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OFFICE OF
INSURANCE REGULATION

Docketed by: 10/JS

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 220026-18-CO

HANNOVER LIFE REASSURANCE COMPANY
OF AMERICA (BERMUDA) LTD.

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application by HANNOVER LIFE REASSURANCE COMPANY OF AMERICA (BERMUDA) LTD. (hereinafter referred to as the "APPLICANT") for Eligibility as a Certified Reinsurer (hereinafter referred to as "Application"), pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 69O-144.007, Florida Administrative Code, with the FLORIDA OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and of the parties herein.
2. APPLICANT has applied for, and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, met all of the conditions precedent to becoming a Certified Reinsurer in Florida, pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 69O-144.007, Florida Administrative Code.

3. APPLICANT is a stock insurer domiciled in the country of Bermuda. All of APPLICANT's shares were acquired by Hannover Finance Inc. on December 21, 2017, from Hannover Life Reassurance Company of America. Hannover Finance Inc. is 100% owned by Hannover Ruck SE, which is 50.22% owned by Talanx AG, which is 100% owned by The Group Haftpflichtverband der Deutschen Industrie V.a.G.

4. APPLICANT represents that its purpose in becoming a Certified Reinsurer under Section 624.610(3)(e), Florida Statutes, and Rule 69O-144.007, Florida Administrative Code, is to allow ceding insurers to take credit in their accounting and in financial statements on account of such reinsurance ceded without APPLICANT posting full collateral.

5. On December 14, 2017, pursuant to Rule 69O-144.007(8)(b), Florida Administrative Code, the OFFICE posted notice on its website of receipt of APPLICANT's Application, with no public comments received within the 30-day posting period.

6. In determining APPLICANT's qualifications as a Certified Reinsurer pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 69O-144.007, Florida Administrative Code, the OFFICE has considered the following:

a. APPLICANT's secure financial strength rating from at least 2 rating agencies pursuant to Rule 69O-144.007(3), Florida Administrative Code:

1. On December 28, 2017, Standard & Poor's assigned a financial strength rating of 'AA-.'

2. On January 15, 2018, A.M. Best assigned a financial strength rating of 'A+' (Superior).

b. APPLICANT's December 31, 2016 audited financial statement reports statutory capital and surplus of \$6,733,689 U.S. Dollars (hereinafter referred to as "USD"). On

February 7, 2018, documentation was submitted representing that \$124,766,615.54 USD was contributed to APPLICANT. On February 7, 2018, documentation was submitted representing that an additional \$125,233,384.46 USD was contributed to APPLICANT. As of February 7, 2018, APPLICANT reported approximately \$256,733,689 USD in statutory capital and surplus, which is above the \$250,000,000 USD requirement pursuant to Rule 69O-144.007(3), Florida Administrative Code. On March 7, 2018, APPLICANT represents that an additional \$500,000,000 USD was contributed to APPLICANT's surplus on February 28, 2018.

c. On March 7, 2018, APPLICANT reported several additional capital transactions planned for March 2018:

i. additional equity capital contribution of approximately \$435,000,000 USD in late March;

ii. issuance to Hannover Ruck SE, or an affiliate, of approximately \$240,000,000 USD of surplus notes subordinated to all policyholder obligations with maturity greater than 20 years at the end of March; and

iii. approximately \$210,000,000 USD of ancillary unfunded capital in the form of call options for issuance of subordinated notes with guaranteed purchase by Hannover Ruck SE.

d. APPLICANT's qualified jurisdiction, pursuant to Rule 69O-144.007(9), Florida Administrative Code.

e. APPLICANT's audited Bermuda Statutory Statements that were prepared in accordance with International Financial Reporting Standards (IFRS) for the last 3 years, with an audited reconciliation of equity and net income on a U.S. GAAP basis, pursuant to Rule 69O-144.007(8)(a)1., Florida Administrative Code.

f. APPLICANT's representation that an additional approximately \$885,000,000 USD will be contributed to the capital and surplus of APPLICANT before the end of the first quarter of 2018.

7. The minimum collateral a Certified Reinsurer is required to post for the ceding insurer to take 100% credit in its financial statements on account of such reinsurance ceded is based on the secure rating the Certified Reinsurer is assigned by the OFFICE. Pursuant to Rule 69O-144.007(8)(e)1., Florida Administrative Code:

The maximum rating that a certified reinsurer may be assigned will correspond to its financial strength rating as outlined in subsection (4), of this rule. The Office shall use the lowest financial strength rating received from a rating agency indicated in paragraphs (3)(a)-(e), of this rule, in establishing the maximum rating of a certified reinsurer.

8. Based on the secure financial strength ratings of APPLICANT, the OFFICE hereby assigns APPLICANT a rating of Secure – 2 and a collateral requirement of 10%.

9. For purposes of Rule 69O-144.007(4), Florida Administrative Code, APPLICANT acknowledges that the collateral required for the ceding insurer to take 100% credit in its financial statements on account of such reinsurance ceded be no less than 10%, for agreements incepting on or after the execution date of this Consent Order, unless otherwise amended by the OFFICE.

10. APPLICANT represents that it will, for purposes of securing its U.S. liabilities to U.S. cedant insurers, post collateral security in the form of Letters of Credit. Such Letters of Credit shall comply with Section 624.610(4)(c), Florida Statutes, and Rule 69O-144.005(6), Florida Administrative Code. APPLICANT represents that it will establish such Letters of Credit within 60 days of execution of this Consent Order. APPLICANT agrees that any other form of security utilized by the APPLICANT in lieu of Letters of Credit shall comply with Section

624.610, Florida Statutes, Rule 69O-144.005, Florida Administrative Code, and Rule 69O-144.007, Florida Administrative Code.

11. APPLICANT has represented that following the effective date of its status as a Certified Reinsurer in Florida, APPLICANT will enter into reinsurance contracts with ceding insurers with an effective date of January 1, 2018. Pursuant to Rule 69O-144.007(3), Florida Administrative Code, credit for reinsurance allowed for Certified Reinsurers shall apply to such reinsurance contracts provided that they are entered into on or after the effective date of certification of APPLICANT. Therefore, APPLICANT acknowledges that, pursuant to Rule 69O-144.007(3), Florida Administrative Code, credit for reinsurance without full collateral for ceding insurers shall only take effect for reinsurance contracts entered on or after the execution date of this Consent Order.

12. APPLICANT shall adhere to the continuing requirements for a Certified Reinsurer as described more fully in Section 624.610(3)(e), Florida Statutes, and Rule 69O-144.007, Florida Administrative Code.

13. Pursuant to Rule 69O-144.007(8)(i), Florida Administrative Code, APPLICANT shall notify the OFFICE within 10 days of the following: any regulatory actions taken against the certified reinsurer; any change in the provisions of its domiciliary license; or any change in rating by an approved rating agency. Such notice shall include a statement describing such actions and the reasons therefore.

14. Pursuant to Rule 69O-144.007(8)(d)2., Florida Administrative Code, APPLICANT shall assume only the kind or kinds of reinsurance ceded by ceding insurers for which APPLICANT is authorized in its domiciliary jurisdiction. Further, APPLICANT

acknowledges that its Certified Reinsurer status shall only apply to life and health reinsurance, including annuity reinsurance.

15. APPLICANT acknowledges that in order to maintain its Certified Reinsurer status, it is required to file annually with the OFFICE all documentation required by Rule 69O-144.007(8)(h), Florida Administrative Code. Pursuant to the APPLICANT's request and Rule 69O-144.007(8)(h)2., Florida Administrative Code, APPLICANT is permitted to provide audited IFRS statements, so long as a reconciliation of equity and net income are provided on a U.S. GAAP basis. The reconciliation of equity and net income to U.S. GAAP must either be audited or certified by an officer of the APPLICANT.

16. APPLICANT submits to the jurisdiction of the U.S. courts and has appointed an agent for service of process in Florida (attached as "Exhibit A").

17. APPLICANT agrees to post 100% collateral for its Florida liabilities if it resists enforcement of a valid and final judgment from a court in the United States, or if otherwise required by the OFFICE pursuant to Rule 69O-144.007, Florida Administrative Code.

18. The effective date of APPLICANT's Certified Reinsurer status is the date of execution of this Consent Order. This Consent Order shall remain in effect and APPLICANT's status as a Certified Reinsurer shall continue until APPLICANT either surrenders its status, fails to meet the requirements of the Florida Insurance Code or Rule 69O-144.007, Florida Administrative Code, or has its status withdrawn pursuant to Rule 69O-144.007, Florida Administrative Code.

19. APPLICANT shall report to the OFFICE, Life & Health Financial Oversight, any time that it is named as a party defendant in a class action lawsuit within fifteen (15) days after

the class is certified. APPLICANT shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

20. APPLICANT shall maintain an information security program for the security and protection of confidential and proprietary information under its control that complies with all applicable laws and regulations regarding information security. APPLICANT agrees it shall continually monitor and enhance its information security program to mitigate data security breaches. APPLICANT further agrees that it shall notify the OFFICE within 5 business days of identifying a data breach.

21. The deadlines set forth in this Consent Order may be extended by written approval of the OFFICE. Approval of any deadline extension is subject to statutory or administrative regulation limitations. Additionally, the various reporting requirements and any other provision or requirement set forth in this Consent Order may be altered or terminated by written approval of the OFFICE.

22. Executive Order 13224 prohibits any transactions by U.S. persons involving the blocked assets and interests of terrorists and terrorist support organizations. APPLICANT shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with those individuals and entities, which have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

23. APPLICANT affirms that all information, submissions, explanations, representations, and documents provided to the OFFICE in connection with APPLICANT's Application, including all attachments and supplements thereto, are material to the issuance of this Consent Order and fully describe all transactions, agreements, and understandings regarding the ownership structure, operations, and control of APPLICANT.

24. Within 60 days from the date of the execution of this Consent Order, APPLICANT shall submit, or cause to be submitted, to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in the certification. Exceptions noted in the certification shall also include a timeline defining when the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in this Consent Order.

25. APPLICANT agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE withdrawing APPLICANT's status as a Certified Reinsurer in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

26. APPLICANT expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. APPLICANT hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

27. Each party to this action shall bear its own costs and fees.

28. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of the APPLICANT, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT agrees that the signature of

its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between HANNOVER LIFE REASSURANCE COMPANY OF AMERICA (BERMUDA) LTD. and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 19 day of March, 2018.



David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, HANNOVER LIFE REASSURANCE COMPANY OF AMERICA (BERMUDA) LTD., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind HANNOVER LIFE REASSURANCE COMPANY OF AMERICA (BERMUDA) LTD. to the terms and conditions of this Consent Order.

HANNOVER LIFE REASSURANCE COMPANY
OF AMERICA (BERMUDA) LTD.

By: [Signature]

[Corporate Seal]

Print Name: Jeffrey R. Burt

Title: President and CEO

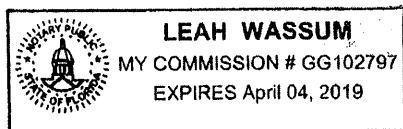
Date: March 19, 2018

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 19th day of March 2018,

by Jeffrey R. Burt as President and CEO
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)

for Hannover Life Reassurance Company of America (Bermuda) Ltd.
(company name)



[Signature]
(Signature of the Notary)

Leah Wassum
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ✓ OR Produced Identification

Type of Identification Produced

My Commission Expires: April 4, 2019

COPIES FURNISHED TO:

JEFFREY BURT, PRESIDENT AND CHIEF EXECUTIVE OFFICER

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E-Mail: Jeff.Burt@hlramerica.com

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Uniform Consent to Service of Process

Exhibit A

Place an "X" before the names of all the States for which the person executing this form is appointing the designated agent in that State for receipt of service of process:

<input type="checkbox"/> AL	Commissioner of Insurance # and Resident Agent*	<input type="checkbox"/> MO	Director of Insurance #
<input type="checkbox"/> AK	Director of Insurance #	<input type="checkbox"/> MT	Commissioner of Securities and Insurance #
<input type="checkbox"/> AZ	Director of Insurance # ^	<input type="checkbox"/> NE	Officer of Company* or Resident Agent* (circle one)
<input type="checkbox"/> AR	Resident Agent *	<input type="checkbox"/> NH	Commissioner of Insurance #
<input type="checkbox"/> AS	Commissioner of Insurance #	<input type="checkbox"/> NV	Commissioner of Insurance Commission # ^
<input type="checkbox"/> CO	Commissioner of Insurance # or Resident Agent*	<input type="checkbox"/> NJ	Commissioner of Banking and Insurance #^
<input type="checkbox"/> CT	Commissioner of Insurance #	<input type="checkbox"/> NM	Superintendent of Insurance #
<input type="checkbox"/> DE	Commissioner of Insurance #	<input type="checkbox"/> NY	Superintendent of Financial Services #
<input type="checkbox"/> DC	Commissioner of Insurance and Securities Regulation # or Local Agent* (circle one)	<input type="checkbox"/> NC	Commissioner of Insurance
<input checked="" type="checkbox"/> FL	Chief Financial Officer # ^	<input type="checkbox"/> ND	Commissioner of Insurance # ^
<input type="checkbox"/> GA	Commissioner of Insurance and Safety Fire # and Resident Agent*	<input type="checkbox"/> OH	Resident Agent*
<input type="checkbox"/> GU	Commissioner of Insurance #	<input type="checkbox"/> OR	Resident Agent*
<input type="checkbox"/> HI	Insurance Commissioner # and Resident Agent*	<input type="checkbox"/> OK	Commissioner of Insurance #
<input type="checkbox"/> ID	Director of Insurance # ^	<input type="checkbox"/> PR	Commissioner of Insurance #
<input type="checkbox"/> IL	Director of Insurance #	<input type="checkbox"/> RI	Superintendent of Insurance ^
<input type="checkbox"/> IN	Resident Agent* ^	<input type="checkbox"/> SC	Director of Insurance #
<input type="checkbox"/> IA	Commissioner of Insurance #	<input type="checkbox"/> SD	Director of Insurance # ^
<input type="checkbox"/> KS	Commissioner of Insurance ^	<input type="checkbox"/> TN	Commissioner of Insurance #
<input type="checkbox"/> KY	Secretary of State #	<input type="checkbox"/> TX	Resident Agent*
<input type="checkbox"/> LA	Secretary of State #	<input type="checkbox"/> UT	Resident Agent* ^
<input type="checkbox"/> MD	Insurance Commissioner #	<input type="checkbox"/> VT	Secretary of State # or Resident Agent*
<input type="checkbox"/> ME	Resident Agent* ^	<input type="checkbox"/> VI	Lieutenant Governor/Commissioner#
<input type="checkbox"/> MI	Resident Agent *	<input type="checkbox"/> WA	Insurance Commissioner #
<input type="checkbox"/> MN	Commissioner of Commerce ~	<input type="checkbox"/> WV	Secretary of State # @
<input type="checkbox"/> MS	Commissioner of Insurance and Resident Agent* BOTH are required.	<input type="checkbox"/> WY	Commissioner of Insurance #

For the forwarding of Service of Process received by a State Officer complete Exhibit B listing by state the entities (one per state) with **full name and address where service of process is to be forwarded**. Use additional pages as necessary. Colorado will forward Service of Process to the Secretary of the Applicant Company and requires a resident agent for foreign entities. Exhibit not required for New Jersey, and North Carolina. Florida accepts only an individual as the entity and requires an email address. New Jersey allows but does not require a foreign insurer to designate a specific forwarding address on Exhibit B. SC will not forward to an individual by name; however, it will forward to a position, e.g., Attention: President (or Compliance Officer, etc.). Washington requires an email address on Exhibit B.

* Attach a completed Exhibit B listing the Resident Agent for the Applicant Company (one per state). Include state name, Resident Agent's **full name and street address**. Use additional pages as necessary. (DC* requires an agent within a ten mile radius of the District).

^ Initial pleadings only.

@ Form accepted only as part of a Uniform Certificate of Authority application.

MA will send the required form to the Applicant Company when the approval process reaches that point.

~ Minnesota does not forward Service of Process. To effectively serve the Commissioner of Commerce, use the process under Minn. Stat. § 45.028. Applicant Company may complete Exhibit B to provide a Service of Process address that Commerce may keep on file.

Exhibit A

Exhibit B

Complete for each state indicated in Exhibit A:

State: Florida Name of Entity: Edward Gwyn Anderson, III
Phone Number: (407) 649-8411 Fax Number: _____
Email Address: gwyn.anderson@hlramerica.com
Mailing Address: 200 S. Orange Avenue, Suite 1900, Orlando, Florida 32801
Street Address: 200 S. Orange Avenue, Suite 1900, Orlando, Florida 32801

State: _____ Name of Entity: _____
Phone Number: _____ Fax Number: _____
Email Address: _____
Mailing Address: _____
Street Address: _____

State: _____ Name of Entity: _____
Phone Number: _____ Fax Number: _____
Email Address: _____
Mailing Address: _____
Street Address: _____

State: _____ Name of Entity: _____
Phone Number: _____ Fax Number: _____
Email Address: _____
Mailing Address: _____
Street Address: _____

State: _____ Name of Entity: _____
Phone Number: _____ Fax Number: _____
Email Address: _____
Mailing Address: _____
Street Address: _____

Exhibit B

Resolution Authorizing Appointment of Attorney

BE IT RESOLVED by the Board of Directors or other governing body of

Hannover Life Reassurance Company of America (Bermuda) Ltd. ,
(Applicant Company Name)

this 11th day of December, 2017 , that the President or Secretary of said entity be and are hereby authorized by the Board of Directors and directed to sign and execute the Uniform Consent to Service of Process to give irrevocable consent that actions may be commenced against said entity in the proper court of any jurisdiction in the state(s) of

Florida

in which the action shall arise, or in which plaintiff may reside, by service of process in the state(s) indicated above and irrevocably appoints the officer(s) of the state(s) and their successors in such offices or appoints the agent(s) so designated in the Uniform Consent to Service of Process and stipulate and agree that such service of process shall be taken and held in all courts to be as valid and binding as if due service had been made upon said entity according to the laws of said state.

CERTIFICATION:

~~I, We,~~ Estera Services (Bermuda) Limited , Secretary of

Hannover Life Reassurance Company of America (Bermuda) Ltd. ,
(Applicant Company Name)

state that this is a true and accurate copy of the resolution adopted effective the 11th day of December , 2017 by the Board of Directors or governing board at a meeting held on the _____ day of _____, 20____ or by written consent dated 11th day of December , 2017 .

Date January 26, 2018

Maria Pacheco

Secretary

Duly authorised for
Estera Services (Bermuda) Limited