



FILED

MAR 07 2016

OFFICE OF
INSURANCE REGULATION
Docketed by: 10/2

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 185218-16-CO

HANNOVER RE (BERMUDA) LTD.
_____ /

AMENDMENT TO CONSENT ORDER

THIS CAUSE came on for consideration as a result of an agreement between HANNOVER RE (BERMUDA) LTD. (hereinafter referred to as "HANNOVER") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE") regarding the status of HANNOVER as a Certified Reinsurer in the state of Florida. Following a complete review of the 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. HANNOVER is a Certified Reinsurer in the state of Florida pursuant to Section 624.610(3)(e), Florida Statutes, Rule 69O-144.007, Florida Administrative Code, and the Consent Order that was executed by HANNOVER and the OFFICE on January 4, 2016, case number 184129-15-CO ("Consent Order 184129-15-CO," attached as Exhibit A).
3. Paragraph 14 of Consent Order 184129-15-CO limited HANNOVER's Certified Reinsurer status to property catastrophe reinsurance. Upon agreement between HANNOVER and the OFFICE, Paragraph 14 of Consent Order 184129-15-CO is hereby revised to eliminate said restriction.

4. Accordingly, Paragraph 14 of Consent Order 184129-15-CO is hereby replaced with the following language:

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

5. All other terms and conditions in Consent Order 184129-15-CO shall remain in full force and effect.

6. Each party to this action shall bear its own costs and attorneys' fees.

7. HANNOVER 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 to which it may be entitled by law or rules of the OFFICE. HANNOVER hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum now or in the future available to it, including the rights to any administrative proceeding, circuit or federal court action, or any appeal.

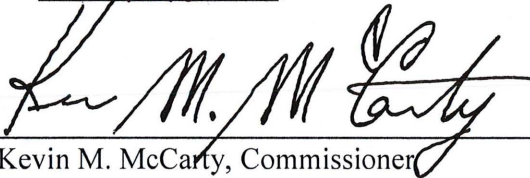
8. HANNOVER and the OFFICE agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the signature of HANNOVER or its authorized representative notwithstanding the fact that the copy was transmitted to the OFFICE electronically. Further, HANNOVER agrees that its signature as affixed to this Consent Order shall be under the seal of a Notary Public.

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

FURTHER, all terms and conditions above are hereby ORDERED.

DONE and ORDERED this 7th day of March, 2016.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

By execution hereof, HANNOVER RE (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 RE (BERMUDA) LTD. to the terms and conditions of this Consent Order.



HANNOVER RE (BERMUDA) LTD.

By: [Signature]

Print Name: NICK CARDINEZ

Title: CHIEF FINANCIAL OFFICER

Date: FEBRUARY 25, 2016

STATE OF HAMILTON
COUNTY OF BERMUDA

The foregoing instrument was acknowledged before me this ____ day of ____ 2016,

by NICK CARDINEZ as CHIEF FINANCIAL OFFICER
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)

for HANNOVER RE (BERMUDA) LTD.
(company name)

[Signature]

(Signature) Janitha N. Burke

Notary Public
Canon's Court
22 Victoria Street

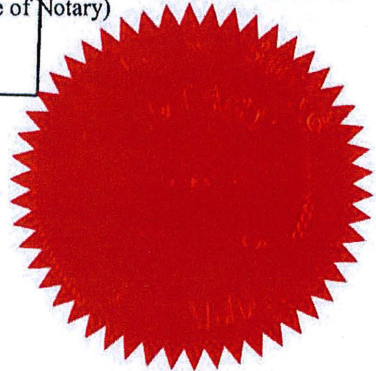
(Print, Type or Stamp Commissioned Name of Notary)
Hamilton HM 12
Bermuda



Personally Known ☒ or Produced Identification ☐

Type of Identification Produced _____

My Commission Expires DOES NOT EXPIRE



COPIES FURNISHED TO:

NICK CARDINEZ, CHIEF FINANCIAL OFFICER, CHIEF RISK OFFICER
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c/o Locke Lord LLP

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E-Mail: rromano@lockelord.com

ROBERT RIDENOUR, DIRECTOR

Office of Insurance Regulation

200 East Gaines Street

Tallahassee, FL 32399

PATRICK D. FLEMMING, ASSISTANT GENERAL COUNSEL

Office of Insurance Regulation

200 East Gaines Street

Tallahassee, FL 32399

E-Mail: Patrick.Flemming@flor.com

EXHIBIT

A



FILED

JAN 04 2016

OFFICE OF
INSURANCE REGULATION

Docketed by: 10-18

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 184129-15-CO

HANNOVER RE (BERMUDA) LTD.
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as a result of an agreement between HANNOVER RE (BERMUDA) LTD. (hereinafter referred to as "HANNOVER") and the FLORIDA OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE") regarding HANNOVER's status as a Certified Reinsurer in the state of Florida. Following a complete review of the 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. HANNOVER is a Certified Reinsurer in the state of Florida pursuant to Section 624.610(3)(e), Florida Statutes, Rule 69O-144.007, Florida Administrative Code, and the Consent Order that was executed by HANNOVER and the OFFICE on September 21, 2010, case number 111450-10-CO ("Consent Order 111450-10-CO," attached as Exhibit A).
3. The Consent Order was amended twice: first, by Order of the OFFICE dated December 26, 2012, to extend HANNOVER's status as a Certified Reinsurer¹; and second, by

¹ HANNOVER was previously referred to as an "Eligible Reinsurer" in the Florida. However, Rule 69O-144.007, Florida Administrative Code, was amended effective July 28, 2015, to

Consent Order between HANNOVER and the OFFICE dated February 2, 2015, to reduce the collateral HANNOVER is required to post for the ceding insurer to take one hundred percent (100%) credit in its financial statement on account of such reinsurance ceded from twenty percent (20%) to ten percent (10%) (collectively, the "Amendments," attached as Exhibits B and C, respectively).

4. To consolidate the Amendments and Consent Order 111450-10-CO and extend HANNOVER's status as a Certified Reinsurer in the state of Florida, HANNOVER and the OFFICE hereby execute this Consent Order and agree that it shall supersede Consent Order 111450-10 and govern HANNOVER's status as a Certified Reinsurer in the state of Florida.

5. HANNOVER represents that its purpose for being 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 HANNOVER posting full collateral.

6. HANNOVER has represented and the OFFICE finds that HANNOVER is still in compliance with all of the requirements of the Florida Insurance Code and Florida Administrative Code to being a Certified Reinsurer in the state of Florida.

7. HANNOVER is also a certified reinsurer in the state of New York, an NAIC accredited jurisdiction.

8. Section 2.E.(7) of the National Association of Insurance Commissioners ("NAIC") Credit for Reinsurance Model Law states:

If an applicant for certification has been certified as a reinsurer in an NAIC accredited jurisdiction, the commissioner has the discretion to defer to that jurisdiction's certification, and has the discretion to defer to the rating assigned by

substitute the term "certified reinsurer" for "eligible reinsurer." Therefore HANNOVER is now classified as a Certified Reinsurer in Florida.

that jurisdiction, and such assuming insurer shall be considered to be a certified reinsurer in this state.

9. Based on HANNOVER's certified reinsurer status in the state of New York, pursuant to Section 2.E.(7) of the NAIC Credit for Reinsurance Model Law and Rule 69O-144.007, Florida Administrative Code, this Consent Order shall remain in effect and HANNOVER's status as a Certified Reinsurer shall continue until either HANNOVER is no longer a Certified Reinsurer in the state of New York or HANNOVER 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, or this Consent Order.

10. The minimum collateral a Certified Reinsurer is required to post for the ceding insurer to take one hundred percent (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 paragraph 3(a)-(e) of this rule in establishing the maximum rating of a certified reinsurer.

11. HANNOVER represents that it currently has secure financial strength ratings of "A+" from A.M. Best and "AA-" from Standard and Poor's.

12. For purposes of Rule 69O-144.007(4), Florida Administrative Code, HANNOVER acknowledges the collateral required for the ceding insurer to take one hundred percent (100%) credit in its financial statement on account of such reinsurance ceded be no less than ten percent (10%), unless otherwise amended by the OFFICE. Said collateral requirement shall take effect for agreements incepting on or after January 1, 2015, up until such time as the

collateral requirement may be further amended by the OFFICE. For agreements incepting after September 21, 2010 and before January 1, 2015, twenty percent (20%) is still the minimum collateral HANNOVER is required to post for a ceding company to take one hundred percent (100%) credit in its financial statements on account of such reinsurance ceded to HANNOVER. The OFFICE and HANNOVER acknowledge that HANNOVER's collateral requirement is unchanged by the modified security requirements in Rule 69O-144.007, Florida Administrative Code, as amended and effective July 28, 2015.

13. HANNOVER represents that it has established collateral security in the form of letters of credit for purposes of securing its U.S. liabilities to U.S. cedant insurers and that such letters of credit comply with Section 624.610(4)(c), Florida Statutes, and Rule 69O-144.005(6), Florida Administrative Code. HANNOVER agrees that any other form of security it utilizes in lieu of letters of credit shall comply with Section 624.610, Florida Statutes, and Rule 69O-144.007, Florida Administrative Code.

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

15. HANNOVER acknowledges that in order to maintain its status as a Certified Reinsurer, it is required to file annually with the OFFICE all documentation required by Rule 69O-144.007(8)(h), Florida Administrative Code, on or before the dates on which HANNOVER is required to file documentation with respect to its status as a Certified Reinsurer.

16. HANNOVER submits to the jurisdiction of the United States' courts and has appointed an agent for service of process in Florida (attached as Exhibit D). Furthermore, HANNOVER agrees to post one hundred percent (100%) collateral for its Florida liabilities if it resists the 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.

17. HANNOVER affirms that all representations made herein and in connection with this Consent Order are true and material to the issuance of this Consent Order. HANNOVER further acknowledges that all requirements set forth herein are material to the issuance of this Consent Order.

18. HANNOVER agrees that it will adhere to the continuing requirements for a Certified Reinsurer as described in Rule 69O-144.007, Florida Administrative Code.

19. HANNOVER shall report to the OFFICE, Bureau of Property & Casualty 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, and HANNOVER shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

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

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.

22. Each party to this action shall bear its own costs and attorneys' fees.

23. Executive Order 13224, signed by President George W. Bush on September 23, 2001, blocks the assets of terrorists and terrorist support organizations identified by the United States Department of the Treasury, Office of Foreign Assets Control. The Executive Order also prohibits any transactions by U.S. persons involved in the blocked assets and interests. The list of identified terrorists and terrorist support organizations is periodically updated at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>. HANNOVER shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with individuals and entities that have been identified at the Treasury Department's Office of Foreign Assets Control website.

24. HANNOVER 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 to which it may be entitled by law or rules of the OFFICE. HANNOVER hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum now or in the future available to it, including the rights to any administrative proceeding, circuit or federal court action, or any appeal.

25. HANNOVER and the OFFICE agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the signature of HANNOVER or its authorized representative notwithstanding the fact that the copy was transmitted to the OFFICE electronically. Further, HANNOVER agrees that its signature as affixed to this Consent Order shall be under the seal of a Notary Public.

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

FURTHER, all terms and conditions above are hereby ORDERED.

DONE and ORDERED this 4th day of JANUARY, 2016.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

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

HANNOVER RE (BERMUDA) LTD.

By: Nick Cardinez

Print Name: NICK CARDINEZ

Title: CHIEF FINANCIAL OFFICER

Date: DECEMBER 30, 2015

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____ 2015,

by NICK CARDINEZ as CHIEF FINANCIAL OFFICER
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)

for HANNOVER RE (BERMUDA) LTD.
(company name)

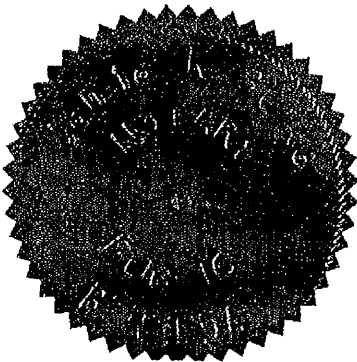
[Signature]
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ or Produced Identification _____

Type of Identification Produced _____

Janita K. Burke
Notary Public
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda



COPIES FURNISHED TO:

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FILED

SEP 31 2010

OFFICE OF
INSURANCE REGULATION
Deckard by: *[Signature]*

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

IN THE MATTER OF:

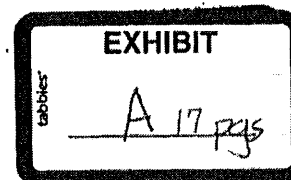
CASE NO.: 111450-10-CO

HANNOVER RE (BERMUDA) LTD.

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application with the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE") by HANNOVER RE (BERMUDA) LTD. (hereinafter referred to as "APPLICANT") to become an Eligible Reinsurer (hereinafter referred to as "Application"), pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 690-144.007, Florida Administrative Code (which is hereby incorporated by reference and attached as Exhibit A). 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 an Eligible Reinsurer in Florida, pursuant to the requirements set forth by the Florida Insurance Code.



3. APPLICANT is a stock insurer that was organized under the laws of Bermuda, and whose shares are owned and controlled one hundred percent (100%) by Hannover Rück Beteiligung Verwaltungs-GmbH, (Germany) whose shares are owned and controlled one hundred percent (100%) by Hannover Rückversicherung AG, a company domiciled in Germany, whose shares are owned and controlled fifty and twenty two hundredths percent (50.22%) by Talanx AG, a company domiciled in Germany, whose shares are owned and controlled one hundred percent (100%) by The Group Haftpflichtverband der Deutschen Industrie V.a.G. (HDI), a company domiciled in Germany. Hannover Rückversicherung AG is a publicly traded entity operating on the Over the Counter (OTC) market in the United States.

4. APPLICANT has represented that the purpose of its Application to become an Eligible Reinsurer under Section 624.610(3)(e), Florida Statutes, and Rule 690-144.007, Florida Administrative Code, is to allow ceding insurers (defined in the Rule as domestic insurers) to take credit in their accounting and in financial statements on account of such reinsurance ceded without full collateral.

5. In determining APPLICANT's qualifications as an Eligible Reinsurer pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 690-144.007, Florida Administrative Code, the OFFICE has considered the following information submitted by APPLICANT or obtained by the OFFICE:

a. APPLICANT's statutory capital and surplus of one billion five hundred fifty-two million and seventeen thousand U.S. Dollars (\$1,552,017,000) as reported in its statutory financial statement as of December 31, 2009, which exceeds the one hundred million U.S. Dollars (\$100,000,000) surplus required under Section 624.610(3)(e), Florida Statutes, and Rule 690-144.007, Section (3) and Subparagraph (8)(c)1., Florida Administrative Code;

- b. APPLICANT's secure financial strength rating from at least two (2) nationally recognized statistical rating organizations;
- c. The domiciliary regulatory jurisdiction of the APPLICANT;
- d. APPLICANT's domiciliary regulator structure and authority with regard to solvency regulation requirements and financial surveillance;
- e. The substance of financial and operating standards for reinsurers of APPLICANT's domiciliary regulator;
- f. The form and substance of financial reports or other public financial statements required to be filed by the reinsurers in APPLICANT's domiciliary regulator in accordance with generally accepted accounting principles;
- g. APPLICANT's domiciliary regulator's willingness to cooperate with United States regulators in general and the OFFICE in particular;
- h. The history and performance of reinsurers in APPLICANT's domiciliary jurisdiction; and
- i. Other pertinent information submitted by APPLICANT pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 690-144.007, Florida Administrative Code.

6. APPLICANT shall adhere to the continuing requirements for an Eligible Reinsurer as described in Rule 690-144.007, Florida Administrative Code.

7. For purposes of Rule 690-144.007(4), Florida Administrative Code, APPLICANT acknowledges the collateral required for the ceding insurer to take one hundred percent (100%) credit in its financial statements on account of such reinsurance ceded be no less than twenty percent (20%), unless otherwise amended by the OFFICE. Said collateral requirement shall only apply to property catastrophe reinsurance being provided by the APPLICANT to ceding insurers

in Florida and shall take effect for agreements incepting on or after the date of execution of this Consent Order up until such time as the collateral requirement may be amended by the OFFICE.

8. APPLICANT represents in its Application that it will likely establish a collateral security in the form of a Letter of Credit for purposes of securing its U.S. liabilities to U.S. cedant insurers. Such Letter of Credit shall comply with Section 624.610(4)(c), Florida Statutes, and Rule 69O-144.005(6), Florida Administrative Code. Further, any other form of security utilized by APPLICANT in lieu of a Letter of Credit shall comply with Section 624.610, Florida Statutes, and Rule 69O-144.007, Florida Administrative Code.

9. Pursuant to Rule 69O-144.007(8)(c)(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 the eligible reinsurer status shall only apply to property catastrophe reinsurance of property and casualty insurers and shall not apply to life and health insurance.

10. APPLICANT acknowledges that in order to maintain its eligible reinsurer status it is required to file annually with the OFFICE all documentation required by Rule 69O-144.007(8)(c)1.-5., Florida Administrative Code, on or before the anniversary date of the execution of this Consent Order.

11. APPLICANT submits to the jurisdiction of the United States courts and has appointed an agent for service of process in Florida (attached as Exhibit B). Furthermore, APPLICANT agrees to post one hundred percent (100%) collateral for its Florida liabilities if it resists the 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.

12. This Consent Order shall expire on December 31st, 2012 at 11:59 PM.

13. APPLICANT shall report to the OFFICE, Bureau of Property & Casualty 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, and APPLICANT shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

14. APPLICANT shall pay within thirty (30) days of execution of this Consent Order, two thousand five hundred U.S. Dollars (\$2,500) for legal costs associated with this Consent Order.

15. 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.

16. APPLICANT affirms that all representations are true and all requirements set forth herein are material to the issuance of this Consent Order.

17. APPLICANT shall report to the OFFICE within sixty (60) days from the date of the execution of this Consent Order 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.

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

19. Executive Order 13224, signed by President George W. Bush on September 23, 2001, blocks the assets of terrorists and terrorist support organizations identified by the United States Department of the Treasury, Office of Foreign Assets Control. The Executive Order also prohibits any transactions by U.S. persons involved in the blocked assets and interests. The list of identified terrorists and terrorist support organizations is periodically updated at the Treasury Department's Office of Foreign Assets Control website, www.treas.gov/ofac. APPLICANT shall adhere to the requirements of Executive Order 13224 or maintain compliance with the European Union's anti-terrorism laws.

20. 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 the parties 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 now or in the future available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

21. Except as noted in this Consent Order, each party to this action shall bear its own costs and fees.

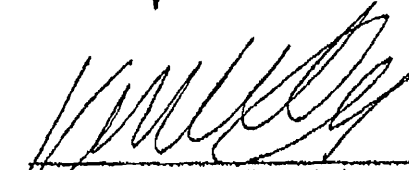
22. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has executed a copy of this Consent Order bearing the signature of APPLICANT or its authorized representative, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT agrees that its signature as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between HANNOVER RE (BERMUDA) LTD. and the
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 21st day of September, 2010.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

By execution hereof, HANNOVER RE (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/she has the authority to bind HANNOVER RE (BERMUDA) LTD. to the terms and conditions of this Consent Order.

BY:

PRINT NAME: Dirk Hasselkuss

TITLE: Senior Vice President

DATE: Sept. 3rd, 2010

HANNOVER RE (BERMUDA) LTD.

By: Nick Cardinez

Print Name: NICK CARDINEZ

Title: Chief Financial Officer

Date: September 3, 2010

[Corporate Seal]

CITY OF _____

COUNTRY OF _____

The foregoing instrument was acknowledged before me this 3rd day of SEPTEMBER 2010

AND
by DIRK HASSELKUSS
NICK CARDINEZ
(name of person)

as SENIOR VICE PRESIDENT
CHIEF FINANCIAL OFFICER
(type of authority e.g. officer, trustee, attorney in fact)

for HANNOVER RE (BERMUDA) LTD
(company name)

[Signature]
(Signature of Notary Public)

JANITA KATE BURKE
(Print Name of Notary Public)

Personally Known ☒ OR Produced Identification _____
Type of Identification Produced _____

Notary Public
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda



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JIM H. SMITH, CFE
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690-144.007 Credit for Reinsurance from Eligible Reinsurers.

(1) Purpose. Paragraph (3)(c) of Section 624.610, F.S., gives the Commissioner the option to allow credit for reinsurance without full collateral for transactions involving assuming insurers not meeting the requirements of Sections 624.610(3)(a)-(d), F.S. These rules implement that paragraph. This rule does not apply to reinsurers that meet the requirements of Sections 624.610(3)(a)-(d), F.S. This rule is not an attempt to assert extra-territorial jurisdiction. Insurers that write in states other than Florida will need to comply with the laws of those states. This rule applies only to property and casualty insurance; it does not apply to life and health.

(2) Definitions. As used in this rule the following terms have the following meanings:

(a) "Ceding insurer" means a domestic insurer, as defined by paragraph (1) of Section 624.06, F.S.,

(b) "Eligible reinsurer" means an assuming insurer which does not meet the requirements of paragraphs (3)(a), (3)(b) or (3)(c) of Section 624.610, F.S., and which has been determined by the commissioner by order to have met the requirements set forth in subsections (7) and (8) of this rule.

(c) "Eligible jurisdiction" means a jurisdiction which has met the requirements set forth in subsection (8) of this rule.

(3) With respect to reinsurance contracts entered into or renewed on or after the effective date of this rule, a ceding insurer may elect to take credit, as an asset or deduction from reserves, for reinsurance ceded to an eligible reinsurer, provided that the eligible reinsurer holds surplus in excess of \$100 million and maintains, on a stand-alone basis separate from its parent or any affiliated entities, a secure financial strength rating from at least two of the rating agencies indicated in paragraphs (a) through (d) of this subsection. The credit is subject to the limitations set forth in this rule. The rating agencies are:

(a) Standard and Poor's;

(b) Moody's Investors Service;

(c) Fitch Ratings;

(d) A.M. Best Company; or

(4) The collateral required to allow 100% credit shall be no less than the percentage specified for the lowest rating as indicated below:

Collateral Required	Best	S&P	Moody's	Fitch
0%	A++	AAA	Aaa	AAA
10%	A+	AA+, AA, AA-	Aa1, Aa2, Aa3	AA+, AA, AA-
20%	A, A-	A+, A, A-	A1, A2, A3	A+, A, A-
75%	B++, B+	BBB+, BBB, BBB-	Baa1, Baa2, Baa3	BBB+, BBB, BBB-
100%	B, B-, C++, C+, C, C-, D, B, F	BB+, BB, BB-, B+, B-, CCC, CC, C, D, R, NR	Ba1, Ba2, Ba3, B1, B2, B3, Caa, Ca, C	BB+, BB, BB-, B+, B-, B-, CCC+, CCC, CC C-, DD

For reinsurance ceded by Florida domestic property insurers for short-tailed lines as defined below, any collateral required to be posted may be subject to a one-year deferral from the date of the first instance of a liability reserve entry as a result of a catastrophic loss from a named Hurricane. For these purposes, a short-tailed line of business is defined as any one of the following lines of business as reported on the NAIC annual financial statement:

Line 1 Fire

Line 2 Allied Lines

Line 3 Farmowners multiple peril

Line 4 Homeowners multiple peril

Line 5 Commercial multiple peril

Line 9 Inland marine

Line 12 Earthquake

Line 21 Auto physical damage

(5) Nothing in this rule shall be construed to deny the ceding insurer the ability to take credit for reinsurance for the remainder of its liabilities with an eligible reinsurer so long as those amounts are secured with acceptable collateral pursuant to Section 624.610(4), F.S.



(6) In addition to the trust fund required under paragraph (3)(c) of Section 624.610, F.S., the commissioner shall permit an assuming insurer that maintains a trust fund in a qualified United States financial institution, as that term is defined in paragraph (3)(b) of Section 624.610, F.S., for the payment of the valid claims of its United States cedent insurers and their assigns and successors in interest to also maintain in a qualified United States financial institution a trust fund constituting a trusteed amount at least equal to the collateral required in accordance with subsection (4) of this rule to secure the liabilities attributable to United States cedent insurers under reinsurance policies (contracts) entered into or renewed by such assuming insurer on or after the effective date of this rule or such other date as may be established in other states for cedent insurers domiciled in such states, but only when maintenance of such a trust fund serves to protect the interests of the public and the interests of insurer solvency.

(7) A ceding insurer may not take credit pursuant to this rule unless:

(a) The reinsurer has been determined, by order of the commissioner, to be an eligible reinsurer, pursuant to subsection (8) of this rule;

(b) The ceding insurer maintains satisfactory evidence that the eligible reinsurer meets the standards of solvency, including standards for capital adequacy, established by its domestic regulator;

(c) All reinsurance contracts between the ceding insurer and the eligible reinsurer must provide:

1. For an insolvency clause in conformance with Section 624.610(8), F.S.;
2. For a service of process clause in conformance with Section 624.610(3)(f)1. and 2, F.S.; and
3. For a submission to jurisdiction clause in conformance with Section 624.610(3)(f)1. and 2, F.S.

(8) Status as eligible reinsurer:

(a) Application for a determination as an eligible reinsurer under this rule shall be made by cover letter from the insurer requesting a finding of eligibility as a reinsurer pursuant to this rule. The cover letter shall be accompanied with the following:

1. Audited financial statements from inception or for the last 3 years, whichever is less, filed with its domiciliary regulator by the reinsurer or, in the case of a rated group, by the group, pursuant to or including a reconciliation to U.S. GAAP, U.S. Statutory Accounting Principles, or International Financial Reporting Standards (IFRS); the requirement for 3 years reconciliation shall be waived by the office if the commissioner determines that other provided financial information will be as useful in the determination of financial health of the reinsurer;

2. Documentation that the applicant submits to the jurisdiction of the United States courts, appoints an agent for service of process in Florida, and 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 this rule;

3. A report that provides information to the office as to its ceded and ceding insurance; the information may be provided in the form of the NAIC Property and Casualty Annual Filing Blank Schedule F, or in any manner that provides the Office with the same information about its ceded and ceding insurance that is disclosed by the NAIC Property and Casualty Annual Filing Blank Schedule F;

4. A list of all disputed or overdue recoverables due to or claimed by ceding insurers, whether or not the claims are in litigation or arbitration;

5. A certification from the domiciliary regulator of the insurer that the company is in good standing and that the regulator will provide financial and operational information to the Office.

(b) The determination of eligibility will be made by order executed by the Commissioner.

(c) To become an eligible reinsurer, the reinsurer, at a minimum:

1. Shall hold surplus in excess of \$100 million;
2. Shall be authorized in its domiciliary jurisdiction to assume the kind or kinds of reinsurance ceded by the ceding insurer; and,
3. Shall be domiciled in an eligible jurisdiction as defined in subsection (9).

(d) If the Commissioner determines, based upon the material submitted, and any other relevant information, that it is in the best interests of market stability and the solvency of ceding insurers, the Commissioner will find, by order, that the insurer is an eligible reinsurer and will set an amount of credit allowed for the reinsurer if lower than the amount set forth in subsection (4).

(e) Every eligible reinsurer shall file the following information annually with the Office, on the anniversary of the order granting it eligibility:

1. A statement certifying that there has been no change in the provisions of its domiciliary license or any of its financial strength ratings, or a statement describing such changes and the reasons therefor;

2. A copy of all financial statements filed with their domiciliary regulator;

3. Any change in its directors and officers;
4. An updated list of all disputed and overdue reinsurance claims regarding reinsurance assumed from U.S. domestic ceding insurers; and

5. Any other information that the Office may require to assure market stability and the solvency of ceding insurers.

(f) An eligible reinsurer must immediately advise the Office of any changes in its ratings assigned by rating agencies, or domiciliary license status.

(g) At any time, if the Commissioner determines that it is in the best interests of market stability and the solvency of ceding insurers, the Commissioner will withdraw, by order, any determination of an insurer as an eligible reinsurer or require the reinsurer to post additional collateral.

(h) If the rating of an eligible reinsurer rises above that used by the Commissioner in his or her determination of the credit allowed for the reinsurer, an affected party may petition the Commissioner for a redetermination of the credit allowed. If it is in the best interests of market stability and the solvency of ceding insurers, the Commissioner will raise the credit allowed for the reinsurer.

(9) Status as an eligible jurisdiction;

(a) The determination of a jurisdiction as an eligible jurisdiction is to be made by the Commissioner. No jurisdiction shall be determined to be an eligible jurisdiction unless:

1. The insurance regulatory body of the jurisdiction agrees that it will provide information requested by the Office regarding its eligible domestic reinsurers;

2. The Office has determined that the jurisdiction has a satisfactory structure and authority with regard to solvency regulation, acceptable financial and operating standards for reinsurers in the domiciliary jurisdiction, acceptable transparent financial reports filed in accordance with generally accepted accounting principles, and verifiable evidence of adequate and prompt enforcement of valid U.S. judgments or arbitration awards;

3. The Office has determined that the history of performance by reinsurers in the jurisdiction is such that the insuring public will be served by a finding of eligibility;

4. For non-US jurisdictions, the jurisdiction allows U.S. reinsurers access to the market of the domiciliary jurisdiction on terms and conditions that are at least as favorable as those provided in Florida law and regulations for unaccredited non-U.S. assuming insurers; and

5. There is no other documented information that it would not serve the best interests of the insuring public and the solvency of ceding insurers to make a finding of eligibility.

(b) If the NAIC issues findings that certain jurisdictions should be considered eligible jurisdictions, the Commissioner shall, if it would serve the best interests of the insuring public and the solvency of ceding insurers, make a determination that jurisdictions on the NAIC list are eligible jurisdictions.

(c) If the Commissioner determines that it is in the best interests of market stability and the solvency of ceding insurers, the Commissioner shall withdraw, by order, the determination of a jurisdiction as an eligible jurisdiction.

(10)(a) If the rating of an eligible reinsurer is below or falls below that required in subsection (4) for the respective amount of credit, the existing credit to the ceding insurer shall be adjusted accordingly. Notwithstanding the change or withdrawal of an eligible reinsurer's rating, the Commissioner, upon a determination that the interest of ensuring market stability and the solvency of the ceding insurer requires it, shall, upon request by the ceding insurer, authorize the ceding insurer to continue to take credit for the reinsurance recoverable, or part thereof, relating to the rating change or withdrawal for some specified period of time following such change or withdrawal, unless the reinsurance recoverable is deemed uncollectible.

(b) If the ceding insurer's experience in collecting recoverables from any eligible reinsurer indicates that the credit to the ceding insurer should be lower, the ceding insurer shall notify the office of this.

(11) The ceding insurer shall give immediate notice to the Office and provide for the necessary increased reserves with respect to any reinsurance recoverables applicable, in the event:

(a) That obligations of an eligible reinsurer for which credit for reinsurance was taken under this rule are more than 90 days past due and not in dispute; or

(b) That there is any indication or evidence that any eligible reinsurer, with whom the ceding insurer has a contract, fails to substantially comply with the solvency requirements under the laws of its domiciliary jurisdiction.

(12) The Commissioner shall disallow all or a portion of the credit based on a review of the ceding insurer's reinsurance program, the financial condition of the eligible reinsurer, the eligible reinsurer's claim payment history, or any other relevant

information when such action is in the best interests of market stability and the solvency of the ceding insurer. At any time, the Commissioner may request additional information from the eligible reinsurer. The failure of an eligible reinsurer to cooperate with the Office is grounds for the Commissioner to withdraw the status of the insurer as an eligible reinsurer or for the disallowance or reduction of the credit granted under this rule.

(13)(a) Upon the entry of an order of rehabilitation, liquidation, or conservation against the ceding insurer, pursuant to Chapter 631, Part 1, F.S., or the equivalent law of another jurisdiction, an eligible reinsurer, within 30 days of the order, shall fund the entire amount that the ceding insurer has taken, as an asset or deduction from reserves, for reinsurance recoverable from the eligible reinsurer. The insurer may request a variance and waiver from this provision as provided by Section 120.342, F.S.

(b) If an eligible reinsurer fails to comply on a timely basis with paragraph (a) of this subsection, the Commissioner shall withdraw the reinsurer's eligibility under this rule.

(14) The Commissioner may, by order, determine that credit shall not be allowed to any insurer for reinsured risk pursuant to this rule if it appears to the Commissioner that granting of the credit to the ceding insurer would not be in the public interest or serve the best interests of the ceding insurer's solvency.

(15) Nothing in this rule prohibits a ceding insurer and a reinsurer from entering into agreements establishing collateral requirements in excess of those set forth in this rule.

Specific Authority 624.308, 624.610(14) FS. Law Implemented 624.307(1), 624.610 FS. History—New 10-29-08.

Uniform Consent to Service of Process

Original Designation

Amended Designation

(must be submitted directly to filer)

Defendant: Hannover Re (Bermuda) Ltd.

For (and to) (if applicable):

Home Office Address: 50 Parliament Street, 2nd Floor

City, State, Zip: Hamilton, Bermuda HM12 NAIC Code: NA-6190000

The entity named above, organized under the laws of Bermuda, for purpose of complying with the laws of any State(s) designated hereunder relating to the holding of a certificate of authority or the conduct of an insurance business within said State(s), pursuant to a resolution adopted by its board of directors or other governing body, hereby irrevocably appoints the officers of the State(s) and their successors (identified in Exhibit A, or where applicable applicable the required agent so designated in Exhibit A hereunder as its attorney in each State(s) upon whom may be served any notice, process or pleading as required by law as reflected on Exhibit A in any action or proceeding against it in the State(s) so designated; and does hereby consent that any lawful action or proceeding against it may be commenced in any court of competent jurisdiction and proper venue within the State(s) so designated; and agrees that any lawful process against it by the State(s) or under this appointment shall be of the same legal force and validity as if served on the entity directly. This appointment shall be binding upon any successor to the above named entity that acquires the entity's assets or assumes its liabilities by merger, consolidation or otherwise; and shall be binding as long as there is a contract in force or liability of the entity existing in the State. The entity hereby waives all claims of error by reason of such service. The entity named above agrees to submit an amended designation form upon a change in any of the information provided on this power of attorney.

Witness: November 10 08

By: [Signature] And By: [Signature]
Initials: [Initials] Signature: [Signature] Initials: [Initials]

Witnessed at: City of Hamilton, County of Bermuda

On the 10th day of November, 2008, before me appeared

[Signature] and Martin Pichard, personally known to me to be the President and Secretary, respectively, of the above named entity and acknowledging that they are officers being admitted to office, executed the foregoing instrument for the purposes therein contained, on behalf of the entity.

My witness, [Signature] have known me my hand and seal this day.

Notary Public/Commissioned Officer

Residing at: 24 Church Street, Hamilton

My Commission Expires: 1/1/11

Insurance Commissioner

EXHIBIT
B

NOTARY PUBLIC
NOTARY PUBLIC
NOTARY PUBLIC
22 Victoria Street
P.O. Box HM 1119
Hamilton HM 11
Bermuda
Date: 10.11.08

Uniform Consent to Service of Process

Print or type the name of all the States for which the person executing this form is appointing the designated agent in this State for receipt of service of process:

- | | |
|--|---|
| <input type="checkbox"/> AL Commissioner of Insurance # and
Resident Agent # | <input type="checkbox"/> NJ Commissioner of Insurance # and
Resident Agent # |
| <input type="checkbox"/> AR Commissioner of Insurance # | <input type="checkbox"/> NY Commissioner of Insurance # |
| <input type="checkbox"/> CA Commissioner of Insurance # | <input type="checkbox"/> OH Commissioner of Insurance # |
| <input type="checkbox"/> CO Commissioner of Insurance # or Resident
Agent # | <input type="checkbox"/> PA Commissioner of Insurance # |
| <input type="checkbox"/> CT Commissioner of Insurance # | <input type="checkbox"/> RI Commissioner of Insurance # |
| <input type="checkbox"/> DE Commissioner of Insurance and Securities # | <input type="checkbox"/> SC Commissioner of Insurance # |
| <input type="checkbox"/> FL Commissioner of Insurance and Securities
Regulation # or Resident Agent # (if none) | <input type="checkbox"/> TN Commissioner of Insurance # |
| <input type="checkbox"/> GA Commissioner of Insurance Regulation # or
Resident Agent # | <input type="checkbox"/> TX Commissioner of Insurance # |
| <input type="checkbox"/> HI Commissioner of Insurance # and Resident
Agent # | <input type="checkbox"/> VA Commissioner of Insurance # |
| <input type="checkbox"/> IL Commissioner of Insurance # | <input type="checkbox"/> VT Commissioner of Insurance # |
| <input type="checkbox"/> IN Commissioner of Insurance # | <input type="checkbox"/> WA Commissioner of Insurance # |
| <input type="checkbox"/> IA Commissioner of Insurance # | <input type="checkbox"/> WI Commissioner of Insurance # |
| <input type="checkbox"/> KS Commissioner of Insurance # | <input type="checkbox"/> WV Commissioner of Insurance # |
| <input type="checkbox"/> KY Commissioner of Insurance # | |
| <input type="checkbox"/> LA Commissioner of Insurance # | |
| <input type="checkbox"/> ME Commissioner of Insurance # | |
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| <input type="checkbox"/> OH Commissioner of Insurance # | |
| <input type="checkbox"/> PA Commissioner of Insurance # | |
| <input type="checkbox"/> RI Commissioner of Insurance # | |
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| <input type="checkbox"/> VA Commissioner of Insurance # | |
| <input type="checkbox"/> VT Commissioner of Insurance # | |
| <input type="checkbox"/> WA Commissioner of Insurance # | |
| <input type="checkbox"/> WI Commissioner of Insurance # | |
| <input type="checkbox"/> WV Commissioner of Insurance # | |
| <input type="checkbox"/> WY Commissioner of Insurance # | |

* For the purpose of service of process received by a State Officer or a Resident Agent, it is hereby stated that the agent is (one person) who will receive and address with the receipt of process (to be forwarded to the designated agent) as necessary. Not required for Alaska, New Jersey, and North Carolina. Florida accepts only an individual as its agent.

* If the agent is a Resident Agent for the insurance company, include the name, Resident Agent, and the company address. Use additional pages as necessary.

* Valid in this State only. * Not to be accepted only as part of a Uniform Certificate of Authority application.

Endorsement No. NY-3150000
 Company Name NY (New York) Ltd. NAACH PRINT # 2611108 Date 2/21/08 Initials W.P.
 Exhibit A

Uniform Consent to Service of Process

Complete for each state indicated in Exhibit A:

State NY Name of Entity Hannover Re (Bermuda) Ltd.

Mailing Address Douglas A. Kahn, Esq. c/o Kahn Law Firm, P.A.

Street Address 600 E. Jefferson Street, Suite 1000, Chicago, Illinois 60601

State None of Entity

Mailing Address _____

Street Address _____

State None of Entity

Mailing Address _____

Street Address _____

State None of Entity

Mailing Address _____

Street Address _____

State None of Entity

Mailing Address _____

Street Address _____

State None of Entity

Mailing Address _____

Street Address _____

Company Name Hannover Re (Bermuda) Ltd. EIN# 13-0000000 Date 2/11/08 Initials [Signature]

Witness Signature _____

Signature of Insurance Commissioner _____

**Uniform Consent to Service of Process
Resolution Authorizing Appointment of Attorney**

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

Hannover Re (Bermuda) Ltd. (the "Company")
(company name)

effective the 22nd day of November, 2002, that the President and Secretary of said Company 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 office or offices (or 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 the service had been made upon said entity according to the laws of said state.

CERTIFICATION

I, Maria Pacheco, Secretary of

Hannover Re (Bermuda) Ltd.
(company name)

state that this is a true and accurate copy of the resolution adopted effective the 22nd day of November, 2002, by the Board of Directors or governing board at a meeting held on the 22nd day of November, 2002, and written consent dated 22nd day of November, 2002.

Maria Pacheco
Secretary



FILED

DEC 26 2012

OFFICE OF
INSURANCE REGULATION
Consent Order 111450-10

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 111450-10

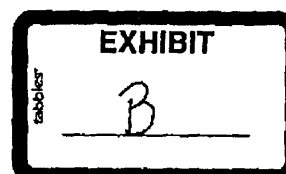
HANNOVER RE (BERMUDA) LTD.
_____ /

ORDER

To: KONRAD RENTRUP, PRESIDENT AND CHIEF EXECUTIVE OFFICER
HANNOVER RE (BERMUDA) LTD.
c/o Locke Lord Bissell & Liddell LLP
Three World Financial Center
New York, New York 10281
Tel. No.: 212-812-8322
E-Mail: romano@locklord.com

THIS CAUSE came on for consideration upon the pending expiration of Consent Order 111450-10-CO (attached as exhibit "A" and is hereby incorporated by reference) and by the request of HANNOVER RE (BERMUDA) LTD (hereinafter referred to as "HANNOVER") to extend HANNOVER's status as an Eligible Reinsurer. The 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. HANNOVER's status as an Eligible Reinsurer currently expires on December 31, 2012 at 11:59 PM pursuant to Consent Order 111450-10-CO.



3. HANNOVER has petitioned the OFFICE to continue its status as an Eligible Reinsurer.

4. HANNOVER has represented to the OFFICE that it has no objection to the OFFICE modifying 111450-10-CO to extend HANNOVER's status as an Eligible Reinsurer to December 31, 2015.

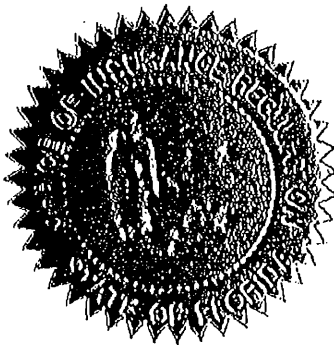
5. The OFFICE hereby finds that HANNOVER is still in compliance all of the requirements of the Florida Insurance Code, Florida Administrative Code and Consent Order 111450-10-CO in order to qualify as a Eligible Reinsurer.

IT IS THEREFORE ORDERED:

1. Consent Order 111450-10-CO, paragraph 12, is hereby modified to "This Consent Order shall expire on December 31, 2015 at 11:59 PM, unless extended by written approval of the OFFICE."

2. All other previous terms and conditions of Consent Order 111450-10-CO remain unchanged by this Order and remain in full force and effect.

DONE and ORDERED this 26th day of December, 2012.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

COPIES FURNISHED TO:

KONRAD RENTRUP, PRESIDENT AND CHIEF EXECUTIVE OFFICER
HANNOVER RE (BERMUDA) LTD.
c/o Locke Lord Bissell & Liddell LLP
Three World Financial Center
New York, New York 10281
Tel. No.: 212-812-8322
E-Mail: rromano@locklord.com

ROBERT A. ROMANO, PARTNER
Locke Lord Bissell & Liddell LLP
Three World Financial Center
New York, New York 10281
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ASSISTANT GENERAL COUNSEL
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Tallahassee, Florida 32399-4206
Telephone: (850) 413-4174
E-mail: wenceslao.troncoso@flor.com

NOTICE OF RIGHTS

Pursuant to Sections 120.569 and 120.57, Florida Statutes and Rule Chapter 28-106, Florida Administrative Code (F.A.C.), you may have a right to request a proceeding to contest this action by the Office of Insurance Regulation (hereinafter the "Office"). You may request a proceeding by filing a Petition. Your Petition for a proceeding must be in writing and must be filed with the General Counsel acting as the Agency Clerk, Office of Insurance Regulation. If served by U.S. Mail the Petition should be addressed to the Florida Office of Insurance Regulation at 612 Larson Building, Tallahassee, Florida 32399-4206. If Express Mail or hand-delivery is utilized, the Petition should be delivered to 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0300. The written Petition must be received by, and filed in the Office no later than 5:00 p.m. on the twenty-first (21) day after your receipt of this notice. Unless your Petition challenging this action is received by the Office within twenty-one (21) days from the date of the receipt of this notice, the right to a proceeding shall be deemed waived. Mailing the response on the twenty-first day will not preserve your right to a hearing.

If a proceeding is requested and there is no dispute of material fact the provisions of Section 120.57(2), Florida Statutes may apply. In this regard you may submit oral or written evidence in opposition to the action taken by this agency or a written statement challenging the grounds upon which the agency has relied. While a hearing is normally not required in the absence of a dispute of fact, if you feel that a hearing is necessary one may be conducted in Tallahassee, Florida or by telephonic conference call upon your request.

If you dispute material facts which are the basis for this agency's action you may request a formal adversarial proceeding pursuant to Sections 120.569 and 120.57(1), Florida Statutes. If you request this type of proceeding, the request must comply with all of the requirements of Rule Chapter 28-106.201, F.A.C., must demonstrate that your substantial interests have been affected by this agency's action, and contain:

- a) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
- b) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action;
- c) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and
- d) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

These proceedings are held before a State Administrative Law Judge of the Division of Administrative Hearings. Unless the majority of witnesses are located elsewhere, the Office will request that the hearing be conducted in Tallahassee.

You are hereby notified that mediation under Section 120.573, Florida Statutes, is not available.

Failure to follow the procedure outlined with regard to your response to this notice may result in the request being denied. Any request for administrative proceeding received prior to the date of this notice shall be deemed abandoned unless timely renewed in compliance with the guidelines as set out above.

FILED

FEB 02 2015

OFFICE OF
INSURANCE REGULATION
Docketed by: 1970



OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

IN THE MATTER OF:

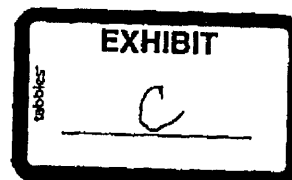
CASE NO.: 111450-10-CO

HANNOVER RE (BERMUDA) LTD.
_____ /

SECOND AMENDMENT TO CONSENT ORDER

THIS CAUSE came on for consideration as a result of an agreement between HANNOVER RE (BERMUDA) LTD. (hereinafter referred to as "HANNOVER") and the FLORIDA OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE") to further amend a Consent Order that was executed on September 21, 2010, case number 111450-10-CO, and first amended by Order of the OFFICE dated December 26, 2012 (the "Order") to extend the expiration date of such Consent Order to December 31, 2015, from December 31, 2012 (Order together with "Consent Order 111450-10-CO," attached as Exhibit A), in response to a change in HANNOVER's secure financial strength ratings. Following a complete review of the 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. HANNOVER is an Eligible Reinsurer in the State of Florida pursuant to Section 624.610(3)(e), Florida Statutes, and Rule 69O-144.007, Florida Administrative Code.
3. Pursuant to Rule 69O-144.007(4), Florida Administrative Code, the secure financial strength ratings of an eligible reinsurer determine the minimum collateral an eligible



reinsurer is required to post for the ceding insurer to take one hundred percent (100%) credit in its financial statements on account of such reinsurance ceded.

4. The National Association of Insurance Commissioners ("NAIC") Credit for Reinsurance Model Law states, in part, that "[i]f an applicant for certification has been certified as a reinsurer in an NAIC accredited jurisdiction, the commissioner has the discretion to defer to that jurisdiction's certification, and has the discretion to defer to the rating assigned by that jurisdiction."

5. HANNOVER currently has secure financial strength ratings of A+ and AA- from A.M. Best and Standard and Poor's.

6. HANNOVER is certified as a reinsurer in the State of New York, and the State of New York has assigned HANNOVER a rating that corresponds with ten percent (10%) as the minimum collateral HANNOVER is required to post for a ceding company to take one hundred percent (100%) credit in its financial statements on account of such reinsurance ceded to HANNOVER. The NAIC's Reinsurance Financial Analysis Working Group ("Reinsurance-FAWG") has concurred with the rating the State of New York established for HANNOVER.

7. Based on the secure financial strength ratings of HANNOVER, the rating the State of New York assigned HANNOVER, and the Reinsurance-FAWG's concurrence with such rating, the OFFICE finds that ten percent (10%) is the minimum collateral HANNOVER is required to post for a ceding company to take one hundred percent (100%) credit in its financial statements on account of such reinsurance ceded to HANNOVER.

8. To reflect the minimum collateral HANNOVER is required to post pursuant to Rule 69O-144.007, Florida Administrative Code, Paragraph 7 of Consent Order 108275-09-CO is hereby amended as follows:

For purposes of Rule 69O-144.007(4), Florida Administrative Code, APPLICANT acknowledges the collateral required for the ceding insurer to take one hundred percent (100%) credit in its financial statement on account of such reinsurance ceded be no less than ~~twenty percent (20%)~~ ten percent (10%), unless otherwise amended by the OFFICE. Said collateral requirement shall only apply to property catastrophe reinsurance being provided by the APPLICANT to ceding insurers in Florida.

9. The parties agree that the amendment described in paragraph eight (8) above shall take effect only for agreements incepting on or after January 1, 2015, up until such time as the collateral requirement may be further amended by the OFFICE. For agreements incepting after September 21, 2010, and before January 1, 2015, twenty percent (20%) is still the minimum collateral HANNOVER is required to post for a ceding company to take one hundred percent (100%) credit in its financial statements on account of such reinsurance ceded to HANNOVER.

10. The parties agree that all other previous terms and conditions of Consent Order 111450-10-CO, as amended by the Order, remain unchanged by this Second Amendment to Consent Order ("Second Amendment") and remain in full force and effect.


11. The parties agree that this Second Amendment shall be deemed to be executed when the OFFICE has signed a copy of this Second Amendment bearing the signature of HANNOVER or its authorized representative, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, HANNOVER agrees that its signature or the signature of its representative as affixed to this Second Amendment shall be under the seal of a Notary Public.

WHEREFORE, the agreement between HANNOVER and the OFFICE, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE and ORDERED this 2nd day of February, 2014.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

By execution hereof, HANNOVER RE (BERMUDA) LTD, consents to entry of this Second Amendment to 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 RE (BERMUDA) LTD, to the terms and conditions of this Second Amendment to Consent Order.



HANNOVER RE (BERMUDA) LTD.

By: [Signature]

Print Name: K Rentrup

Title: President + CEO

Date: 16 Jan 2015

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this 16th day of JAN 2015,
by Konrad Rentrup as President e CEO
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)
for Hannover Re (Bermuda) Ltd.
(company name)

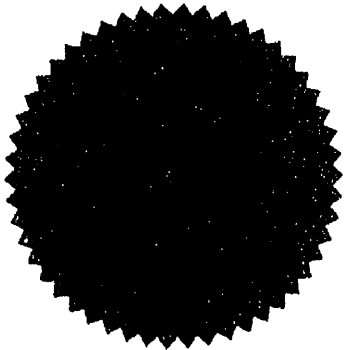
[Signature]
(Signature of the Notary)

JANITA K BURKE
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ or Produced Identification _____

Type of Identification Produced _____

Janita K. Burke
Notary Public
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda



COPIES FURNISHED TO:

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Uniform Consent to Service of Process

X Original Designation

Amended Designation

(must be submitted directly to states)

Entity Name: Hannover Re (Bermuda) Ltd.

Entity Name (if applicable): _____

Home Office Address: 50 Parliament Street, 2nd Floor

City, State, Zip: Hamilton, Bermuda HM12 NAIC Co Code: NA-3190020

The entity named above, organized under the laws of Bermuda, for purposes of complying with the laws of the State(s) designated hereunder relating to the holding of a certificate of authority or the conduct of an insurance business within said State(s), pursuant to a resolution adopted by its board of directors or other governing body, hereby irrevocably appoints the officers of the State(s) and their successors identified in Exhibit A, or where applicable appoints the required agent so designated in Exhibit A hereunder as its attorney in such State(s) upon whom may be served any notice, process or pleading as required by law as reflected on Exhibit A in any action or proceeding against it in the State(s) so designated; and does hereby consent that any lawful action or proceeding against it may be commenced in any court of competent jurisdiction and proper venue within the State(s) so designated; and agrees that any lawful process against it which is served upon this appointment shall be of the same legal force and validity as if served on the entity directly. This appointment shall be binding upon any successor to the above named entity that acquires the entity's assets or assumes its liabilities by merger, consolidation or otherwise; and shall be binding as long as there is a contract in force or liability of the entity outstanding in the State. The entity hereby waives all claims of error by reason of such service. The entity named above agrees to submit an amended designation form upon a change in any of the information provided on this power of attorney.

Witnessed by _____ of November 2008

And By Maria Pacheco M.P.
Initials Secretary Initials

Notary Public of City of Hamilton, County of Bermuda

On this 26th day of November, 2008 before me appeared

_____ and Maria Pacheco, personally known to me to be the President and Secretary, respectively, of the above named entity and acknowledging that they are officers being authorized to execute the foregoing instrument for the purposes therein contained, on behalf of the entity.

My witness _____ have hereunto set my hand and seal at _____

Notary Public/Commission Expires _____

Residing at 22 CANONS COURT, HAMILTON

My Commission Expires 11/11/11

Insurance Commissioners

EXHIBIT

tabbies

D 4pgs

David R. Davis
Notary Public
Canon's Court
22 Victoria Street
P.O. Box HM 1178
Hamilton HM EX
Bermuda
Date: 26.11.08

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:

[illegible]

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

Exhibit A

Uniform Consent to Service of Process

Complete for each state indicated in Exhibit A:

State FL Name of Entity Hannover Re (Bermuda) Ltd.

Attending Officer Douglas A. Hays, Esq. c/o Hays Law Firm, P.A.

Street Address 660 E. Jefferson Street Tallahassee, Florida 32301

State _____ Name of Entity _____

Attending Officer _____

Street Address _____

State _____ Name of Entity _____

Attending Officer _____

Street Address _____

State _____ Name of Entity _____

Attending Officer _____

Street Address _____

State _____ Name of Entity _____

Attending Officer _____

Street Address _____

State _____ Name of Entity _____

Attending Officer _____

Street Address _____

Company Name Hannover Re (Bermuda) Ltd. RIN# AC-019000

Date 2/11/07 Initials RAP

Exhibit A

See Depositions and Exhibits 10-24-06

2006 National Association of Insurance Commissioners 3

Rev. 3/02

USAA FORM 17

**Uniform Consent to Service of Process
Resolution Authorizing Appointment of Attorney**

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

Hannover Re (Bermuda) Ltd. (the "Company")
(company name)

effective on the 20th day of November, 2008, that the President and Secretary of ^{the Company} ~~the Company~~
be and they 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
the service had been made upon said entity according to the laws of said state.

CERTIFICATION

Marie Pacheco Secretary of

Hannover Re (Bermuda) Ltd.
(company name)

state that this is a true and accurate copy of the resolution adopted effective the 20th day of
November, 2008, by the Board of Directors or governing board at a meeting held on the
20th day of November, 2008, or by written consent dated 20th day of November,
2008.

Marie Pacheco
Secretary