under the Trust Indenture Act of 1939, as amended.

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;
- using the proceeds from the sale of its preferred securities and common securities to acquire junior subordinated debt securities issued by PartnerRe Finance 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 directly or indirectly owned by PartnerRe Finance, 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 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. Unless otherwise disclosed in the applicable prospectus supplement, PartnerRe Finance will, directly or indirectly, acquire common securities in an aggregate liquidation amount equal to at least 3% of the total capital of each Capital Trust. Each of the Capital Trusts 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 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 PartnerRe Finance, as 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 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 Finance. 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 Finance. 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 Chase Manhattan Bank USA, National Association, 500 Stanton Christiana Road, OPS4 3rd Floor, Newark, Delaware 19713. 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.

RISK FACTORS

Before you invest in securities issued by PartnerRe Ltd., PartnerRe Finance 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, 2004 filed with the Securities and Exchange Commission on March 10, 2005, 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 are based on our assumptions and expectations concerning future events and are inherently subject to significant business, economic and competitive risks and uncertainties, many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can cause actual results to differ materially from those expressed in any such forward-looking statements.

These uncertainties and other factors (which we describe in more detail elsewhere in this prospectus and in our filings with the Securities and Exchange Commission that we have incorporated by reference) include, but are not limited to:

- the occurrence of catastrophic event or other reinsured events with a frequency or severity exceeding our expectations;
- a decrease in the level of demand for reinsurance and/or an increase in the supply of reinsurance capacity;
- increased competitive pressures, including the consolidation and increased globalization of reinsurance providers;
- actual losses and loss expenses exceeding our estimated loss reserves, which are necessarily based on actuarial and statistical projections of ultimate losses;
- man-made catastrophic events, acts of terrorism, acts of war or other unanticipated perils;
- concentration risk in dealing with a limited number of brokers;
- developments in and risks associated with global financial markets which could affect our investment portfolios;
- emerging claim and coverage issues;
- exposure to credit risk relating to our reinsurance brokers and cedants, and other counter parties;
- exposure of our investment portfolios to interest rate, credit and market risks;
- current legal and regulatory activities relating to the insurance industry, including investigations into contingent commission arrangements and certain finite risk or non-traditional insurance products;
- availability of borrowings and letters of credit under our credit facilities;
- lengthy and unpredictable litigation affecting assessment of losses and/or coverage issues;
- losses due to foreign currency exchange rate fluctuations;
- losses of the services of any one of our executive employees;

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- 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; and
- actions by rating agencies that might negatively impact our ability to continue to write existing business or write new business;
- changes in accounting policies and future pronouncements, their application or interpretation; and
- any other factors set forth in the Company's filings with the SEC.

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" or words of similar impact, 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.

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 PartnerRe Finance. Unless the applicable prospectus supplement states otherwise, the net proceeds from the sale of securities offered by PartnerRe or PartnerRe Finance will be used for working capital, capital expenditures, acquisitions or other general corporate purposes.

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 such charges are included in the determination of earnings. 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).

	Fiscal Year Ended December 31,				
	2004	2003	2002	2001	2000
Ratio of Earnings to Fixed Charges	9.73x	12.47x	6.60x	NM(1)	3.84x
Ratio of Earnings to Combined Fixed Charges and Preference Share Dividends	7.08x	6.01x	3.16x	NM(1)	2.44x

- (1) NM: not meaningful. The ratios for the 2001 periods above are not meaningful due to the net loss which PartnerRe reported for 2001, which included losses related to the terrorist attack of September 11, 2001. Further information regarding the impact of this attack on PartnerRe's financial results can be found in the documents incorporated by reference herein. Additional earnings of \$227.5 million and \$249.8 million would be necessary to result in a one to one coverage ratio of the Ratio of Earnings to Fixed Charges and the Ratio of Earnings to Combined Fixed Charges and Preference Share Dividends respectively.

Neither PartnerRe Finance nor the Capital Trusts had any operations during the periods set forth above.

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.

PartnerRe Finance 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 of Capital Trust II and Capital Trust III 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.

The aggregate initial offering price of these offered securities will not exceed \$1,000,000,000.

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 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 authorized share capital consists of 100,000,000 common shares, par value \$1.00 per share, 11,600,000 Series C Preferred Shares, 9,200,000 Series D Preferred Shares and 15,200,000 undesignated shares par value \$1.00 per share. As of May 2, 2005, approximately 55,089,600 common 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.

On or about May 10, 2005, our annual general meeting of shareholders will be held, in which shareholders will vote on whether to increase our authorized share capital from 150,000,000 shares to 200,000,000 shares by creating an additional 50,000,000 undesignated shares, par value \$1.00 per share.

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", 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 more detailed description of our common shares is set forth in our registration statements filed under the Exchange Act on Form 8-A on October 4, 1993 (file no. 001-14536) and October 24, 1996, 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.

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:

6

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- 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. The Series C Preferred Shares are not redeemable prior to May 8, 2008. 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 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 May 2, 2005, 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 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.

7

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

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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 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 May 2, 2005, 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

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- 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.

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;

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- 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.

Subject to the specification of the above terms of preferred shares in a supplement to this prospectus, we anticipate that the terms of such preferred shares will correspond to those set forth below.

Undesignated Shares

Under our Bye-Laws, we have authorized 15,200,000 shares, par value \$1.00 per share, the rights and preferences of which are undesignated. On or about May 10, 2005, our annual general meeting of shareholders will be held, in which shareholders will vote on whether to increase our authorized share capital from 150,000,000 shares to 200,000,000 shares by creating an additional 50,000,000 undesignated shares, par value \$1.00 per share. 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.

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 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;
- unless, where applicable, the consent of the Bermuda Monetary Authority has been obtained; or
- if our board of directors determines that such transfer would result in a person controlling more than 9.9% of all of our outstanding shares.

One of the primary purposes of the restriction on a holder of our capital shares from controlling more than 9.9% of our outstanding shares is to reduce the likelihood that we will be deemed a foreign personal holding company within the meaning of the Internal Revenue Code of 1986, as amended. This limit may also have the effect of deterring purchases of large blocks of common shares or proposals to acquire us, even if some or a majority of the shareholders might deem these purchases or acquisition proposals to be in their best interests. With respect to this issue, also see the provisions discussed below under Anti-Takeover Effects of Certain Bye-Laws Provisions.

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

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

Anti-Takeover Effects of Certain Bye-Laws Provisions

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

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

The classification of directors will have the effect of making it more difficult for shareholders to change the composition of our board of directors. At least two annual meetings of shareholders, instead of one, will generally be required to effect a change in a majority of our board of directors. Such a delay may help ensure that our directors, if confronted by a holder attempting to force a proxy contest, a tender or exchange offer, or an extraordinary corporate transaction, would have sufficient time to review the proposal as well as any available alternatives to the proposal and to act in what they believe to be in our best interests, including the shareholders. The classification provisions will apply to every election of directors, however, regardless of whether a change in the composition of our board of directors would be beneficial to PartnerRe and its shareholders and whether or not a majority of our shareholders believe that such a change would be desirable.

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

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

Availability of Shares for Future Issuances. We have available for issuance a large number of authorized but unissued common shares. Generally, these shares may be issued by action of our directors without further action

by shareholders, except as may be required by applicable stock exchange requirements. The availability of these shares for issue could be viewed as enabling the directors to make more difficult a change in our control. For example, the directors could determine to issue warrants or rights to acquire shares. In addition, we have authorized a sufficient

amount of our shares such that we could put in place a shareholder rights plan without further action by shareholders. A shareholder rights plan could serve to dilute or deter stock ownership of persons seeking to obtain control of us.

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

DESCRIPTION OF THE DEPOSITARY SHARES

General

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