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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999	COMMISSION FILE NO. 34-0-26512

RENAISSANCERE HOLDINGS LTD.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

BERMUDA	98-013-8020
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

RENAISSANCE HOUSE, 8-12 EAST BROADWAY, PEMBROKE HM 19 BERMUDA
(Address of Principal Executive Offices)
(441) 295-4513
(Registrant's telephone number)

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT: COMMON SHARES, PAR VALUE $1.00 PER SHARE

NAME OF EACH EXCHANGE ON WHICH REGISTERED: NEW YORK STOCK EXCHANGE

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT: NONE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ( )

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ( )

The aggregate market value of Common Shares held by nonaffiliates of the Registrant as of March 15, 2000 was $468,195,452 based on the closing sale price of the Common Shares on the New York Stock Exchange on that date.

The number of Common Shares outstanding as of March 15, 2000 was 19,614,655.

DOCUMENTS INCORPORATED BY REFERENCE

Sections of the Registrant's Annual Report to Shareholders mailed to shareholders on or about March 25, 2000 (the "Annual Report") are incorporated by reference into Part II of this Form 10-K. With the exception of the sections of the Annual Report specifically incorporated by reference herein, the Annual Report is not deemed to be filed as part of this Form 10-K.

Sections of the Registrant's definitive proxy statement filed on March 24, 2000 with the Securities and Exchange Commission (the "Commission") pursuant to Regulation 14A under the Securities Exchange Act of 1934 relating to the Registrant's Annual General Meeting of Shareholders to be held on May 3, 2000 (the "Proxy Statement") are incorporated by reference into Part III of this Form 10-K. With the exception of the sections of the Proxy Statement specifically incorporated by reference herein, the Proxy Statement is not deemed to be filed as part of this Form 10-K.

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RENAISSANCERE HOLDINGS LTD.

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PART I

Unless the context otherwise requires, references herein to the "Company" include RenaissanceRe Holdings Ltd. ("RenaissanceRe") and its subsidiaries, which principally include Renaissance Reinsurance Ltd. ("Renaissance Reinsurance"), DeSoto Insurance Company ("DeSoto"), Nobel Insurance Company ("Nobel"), Glencoe Insurance Ltd. ("Glencoe"), Renaissance Services Ltd. ("Services"), Renaissance Reinsurance of Europe ("Renaissance Europe"), Renaissance U.S. Holdings, Inc. ("Renaissance U.S."), Renaissance Underwriting Managers Ltd. ("Renaissance Managers"), Pembroke Managing Agents, Inc. ("Pembroke") and Paget Insurance Agency, LLC ("Paget"). Certain terms used below are defined in the "Glossary of Selected Insurance Terms" appearing on pages 19-21 of this Report.

NOTE ON FORWARD-LOOKING STATEMENTS

In connection with, and because it desires to take advantage of, the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company cautions readers regarding certain forward-looking statements in the following discussion and elsewhere in this Annual Report on Form 10-K. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, theCompany. In particular, statements using verbs such as "expect", "anticipate", "intends", "believe" or words of similar impact generally involve forward-looking statements. In light of the risks and uncertainties inherent in all future projections, the inclusion of forward-looking statements in this report should not be considered as a representation by the Company or any other person that the objectives or plans of the Company will be achieved. Numerous factors could cause the Company's actual results to differ materially from those in the forward-looking statements, including the following: (i) the occurrence of catastrophic events with a frequency or severity exceeding the Company's estimates; (ii) a decrease in the level of demand for the Company's reinsurance or insurance business, or increased competition in the industry or from other products which provide similar coverages; (iii) the lowering or loss of one of the financial or claims-paying ratings of the Company or one or more of its subsidiaries; (iv) risks associated with implementing business strategies of the Company; (v) uncertainties in the Company's reserving process; (vi) a failure of the Company's reinsurers to honor their obligations; (vii) actions of competitors including industry consolidation; (viii) loss of services of any one of the Company's key executive officers; (ix) the passage of federal or state legislation subjecting the Company's Bermuda subsidiaries to supervision or regulation in the United States or other jurisdictions in which the Company operates; (x) challenges by insurance regulators in the United States to Renaissance Reinsurance's claim of exemption from insurance regulation under current laws; (xi) changes in economic conditions, including currency rate conditions which could affect the Company's investment portfolio; (xii) a contention by the United States Internal Revenue Service that Renaissance Reinsurance is engaged in the conduct of a trade or business within the U.S.; (xiii) changes in the U.S. laws or regulations relating to Bermuda insurance companies which could adversely affect the Company; or (xiv) slower than anticipated growth in the Company's fee-based operations. The foregoing review of important factors should not be construed as exhaustive; the Company undertakes no obligation to release publicly the results of any future revisions it may make to forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

ITEM 1. BUSINESS

GENERAL

RenaissanceRe Holdings Ltd. ("RenaissanceRe") is a Bermuda based holding company with operating subsidiaries engaged in reinsurance, insurance and related services. RenaissanceRe's principal operating subsidiary, Renaissance Reinsurance Ltd. ("Renaissance Reinsurance") provides property catastrophe reinsurance coverage to insurers and reinsurers, primarily on an excess of loss basis. During 1999, Renaissance Reinsurance wrote $282.3 million of premium (1998 - $207.2 million) and, based on gross premiums written, Renaissance Reinsurance is one of the largest providers of property catastrophe reinsurance coverage in the world. Excess of loss catastrophe coverage generally provides coverage for claims arising from large natural catastrophes, such as earthquakes and hurricanes, in excess of a specified loss. In connection with the coverage it provides, Renaissance Reinsurance is also exposed to claims arising from other natural and man-made catastrophes such as winter storms, freezes, floods, fires and tornadoes.

Renaissance Reinsurance of Europe ("Renaissance Europe") was incorporated in 1998 under the laws of Ireland as a wholly owned subsidiary of Renaissance Reinsurance. Renaissance Europe was formed to provide certain property catastrophe reinsurance coverage in Europe.

Glencoe Insurance Ltd. ("Glencoe") was incorporated in 1996 as a wholly owned subsidiary of RenaissanceRe. Glencoe provides primary catastrophe exposed property coverage on an excess and surplus lines basis, and is eligible to write business in 29 states. During 1999, Glencoe wrote $5.0 million of primary insurance premium (1998 - $5.6 million).

DeSoto Insurance Company ("DeSoto") was incorporated in 1997 as a wholly owned subsidiary of Glencoe. DeSoto is a special purpose Florida homeowners insurance company that is licensed to assume and renew homeowner policies from the Florida JUA, a state sponsored insurance company. During 1999, DeSoto wrote $14.3 million of primary homeowners insurance premium (1998 - $26.7 million).

RenaissanceRe owns a U.S. holding company, Renaissance U.S. Holdings, Inc. ("Renaissance U.S."), whose principal subsidiary was Nobel Insurance Company, a Texas-domiciled insurance company ("Nobel"). Following a 1998 fourth quarter after-tax charge of $40.1 million, Nobel disposed of its principal business lines in 1999. Nobel continues to be a licensed insurer in all 50 states, although there can be no assurance such licenses can be retained. Currently, Renaissance U.S. also owns Paget Insurance Agency, L.L.C., Pembroke Managing Agents, Inc. and DeSoto Prime Insurance Company, all of which are active in the Florida homeowners market.

In January 1999, Renaissance Reinsurance entered into a joint venture, Top Layer Reinsurance Ltd. ("Top Layer Re"), with SPAN State Farm Mutual Automobile Insurance Company ("State Farm") to provide high layer coverage for non-U.S. risks.

In November 1999, RenaissanceRe incorporated Renaissance Underwriting Managers Ltd. ("Renaissance Managers") to act as underwriting manager to Overseas Partners Cat Ltd. ("OPCat"), a subsidiary of Overseas Partners Ltd. Renaissance Managers will underwrite worldwide property catastrophe reinsurance programs for OPCat.

RenaissanceRe and its subsidiaries' (the "Company") results depend to a large extent on the frequency and severity of catastrophic events, and the coverage offered to clients impacted thereby. In addition, from time to time, the Company may consider opportunistic diversification into new ventures, either through organic growth or the acquisition of other companies or books of business. Accordingly, the Company regularly reviews strategic opportunities and periodically engages in discussions regarding possible transactions, however there can be no assurance that the Company will complete any such transactions and that any such transaction would contribute materially to the Company's results of operations or financial condition.

RATINGS

Renaissance Reinsurance has been assigned an "A" claims-paying ability rating from each of Standard & Poor's Insurance Ratings Services ("S&P") and A.M. Best Company, Inc. ("A.M. Best"), and Glencoe has been assigned an "A-" claims-paying ability rating from A.M. Best, representing independent opinions of the financial strength and ability of Renaissance Reinsurance and Glencoe to meet their respective obligations to their policyholders.

The "A" range ("A+," "A" and "A-") is the third highest of four ratings ranges within what S&P considers the "secure" category. Insurance companies assigned a claims-paying ability rating in the "A" range are believed by S&P to provide good financial security, but their capacity to meet policyholder obligations is somewhat susceptible to adverse economic and underwriting conditions.

"A (Excellent)" and "A- (Excellent)" are the third and fourth highest of A.M. Best's sixteen ratings designations. Insurance companies assigned an "A" or "A-" rating by A.M. Best are companies which, in A.M. Best's opinion, have demonstrated excellent overall performance when compared to the standards established by A.M. Best.

STRATEGY

The principal components of the Company's business strategy are to:

- Focus on the property catastrophe reinsurance business. The Company's primary focus is property catastrophe reinsurance, which represented approximately 80% of the Company's gross premiums written in 1999, 77% in 1998 and 91% in 1997, respectively.

- Build a superior portfolio of property catastrophe reinsurance by utilizing proprietary modeling capabilities. The Company assesses underwriting decisions on the basis of the expected incremental return on equity of each new reinsurance contract in relation to the Company's overall portfolio of reinsurance contracts. To facilitate this, the Company has developed REMS(Copyright), a proprietary, computer-based pricing and exposure management system. The Company utilizes REMS(Copyright) to assess property catastrophe risks, price treaties and limit aggregate exposure. The Company combines the analyses generated by REMS(Copyright) with its own knowledge of the client submitting the proposed program to assess the premium offered against the risk of loss that such program presents. See "Underwriting."

- Utilize the Company's capital base efficiently while maintaining prudent risk levels in the Company's reinsurance portfolio. The Company manages its risks through a variety of means, including the use of contract terms, portfolio selection methodology, diversification criteria and probability analyses. By using such measures and by employing its proprietary modeling capabilities, the Company attempts to construct a portfolio of reinsurance contracts which maximizes the use of its capital while optimizing the risk-reward characteristics of its portfolio. The Company relies less on traditional ratios, such as net premiums written to surplus, because the Company believes that such statistics do not adequately reflect the risk in the property catastrophe reinsurance business. Management believes the level of net premiums written relative to surplus does not reflect the composition of a reinsurer's attachment points, aggregate limits, geographic diversification, and other material elements of the risk exposures embodied in a reinsurer's book of business.

- Capitalize on the experience and skill of management. The Company's senior management team has extensive experience in the reinsurance and/or insurance industries, with an average of approximately 19 years of experience for the four senior executives of the Company.

- Build and maintain long-term relationships with brokers and clients. The Company markets its reinsurance products worldwide exclusively through reinsurance brokers. The Company believes that its existing portfolio of reinsurance business is a valuable asset given the renewal practices of the reinsurance industry. The Company believes that it has established a reputation with its brokers and clients for prompt response on underwriting submissions, for fast claims payments and for the development of customized reinsurance programs. See "Marketing."

- Maintain a low cost structure. Management believes that as a result of its ability to maintain a small staff and by basing operations in the favorable regulatory and tax environment of Bermuda, the Company is able to maintain low operating costs relative to its capital base and net premiums earned. As of March 15, 2000, the Company, including Nobel, had 78 employees. See "Regulation."

- Leverage the Company's modeling expertise by expanding into other insurance markets with significant natural catastrophe exposures. The Company is reviewing opportunities in the United States to write new lines of business including primary insurance, where natural catastrophe exposures represent a significant component of the overall exposure.

INDUSTRY TRENDS

The competitive pressures that have existed since 1995 continued in the property catastrophe market through 1998. However, due to industry losses in 1999 and the related contraction of capacity in the market, the Company has seen price increases in certain pockets of the property catastrophe market, which contributed to the Company's increased gross written premiums during this past year.

Because of continued catastrophic loss activity, the Company anticipates that additional price increases may occur in other pockets of the property catastrophe market. At this time, the Company does not believe that price increases will become prevalent across all market segments, and believes that there continues to be numerous transactions in the market that are under-priced.

The Company believes that because of its competitive advantages, including its technological capabilities and its relationships with leading brokers and ceding companies, it will continue to find additional opportunities in the property catastrophe reinsurance markets.

Because of recent loss activity, the Company believes that its aggregate cost for reinsurance protection will continue to increase during the upcoming year. It is also likely that a portion of the Company's reinsurance protection may become uneconomical and that the Company would determine to purchase less of such reinsurance. Accordingly, it is possible that the Company will retain a greater level of net risk in the upcoming year as compared with the previous year.

Nobel has completed the sale and/or reinsurance of its principal operating units, although Nobel continues to operate a portion of such businesses on a transitional basis. Accordingly, the Company believes that its future consolidated results will reflect a reduced impact from Nobel and its affiliates. During 1999, the Company recorded $49.6 million of gross written premiums, $20.0 million of net premiums earned and net income of $2.9 million related to Nobel and its affiliates. The Company expects that Nobel and its affiliates will continue to conduct certain functions on a transitional basis and the Company expects to continue to maintain ownership of Nobel along with its licenses in the 50 U.S. states, although there can be no assurance that such licenses can be successfully maintained.

During 1999 nine significant worldwide catastrophic events occurred: the hail storms in Sydney, Australia in April; the mid-western ("Oklahoma") tornadoes in May; Hurricane Floyd in September; Typhoon Bart which struck Japan in September; Turkish and Taiwanese earthquakes in August and September, respectively; the Danish windstorm Anatol; and the French windstorms, Lothar and Martin in December. At least seven of these events are each expected to cause over $1 billion of insured damages. These events caused net incurred losses for Renaissance Reinsurance to increase to $64.4 million for 1999 or a loss ratio of 32.7 percent, compared with $42.4 million for 1998 or a loss ratio of 25.0 percent. Due to the potential high severity of claims related to the property catastrophe reinsurance business, there can be no assurance that Renaissance Reinsurance will continue to experience this level of net claims in future years.

The Company's financial strength has enabled it to pursue opportunities outside of the property catastrophe reinsurance market into other markets, including the catastrophe exposed primary insurance market, and the Company will continue to pursue other opportunities in the upcoming year. There can be no assurance that the Company's pursuit of such opportunities will materially impact the Company's financial condition and results of operations.

During recent fiscal years there has been considerable consolidation among leading brokerage firms and also among the Company's customers. Although consolidations may continue to occur, the Company believes that its financial strength, its position as one of the market leaders in the property catastrophe reinsurance industry and its ability to provide innovative products to the industry will minimize any adverse effect of such consolidation on the Company's business.

Management is aware of a number of new, proposed or potential legislative or industry changes that may impact the worldwide demand for property catastrophe reinsurance and other products offered by the Company. Management is also aware of many potential initiatives by capital market participants to produce alternative products that may compete with the existing catastrophe reinsurance markets. The foregoing new, proposed or potential initiatives may affect the demand for the Company's products or the risks which may be available for the Company to consider underwriting.

SEGMENT INFORMATION

Certain information regarding the Company's segments of operations are provided on the following pages. Further information regarding the Company's segments of operations are contained in Note 15 to the Consolidated Financial Statements of the Company commencing on page 48 of the Company's Annual Report to Shareholders for the year ended December 31, 1999, and is incorporated herein by reference thereto.

REINSURANCE PRODUCTS

The Company's property catastrophe reinsurance contracts are generally "all risk" in nature. The Company's most significant exposure is to losses from earthquakes and hurricanes, although the Company is also exposed to claims arising from other natural and man-made catastrophes, such as winter storms, freezes, floods, fires and tornadoes, in connection with the coverages it provides. The Company's predominant exposure under such coverage is to property damage. However, other risks, including business interruption and other non-property losses, may also be covered under the property reinsurance contract when arising from a covered peril. In accordance with market practice, the Company's property reinsurance contracts generally exclude certain risks such as war, nuclear contamination or radiation.

Because of the wide range of the possible catastrophic events to which the Company is exposed, and because of the potential for multiple events to occur in the same time period, the Company's business is volatile, and its results of operations may reflect such volatility. Further, the Company's financial condition may be impacted by this volatility over time or at any point in time. The effects of claims from one or a number of severe catastrophic events could have a material adverse effect on the Company. The Company expects that increases in the values and concentrations of insured property and the effects of inflation will increase the severity of such occurrences per year in the future.

The Company seeks to moderate the volatility described in the preceding paragraph through the use of contract terms, portfolio selection methodology, diversification criteria and probability analyses. Also, consistent with its risk management practices, the Company purchases property catastrophe coverage for its own account to seek to further reduce the potential volatility of its results.

Type of Reinsurance

The following table sets forth the Company's gross premiums written and number of programs written by type of reinsurance.

	YEAR ENDED DECEMBER 31,					
	1999		1998		1997	
TYPE OF REINSURANCE	GROSS PREMIUMS WRITTEN	NUMBER OF PROGRAMS	GROSS PREMIUMS WRITTEN	NUMBER OF PROGRAMS	GROSS PREMIUMS WRITTEN	NUMBER OF PROGRAMS
(in millions)						
Catastrophe excess of loss.	$173.6	242	$137.0	249	$150.8	311
Excess of loss retrocession	84.1	85	39.8	64	37.6	74
Proportional retrocession of catastrophe excess of loss	21.2	8	20.3	13	21.9	11
Marine, aviation and other.	3.4	13	10.1	15	10.9	25
Total Reinsurance...	$282.3	348	$207.2	341	$221.2	421

Catastrophe Excess of Loss Reinsurance. Catastrophe excess of loss reinsurance provides coverage to primary insurers when aggregate claims and claim expenses from a single occurrence of a covered peril exceed the attachment point specified in a particular contract. A portion of the Company's property catastrophe excess of loss contracts limit coverage to one occurrence in a contract year, but most such contracts provide for coverage of a second occurrence after the payment of a reinstatement premium. The coverage provided under excess of loss retrocessional contracts may be on a worldwide basis or limited in scope to selected geographic areas. Coverage can also vary from "all property" perils to limited coverage on selected perils, such as "earthquake only" coverage.

Excess of Loss Retrocessional Reinsurance. The Company also enters into retrocessional contracts pursuant to which it provides property catastrophe coverage to other reinsurers or retrocedents. In providing retrocessional reinsurance, the Company focuses on property catastrophe retrocessional reinsurance which covers the retrocedent on an excess of loss basis when aggregate claims and claim expenses from a single occurrence of a covered peril and from a multiple number of reinsureds exceed a specified attachment point. The coverage provided under excess of loss retrocessional contracts may be on a worldwide basis or limited in scope to selected geographic areas. Coverage can also vary from "all property" perils to limited coverage on selected perils, such as "earthquake only" coverage. In general, excess of loss retrocessional contracts are for a term of one year. Retrocessional coverage is characterized by high volatility, principally because retrocessional contracts expose a reinsurer to an aggregation of losses from a single catastrophic event. In addition, the information available to retrocessional underwriters concerning the original primary risk can be less precise than the information received from primary companies directly. Moreover, exposures from retrocessional business can change within a contract term as the underwriters of a retrocedent alter their book of business after retrocessional coverage has been bound.

Proportional Retrocessional Reinsurance. The Company writes proportional retrocessions of catastrophe excess of loss reinsurance treaties when it believes that premium rates and volume are attractive. In such proportional retrocessional reinsurance, the Company assumes a specified proportion of the risk on a specified coverage and receives an equal proportion of the premium. The ceding insurer receives a commission, based upon the premiums ceded to the reinsurer, and may also be entitled to receive a profit commission based on the ratio of losses, loss adjustment expense and the reinsurer's expenses to premiums ceded. A proportional retrocessional catastrophe reinsurer is dependent upon the ceding insurer's underwriting, pricing and claims administration to yield an underwriting profit, although the Company generally obtains detailed underwriting information concerning the exposures underlying the proportional retrocessions of catastrophe excess of loss reinsurance treaties written by the Company. In addition, all of the Company's proportional retrocessions of catastrophe excess of loss reinsurance contracts have aggregate per event risk exposure limits.

Marine, Aviation and Other Reinsurance. The Company has also written short-tail marine and aviation reinsurance and retrocessional reinsurance for selected domestic and foreign insurers and reinsurers. Marine and aviation risks involve primarily property damage, although certain marine and aviation risks may involve casualty coverage arising from the same event causing the property claim. Coverage is generally written in excess of a substantial attachment point, so events likely to cause a claim will occur infrequently, such as the destruction of a drilling platform, the loss of a satellite or the loss of a sizable vessel and its contents. Although the Company focuses on writing catastrophe excess of loss reinsurance, the Company also writes risk excess of loss reinsurance and retrocessions. The risk excess of loss treaties in which the Company participates generally contain limited reinstatement provisions. In selected cases, the Company also writes customized financial reinsurance contracts when the expected returns are particularly attractive.

PRIMARY INSURANCE OPERATIONS; GLENCOE, DESOTO, AND NOBEL

The Company is reviewing opportunities in the United States to write primary insurance where natural catastrophe exposures represent a significant component of the overall exposure.

Glencoe -- In January 1996, the Company incorporated Glencoe in Bermuda as an excess and surplus lines insurance company. Glencoe is pursuing opportunities in the catastrophe-exposed primary insurance business in the United States, and is writing policies that primarily are exposed to earthquake and wind perils. Glencoe is eligible to do business in the United States on an excess and surplus lines basis in 29 states. For the year ended December 31, 1999, Glencoe generated gross premiums written of $5.0 million and net income of $2.8 million. For the year ended December 31, 1998, Glencoe generated gross premiums written of $5.6 million and net income of $4.0 million. For the year ended December 31, 1997, Glencoe generated gross premiums written of $7.0 million and net income of $2.4 million.

DeSoto -- In September 1997, Glencoe organized DeSoto in Florida to pursue the assumption of policies from the Florida Residential Property and Casualty Joint Underwriting Association (the "JUA"). In January 1998, the Company began to provide personal lines coverages through DeSoto with an initial assumption of approximately 12,000 policies with an in-force premium of approximately $10 million. For the year ended December 31, 1999, DeSoto generated $14.3 million of gross written premium and net loss of $0.1 million. For the year ended December 31, 1998, DeSoto generated $26.7 million of gross written premium and net income of $2.4 million.

Nobel -- On June 25, 1998, the Company completed its acquisition of the U.S. operating subsidiaries of Nobel Limited for $56.1 million. The Company accounted for this acquisition using the purchase method of accounting and issued no shares as part of the purchase.

During the fourth quarter of 1998, the Company recorded an after tax charge of $40.1 million, consisting of $29.6 million of adverse development on Nobel's casualty and surety books of business, a goodwill write-down of $6.6 million, and other related costs of $3.9 million. Consequently, at the end of 1998, RenaissanceRe adopted a plan to exit each of Nobel's business units. During 1999, Nobel completed the reinsurance of the casualty and surety books of business and signed agreements under which its bail and low-value dwelling books of business have been assumed by third parties, with obligations to make certain future payments to Nobel based on future revenues and/or profitability of these businesses. Also, Nobel has completed the sale of its IAS/Cat Crew subsidiary to its management team in an earn-out transaction.

Nobel and its affiliates have continued to conduct certain functions of the casualty, surety, low-value dwelling and bail businesses on a transitional basis. Renaissance U.S. expects to retain ownership of Nobel along with its licenses in the 50 U.S. states, although there can be no assurance that such licenses can be successfully maintained following the disposition of the business units.

For the year ended December 31, 1999, Nobel generated $49.6 million of gross written premium and net income of $2.9 million. As a result of the Company's disposition of the principal businesses of Nobel, it is anticipated that the future consolidated results of the Company will reflect a reduced impact from Nobel.

POTENTIAL DIVERSIFICATION

From time to time, the Company may consider opportunistic diversification into new ventures, either through organic growth or the acquisition of other companies or books of business. Accordingly, the Company regularly reviews strategic opportunities and periodically engages in discussions regarding possible transactions. However, there can be no assurance that the Company will enter into any such agreement in the future, or that any consummated transaction would contribute materially to the Company's results.

GEOGRAPHIC DIVERSIFICATION

The Company seeks to diversify its exposures across geographic zones. The Company writes the majority of its business within the United States because the returns obtained relative to the risks involved are currently most attractive in the United States and because it is able to obtain the most detailed underwriting information on U.S. risks. Within the United States, the Company's zones of highest exposure are Southern California, Northern California, metropolitan New York, New Madrid (midwestern United States) and Southern Florida. The following table sets forth the percentage of the Company's gross insurance and reinsurance premiums written allocated to the territory of coverage exposure.

	YEAR ENDED DECEMBER 31,					
	1999		1998		1997	
GEOGRAPHIC AREA	GROSS PREMIUMS WRITTEN	PERCENTAGE OF GROSS PREMIUMS WRITTEN	GROSS PREMIUMS WRITTEN	PERCENTAGE OF GROSS PREMIUMS WRITTEN	GROSS PREMIUMS WRITTEN	PERCENTAGE OF GROSS PREMIUMS WRITTEN
(in millions)						
United States - reinsurance	$160.2	45.6%	$128.4	47.5%	$116.7	54.2%
United States - primary....	69.0	19.6	63.3	23.4	7.0	3.1
Worldwide..................	49.5	14.1	20.6	7.6	27.9	12.2
Worldwide (excluding U.S.)(1)	27.3	7.8	26.4	9.8	32.0	14.0
Europe (including U.K.)....	26.4	7.5	18.5	6.8	21.0	9.2
Other......................	15.7	4.5	9.4	3.5	16.8	7.4
Australia and New Zealand..	3.2	0.9	3.9	1.4	6.9	3.0
Total......................	$351.3	100.0%	$270.5	100.0%	$228.3	100.0%

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(1) The category "Worldwide (excluding U.S.)" consists of contracts that cover more than one geographic zone (other than the U.S.). The exposure in this category for gross premiums written to date is predominantly from Europe.

PROGRAM LIMITS

The following table sets forth the number of the Company's reinsurance programs in force at December 31, 1999 by aggregate program limits.

AGGREGATE PROGRAM LIMIT	NUMBER OF PROGRAMS
$50-70 million....................................	7
$40-50 million....................................	9
$30-40 million....................................	8
$20-30 million....................................	14
$10-20 million....................................	43
Less than $10 million.............................	267
Total...	348

UNDERWRITING

The Company's primary underwriting goal is to construct a portfolio of reinsurance and insurance contracts that maximizes the return on shareholders' equity subject to prudent risk constraints.

Management assesses underwriting decisions on the basis of the expected incremental return on equity of each new reinsurance contract in relation to the Company's overall portfolio of reinsurance contracts. To facilitate this, Management has developed REMS(Copyright), a proprietary, computer-based pricing and exposure management system.

Management utilizes REMS(Copyright) to assess property catastrophe risks, price treaties and limit aggregate exposure. REMS was developed with consulting assistance from Tillinghast, an actuarial consulting unit of Towers, Perrin, Forster & Crosby, Inc., and AIR, the developer of the CATMAP(Trademark) system. REMS(Copyright) has analytic and modeling capabilities that assist the Company's underwriters in assessing the catastrophe exposure risk and return of each incremental reinsurance contract in relation to the Company's overall portfolio of reinsurance contracts. The Company has licensed and integrated into REMS(Copyright) a number of commercially available catastrophe computer models in addition to the Company's base model. The Company uses these models to validate and stress test its base REMS(Copyright) results. In addition, the Company stress tests its exposures and potential future results by increasing the frequency and severity of catastrophic events above the levels embedded in the models purchased from the outside consultants. Management combines the analyses generated by REMS(Copyright) with its own knowledge of the client submitting the proposed program to assess the premium offered against the risk of loss which such program presents.

REMS(Copyright) provides more precise exposure information than is generally analyzed currently throughout the property catastrophe reinsurance industry. REMS(Copyright) combines computer-generated statistical simulations that estimate catastrophic event probabilities with exposure and coverage information on each client's reinsurance contract to produce expected claims for reinsurance programs submitted to the Company. REMS(Copyright) then uses simulation techniques to generate 40,000 years of catastrophic event activity, including events causing in excess of $300 billion in insured industry losses. From this 40,000 year simulation, the Company is able to obtain expected claims, expected profits and a probability distribution of potential outcomes for each program in its portfolio and for its total portfolio.

Management believes that REMS(Copyright) provides the Company's underwriters with several competitive advantages which are not generally available. These include (i) the ability to simulate 40,000 years of catastrophic event activity compared to a much smaller sample in generally available models, allowing the Company to analyze its exposure to a greater number and combination of potential events, (ii) the ability to analyze the incremental impact of an individual reinsurance contract on the Company's overall portfolio, and (iii) the ability to collect detailed data from a wide variety of sources which allows the Company to measure geographic exposure at a detailed level.

For its property catastrophe reinsurance business, the Company has developed underwriting guidelines that limit the amount of exposure it will underwrite directly for any one cedent, the exposure to claims from any single catastrophic event and the exposure to losses from a series of catastrophic events. The Company also attempts to distribute its exposure across a range of attachment points.

As part of its pricing and underwriting process, the Company also assesses a variety of factors, including the reputation of the proposed cedent and the likelihood of establishing a long-term relationship with the cedent; the geographic area in which the cedent does business and its market share; historical loss data for the cedent and, where available, for the industry as a whole in the relevant regions, in order to compare the cedent's historical catastrophe loss experience to industry averages; the cedent's pricing strategies; and the perceived financial strength of the cedent.

During 1999, consistent with its risk management practices and the availability of coverage responsive to the Company's risk profile, the Company increased the level of property catastrophe reinsurance coverage purchased for its own account. Ceded premiums written in the Company's reinsurance operations during 1999 were $77.2 million compared to $47.7 million in 1998. Additionally, the Company's primary operations had ceded premiums of $60.6 million (compared to $27.7 million in 1998). To the extent that appropriately priced coverage is available, the Company anticipates continued use of its reinsurance to reduce potential volatility of its results. See "Industry Trends," above.

MARKETING

The Company markets its reinsurance products worldwide exclusively through reinsurance brokers. The Company focuses its marketing efforts on targeted brokers and insurance and reinsurance companies, placing primary emphasis on existing clients. Management believes that its existing portfolio of business is a valuable asset given the renewal nature of the reinsurance industry and, therefore, attempts to continually strengthen relationships with its existing brokers and clients. The Company also targets prospects that are deemed likely to enhance the risk/return composition of its portfolio, that are capable of supplying detailed and accurate underwriting data and that potentially add further diversification to the Company's book of business. Glencoe markets its products through a diverse group of surplus lines brokers operating primarily in cat exposed states.

Management believes that primary insurers' and brokers' willingness to use a particular reinsurer is based not just on pricing terms, but on the financial security of the reinsurer, its claim paying ability ratings, perceptions of the quality of a reinsurer's service, the reinsurer's willingness to design customized programs, its long-term stability and its commitment to provide reinsurance capacity. Management believes that the Company has established a reputation with its brokers and clients for prompt response on underwriting submissions and for fast claims payments. Since the Company selectively writes large lines on a limited number of property catastrophe reinsurance contracts, it can establish reinsurance terms and conditions on these contracts that are attractive in its judgment, make large commitments to the most attractive programs and provide superior client responsiveness. In addition, the Company acts as sole reinsurer on certain property catastrophe reinsurance contracts, which allows the Company to take advantage of its ability to develop customized reinsurance programs. Management believes that such customized programs help the Company to develop long-term relationships with brokers and clients.

The reinsurance brokers perform data collection, contract preparation and other administrative tasks, enabling the Company to market its reinsurance products cost effectively by maintaining a smaller staff. The Company believes that by maintaining close relationships with brokers, it is able to obtain access to a broad range of potential reinsureds. Subsidiaries and affiliates of J&H Marsh & McLennan, Inc., AON Re Group, E. W. Blanch & Co., Greig Fester, and Willis Faber accounted for approximately 24.5%, 20.5%, 20.3%, 7.1% and 6.4%, respectively, of the Company's premiums written in 1999. During 1999, Renaissance Reinsurance issued authorization for coverage on programs submitted by 33 brokers worldwide. The Company received approximately 1,474 program submissions during 1999. The Company is highly selective and, from such submissions, the Company issued authorizations for coverage in 1999 for only 348 programs, or 23.6 percent of the program submissions received.

RESERVES

The Company incurred claims of $77.1 million, $112.8 million, and $50.0 million for the years ended December 31, 1999, 1998 and 1997, respectively. The reserve for claims and claim expenses includes estimates for unpaid claims and claim expenses on reported losses as well as an estimate of losses incurred but not reported. The reserve is based on individual claims, case reserves and other reserve estimates reported by insureds and ceding companies as well as management estimates of ultimate losses. Inherent in the estimates of ultimate losses are expected trends in claim severity and frequency and other factors which could vary significantly as claims are settled. Accordingly, ultimate losses may vary materially from the amounts provided in the consolidated financial statements. These estimates are reviewed regularly and, as experience develops and new information becomes known, the reserves are adjusted as necessary. Such adjustments, if any, are reflected in the consolidated statement of income in the period in which they become known and are accounted for as changes in estimates.

For the Company's reinsurance operations, estimates of claims and claim expenses and losses recoverable are based in part upon the estimation of claims resulting from catastrophic events. Estimation by the Company of claims resulting from catastrophic events based upon its own historical claim experience is inherently difficult because of the variability and uncertainty associated with property catastrophe claims. Therefore, the Company utilizes both proprietary and commercially available models, as well as historical reinsurance industry property catastrophe claims experience, for purposes of evaluating future trends and providing an estimate of ultimate claims costs.

On both the Company's reinsurance and primary operations, the Company uses statistical and actuarial methods to reasonably estimate ultimate expected claims and claim expenses. The period of time from the reporting of a loss to the Company to the settlement of the Company's liability may be significant. During this period, additional facts and trends will be revealed. As these factors become apparent, case reserves will be adjusted, sometimes requiring an increase in the overall reserves of the Company, and at other times requiring a reallocation of IBNR reserves to specific case reserves. These estimates are reviewed regularly, and such adjustments, if any, are reflected in results of operations in the period in which they become known and are accounted for as changes in estimates.

Claim reserves and losses recoverable represent estimates, including actuarial and statistical projections at a given point in time, of an insurer's or reinsurer's expectations of the ultimate settlement and administration costs of claims incurred, and it is possible that the ultimate liability may exceed or be less than such estimates. Such estimates are not precise in that, among other things, they are based on predictions of future developments and estimates of future trends in claim severity and frequency and other variable factors such as inflation. During the claim settlement period, it often becomes necessary to refine and adjust the estimates of liability or recovery on a claim either upward or downward. Even after such adjustments, ultimate liability or recovery may exceed or be less than the revised estimates. Moreover, reserve estimates by relatively new property catastrophe reinsurers, such as the Company, may be inherently more volatile than the reserve estimates of a reinsurer with a more established claims history.

INVESTMENTS

As of December 31, 1999, the Company held investments and cash totaling $1,074.8 million with net unrealized depreciation of $18.5 million. The Company's strategy is to maximize its underwriting profitability and fully deploy its capital through its underwriting activities; consequently, the Company has established an investment policy which it considers to be conservative. The Company's investment guidelines, which are established by Management and approved by the Company's Board of Directors, stress preservation of capital, market liquidity, and diversification of risk. Notwithstanding the foregoing, the Company's investments are subject to market-wide risks and fluctuations, as well as to risks inherent in particular securities. The primary objective of the portfolio, as set forth in such guidelines, is to maximize investment returns consistent with these policies. To achieve this objective, the Company's current fixed income investment guidelines call for an average credit quality of "AA" as measured by Standard & Poor's Ratings Group.

Primarily because of the potential for large claims payments, the Company's investment portfolio is structured to provide a high level of liquidity. The table below shows the aggregate amounts of investments available for sale, equity securities and cash and cash equivalents comprising the Company's portfolio of invested assets:

	AT DECEMBER 31,		
	1999	1998	1997
(IN MILLIONS)			
Investments available for sale, at fair value............	$920.5	$825.0	$710.2
Other investments, at fair value..........................	22.2	1.6	26.4
Cash and cash equivalents.................................	132.1	115.7	122.9
Total invested assets.....................................	$1,074.8	$942.3	$859.5

The growth in the Company's portfolio of invested assets for the year ended December 31, 1999 resulted primarily from net cash provided by operating activities of $130.3 million, compared with $102.5 million in 1998. The 1999 cash flows from operations were primarily utilized to purchase $80.1 million of the Company's Common Shares and pay aggregate dividends of $28.9 million. Also during 1999, the Company borrowed an additional $150.0 million under its revolving credit facility, which was primarily used to purchase additional fixed income securities for the holding company's portfolio of investments.

At December 31, 1999, the Company's invested asset portfolio had a dollar weighted average rating of AA, an average duration of 2.7 years and an average yield to maturity of 7.15 percent before investment expenses.

Under the terms of certain reinsurance contracts, the Company may be required to provide letters of credit to reinsureds in respect of reported claims and/or unearned premiums. The Company has obtained capacity from one of its primary lenders for the issuance of letters of credit. Issued letters of credit are secured by a lien on a portion of the Company's investment portfolio. At December 31, 1999 the Company had outstanding letters of credit aggregating $73.2 million. Also, in connection with the Company's January 6, 1999 investment in Top Layer Reinsurance Ltd., the Company has committed $37.5 million of collateral in the form of a letter of credit. This letter of credit is also secured by a portion of the Company's investments.

Derivative Instruments

The Company has assumed risk through catastrophe and weather linked securities and derivative instruments under which losses could be triggered by an industry loss index or natural parameters. To date the Company has not experienced any losses from such securities or derivatives although there can be no assurance this performance will continue. In each of the fourth quarters of 1999 and 1998, the Company recorded recoveries on non-indemnity catastrophe index transactions. These recoveries are included in other income. In the future, the Company may also utilize other derivative instruments.

Market Sensitive Instruments

The Company's investment portfolio includes investments whicha re subject to changes in market values with changes in interest rates. The aggregate hypothetical loss generated from an immediate adverse parallel shift in the treasury yield curve of 100 basis points would cause a decrease in total return of 2.70 percent, which equates to a decrease in market value of approximately $28.4 million on a portfolio valued at $1,052.6 million at December 31, 1999. As of December 31, 1998, the decrease in total return would have been 2.76 percent, which equates to a decrease in market value of approximately $25.5 million on a portfolio valued at $942.3 million. The foregoing reflects the use of an immediate time horizon, since this presents the worst-case scenario. Credit spreads are assumed to remain constant in these hypothetical examples.

Investment Agreements

During 1999, the Company had in place an investment advisory agreement with GE Investment Management, an affiliate of General Electric Company. GE Investment Management managed approximately 15.0 percent of the Company's portfolio, subject to the Company's investment guidelines. The terms of the investment advisory agreement were determined in arms length negotiations. The performance of, and the fees paid to GE Investment Management were reviewed periodically by the Board. Such fees paid to GE advisors aggregated to $0.2 million, $0.4 million and $1.2 million for the years ended December 31, 1999, 1998 and 1997, respectively. This agreement expired on December 31, 1999 and was not renewed.

The following table summarizes the fair value of the investments and cash and cash equivalents of the Company as of the dates indicated.

TYPE OF INVESTMENT (IN MILLIONS)	AT DECEMBER 31, 1999	1998	1997
Fixed Maturities Available for Sale:			
U.S. Government and agency debt securities	$295.7	$564.6	$248.3
U.S. Corporate debt securities	356.6	137.8	--
Non-U.S. government debt securities	54.4	30.6	256.9
Non-U.S. corporate debt securities	54.0	67.0	188.6
Non-U.S. mortgage backed securities	--	--	6.9
U.S. mortgage backed securities	147.0	--	--
Subtotal	907.7	800.0	700.7
Other investments	22.2	1.6	26.4
Short-term investments	12.8	25.0	9.5
Cash and cash equivalents	132.1	115.7	122.9
Total fixed maturity investments, equity securities, short-term investments and cash and cash equivalents	$1,074.8	$942.3	$859.5

The following table summarizes the fair value by contractual maturities of the Company's fixed maturity investment portfolio as of the dates indicated.

(IN MILLIONS)	AT DECEMBER 31, 1999	1998	1997
Due in less than one year	$ 2.8	$ 193.7	$ 74.6
Due after one through five years	456.4	393.7	473.0

Due after five through ten years	226.1	121.4	90.9
Due after ten years	75.4	91.2	62.2
U.S. mortgage backed securities	147.0	--	--
Total	$907.7	$800.0	$700.7

Maturity and Duration of Fixed Maturity Portfolio

Currently, the Company maintains a target duration of approximately three years on a weighted average basis, reflecting Management's belief that it is important to maintain a liquid, shorter-duration portfolio to better assure the Company's ability to pay claims on a timely basis. The actual portfolio duration may not exceed the target duration by more than two years. From time to time, the Company expects to reevaluate the target duration in light of estimates of the duration of its liabilities and market conditions, including then prevailing levels of interest rates.

Quality of Debt Securities in Portfolio

The Company's guidelines for its various investment classes have strict restrictions on credit quality, duration and benchmark relative exposures.

The following table summarizes the composition of the fair value of the fixed maturity portfolio as of the dates indicated by rating as assigned by S&P or, with respect to non-rated issues, as estimated by the Company's investment managers.

	AT DECEMBER 31,		
RATING	1999	1998	1997
AAA	72.9%	70.9%	56.9%
AA	5.0	4.3	12.2
A	5.9	9.2	14.9
BBB	4.8	3.7	5.0
BB	3.7	5.2	4.9
B	5.3	2.2	6.1
NR	2.4	4.5	--
	100.0%	100.0%	100.0%

FOREIGN CURRENCY EXPOSURES

The Company's functional currency is the United States ("U.S.") dollar. The Company writes a substantial portion of its business in currencies other than U.S. dollars and may, from time to time, experience significant exchange gains and losses and incur underwriting losses in currencies other than U.S. dollars, which will in turn affect the Company's financial statements.

The Company's foreign currency policy is to hold foreign currency assets, including cash and receivables, that approximate the net monetary foreign currency liabilities, including loss reserves and reinsurance balances payable. All changes in the exchange rates are recognized currently in the Company's statement of income. As a result of the Company's exposure to foreign currency fluctuations, it is anticipated that during periods in which the U.S. dollar appreciates, the Company will likely recognize foreign exchange losses.

COMPETITION

The property catastrophe reinsurance industry is highly competitive and is undergoing a variety of challenging developments, including a marked trend toward greater consolidation. The Company competes, and will continue to compete, with major U.S. and non-U.S. property catastrophe insurers, reinsurers, and certain underwriting syndicates. Many of these competitors have greater financial, marketing and management resources than the Company. In addition, new companies may enter the property catastrophe reinsurance market or existing reinsurers may deploy additional capital in the property catastrophe reinsurance market. The Company cannot predict what effect any of these developments may have on the Company and its business.

Competition in the types of reinsurance business that the Company underwrites is based on many factors, including premium charges and other terms and conditions offered, services provided, speed of claims payment, ratings assigned by independent rating agencies, the perceived financial strength and the experience of the reinsurer in the line of reinsurance to be written. The number of jurisdictions in which a reinsurer is licensed or authorized to do business is also a factor. Some of the reinsurers who have entered the Bermuda and London-based reinsurance markets have or could have greater financial, marketing or managerial resources or brand recognition than the Company. Ultimately, increasing competition could affect the Company's ability to attract business on terms having the potential to yield an attractive return on equity.

The primary insurance business is also highly competitive. Primary insurers compete on the basis of factors including selling effort, product, price, service and financial strength. The Company generally seeks to adjust its overall primary insurance pricing and pricing to individual customers to achieve underwriting profits and, as a result, may lose primary insurance business to competition offering competitive insurance products at lower prices. The Company's competitors in the primary insurance market include independent insurance companies, subsidiaries or affiliates of major worldwide insurance companies, underwriting syndicates and others, many of which have greater financial resources, brand equity and more diversified primary insurance products than the Company.

Management is also aware of many potential initiatives by capital market participants to produce alternative products that may compete with the existing catastrophe reinsurance markets. Among other things, over the last several years capital markets participants, including exchanges and financial intermediaries, have developed financial products intended to compete with traditional reinsurance, the usage of which has grown in volume. In addition, the tax policies of the countries where the Company's clients operate can affect demand for reinsurance. Management is unable to predict the extent to which the foregoing new, proposed or potential initiatives may affect the demand for the Company's products or the risks which may be available for the Company to consider underwriting.

EMPLOYEES

As of March 15, 2000, the Company and its subsidiaries employed 78 people. The Company believes that its employee relations are satisfactory. None of the Company's employees are subject to collective bargaining agreements, and the Company knows of no current efforts to implement such agreements at the Company.

Many Bermuda based employees of RenaissanceRe and Renaissance Reinsurance, including all of the Company's senior management, are employed pursuant to work permits granted by the Bermuda authorities. These permits expire at various times over the next few years. The Company has no reason to believe that these permits would not be extended at expiration upon request, although no assurance can be given in this regard.

REGULATION

Bermuda

The Insurance Act 1978, as amended, and Related Regulations (the "Insurance Act"), which regulates the business of Renaissance Reinsurance and Glencoe, provides that no person shall carry on an insurance business (including the business of reinsurance) in or from within Bermuda unless registered as an insurer under the Insurance Act by the Bermuda Minister of Finance (the "Minister"). Renaissance Reinsurance and Glencoe are registered as a Class 4 and a Class 3 insurer under the Insurance Act, respectively. The Minister, in deciding whether to grant registration, has broad discretion to act as he thinks fit in the public interest. The Minister is required by the Insurance Act to determine whether the applicant is a fit and proper body to be engaged in the insurance business and, in particular, whether it has, or has available to it, adequate knowledge and expertise. In connection with the applicant's registration, the Minister may impose conditions relating to the writing of certain types of insurance. Further, the Insurance Act stipulates that no person shall, in or from within Bermuda, act as an insurance manager, broker, agent or salesman unless registered for the purpose by the Minister. Rennaissance Managers is registered as an insurance manager under the Insurance Act.

An Insurance Advisory Committee appointed by the Minister advises him on matters connected with the discharge of his functions, and sub-committees thereof supervise and review the law and practice of insurance in Bermuda, including reviews of accounting and administrative procedures.

The Insurance Act imposes on Bermuda insurance companies solvency and liquidity standards and auditing and reporting requirements and grants to the Minister powers to supervise, investigate and intervene in the affairs of insurance companies. Certain significant aspects of the Bermuda insurance regulatory framework are set forth below.

Cancellation of Insurer's Registration. An insurer's registration may be canceled by the Minister on certain grounds specified in the Insurance Act, including failure of the insurer to comply with a requirement made of it under the Insurance Act or, if in the opinion of the Minister, after consultation with the Insurance Advisory Committee, the insurer has not been carrying on business in accordance with sound insurance principles.

Independent Approved Auditor. Every registered insurer must appoint an independent auditor who will annually audit and report on the Statutory Financial Statements and the Statutory Financial Return of the insurer, both of which, in the case of each of a Class 3 insurer and a Class 4 insurer, are required to be filed annually with the Registrar of Companies (the "Registrar"), who is the chief administrative officer under the Insurance Act. The auditor must be approved by the Minister as the independent auditor of the insurer. The approved auditor may be the same person or firm which audits the insurer's financial statements and reports for presentation to its shareholders.

Loss Reserve Specialist. Each Class 3 and Class 4 insurer is required to submit an annual loss reserve opinion when filing the Annual Statutory Financial Return. This opinion must be issued by the insurer's approved Loss Reserve Specialist. The Loss Reserve Specialist, who will normally be a qualified casualty actuary, must be approved by the Minister.

Statutory Financial Statements. An insurer must prepare annual Statutory Financial Statements. The Insurance Act prescribes rules for the preparation and substance of such Statutory Financial Statements (which include, in statutory form, a balance sheet, income statement, and a statement of capital and surplus, and detailed notes thereto). The insurer is required to give detailed information and analyses regarding premiums, claims, reinsurance and investments. The Statutory Financial Statements are not prepared in accordance with GAAP and are distinct from the financial statements prepared for presentation to the insurer's shareholders under the Companies Act 1981 of Bermuda, which financial statements may be prepared in accordance with GAAP. The insurer is required to submit the Annual Statutory Financial Statements as part of the Annual Statutory Financial Return. The Statutory Financial Statements and the Statutory Financial Return do not form part of the public records maintained by the Registrar.

Minimum Solvency Margin and Restrictions on Dividends and Distributions. The Insurance Act provides that the statutory assets of an insurer must exceed its statutory liabilities by an amount greater than the prescribed minimum solvency margin which varies with the type of registration of the insurer under the Insurance Act and the insurer's net premiums written and loss reserve level. The minimum solvency margin for a Class 4 insurer is the greatest of $100.0 million, 50% of net premiums written (with a credit for reinsurance ceded not exceeding 25% of gross premiums) and 15% of loss and loss expense provisions and other insurance reserves. The minimum solvency margin for a Class 3 insurer is the greatest of $1.0 million, 20% of the first $6.0 million of net premiums written plus 15% of net premiums written in excess of $6.0 million, and 15% of loss and loss expense provisions and other insurance reserves.

The Insurance Act mandates certain actions and filings with the Minister and the Registrar if a Class 3 insurer or a Class 4 insurer fails to meet and or maintain the required minimum solvency margin. Both Class 3 insurers and Class 4 insurers are prohibited from declaring or paying any dividends if in breach of the required minimum solvency margin or minimum liquidity ratio (the relevant margins) or if the declaration or payment of such dividend would cause the insurer to fail to meet the relevant margins. Where an insurer fails to meet its relevant margins on the last day of any financial year it is prohibited from declaring or paying any dividends during the next financial year without the approval of the Minister. Further, a Class 4 insurer is prohibited from declaring or paying in any financial year dividends of more than 25% of its total statutory capital and surplus (as shown on its previous financial year's statutory balance sheet) unless it files (at least seven days before payment of such dividends) with the Registrar an affidavit stating that it will continue to meet its relevant margins. Class 3 insurers and Class 4 insurers must obtain the Minister's prior approval for a reduction by 15% or more of the total statutory capital as set forth in its previous year's financial statements. These restrictions on declaring or paying dividends and distributions under the Insurance Act are in addition to those under the Companies Act 1981 which apply to all Bermuda companies.

Minimum Liquidity Ratio. The Insurance Act provides a minimum liquidity ratio for general business insurers. An insurer engaged in general business is required to maintain the value of its relevant assets at not less than 75% of the amount of its relevant liabilities. Relevant assets include cash and time deposits, quoted investments, unquoted bonds and debentures, first liens on real estate, investment income due and accrued, accounts and premiums receivable and reinsurance balances receivable. There are certain categories of assets which, unless specifically permitted by the Minister, do not automatically qualify as relevant assets, such as unquoted equity securities, investments in and advances to affiliates, real estate and collateral loans. The relevant liabilities are total general business insurance reserves and total other liabilities less deferred income tax and sundry liabilities (by interpretation, those not specifically defined).

Annual Statutory Financial Return. Class 3 and Class 4 insureres are required to file with the Registrar a Statutory Financial Return no later than four months after the insurer's financial year end (unless specifically extended). The Statutory Financial Return includes, among other items, a report of the approved independent auditor on the Statutory Financial Statements of the insurer; a declaration of the statutory ratios; a solvency certificate; the Statutory Financial Statements themselves; the opinion of the approved Loss Reserve Specialist in respect of the loss and loss expense provisions and, only in the case of Class 4 insurers, certain details concerning ceded reinsurance. The solvency certificate and the declaration of the statutory ratios must be signed by the principal representative and at least two directors of the insurer, who are required to state whether the Minimum Solvency Margin and, in the case of the solvency certificate, the Minimum Liquidity Ratio, have been met, and the independent approved auditor is required to state whether in its opinion it was reasonable for them to so state and whether the declaration of the statutory ratios complies with the requirements of the Insurance Act. Where an insurer's accounts have been audited for any purpose other than compliance with the Insurance Act, a statement to that effect must be filed with the Statutory Financial Return.

Supervision, Investigation and Intervention. The Minister may appoint an inspector with extensive powers to investigate the affairs of an insurer if the Minister believes that an investigation is required in the interest of the insurer's policyholders or persons who may become policyholders. In order to verify or supplement information otherwise provided to him, the Minister may direct an insurer to produce documents or information relating to matters connected with the insurer's business.

If it appears to the Minister that there is a risk of the insurer becoming insolvent, or that the insurer is in breach of the Insurance Act or any conditions or its registration under the Insurance Act, the Minister may direct the insurer not to take on any new insurance business; not to vary any insurance contract if the effect would be to increase the insurer's liabilities; not to make certain investments; to realize certain investments; to maintain in, or transfer to the custody of a specified bank, certain assets; not to declare or pay any dividends or other distributions or to restrict the making of such payments and/or to limit its premium income.

An insurer is required to maintain a principal office in Bermuda and to appoint and maintain a principal representative in Bermuda. For the purpose of the Insurance Act, the principal office of each of Renaissance Reinsurance and Glencoe is at the Company's offices at Renaissance House, 8-12 East Broadway, Pembroke HM 19 Bermuda and Mr. John D. Nichols, the Company's Senior Vice President, is the principal representative of Renaissance Reinsurance and Glencoe. Without a reason acceptable to the Minister, an insurer may not terminate the appointment of its principal representative, and the principal representative may not cease to act as such, unless thirty days' notice in writing to the Minister is given of the intention to do so. It is the duty of the principal representative, within thirty days of his reaching the view that there is a likelihood of the insurer for which he acts becoming insolvent or its coming to his knowledge, or his having reason to believe, that a reportable event has occurred, to make a report in writing to the Minister setting out all the particulars of the case that are available to him. Examples of such an event include failure by the insurer to comply substantially with a condition imposed upon the insurer by the Minister relating to a solvency margin or a liquidity or other ratio.

Certain other Bermuda Law Considerations. As "exempted companies," RenaissanceRe and its Bermuda subsidiaries are exempt from certain Bermuda laws restricting the percentage of share capital that may be held by non-Bermudians. However, as exempted companies, RenaissanceRe and its Bermuda subsidiaries may not participate in certain business transactions, including (1) the acquisition or holding of land in Bermuda (except that required for their business and held by way of lease or tenancy for terms of not more than 50 years) without required authorization, (2) the taking of mortgages on land in Bermuda to secure an amount in excess of $50,000 without the consent of the Minister, (3) the acquisition of any bonds or debentures secured by any land in Bermuda, other than certain types of Bermuda government securities or (4) the carrying on of business of any kind in Bermuda, except in furtherance of their business carried on outside Bermuda or under license granted by the Minister. Generally it is not permitted without a special licence granted by the Minister to insure Bermuda domestic risks or risks of persons of, in or based in Bermuda.

RenaissanceRe and its Bermuda subsidiaries must comply with the provisions of the Companies Act regulating the payment of dividends and making distributions from contributed surplus. A company shall not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that: (a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (b) the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

United States and Other

Renaissance Reinsurance is not admitted to do business in any jurisdiction except Bermuda. The insurance laws of each state of the United States and of many other countries regulate the sale of insurance and reinsurance within their jurisdictions by alien insurers, such as Renaissance Reinsurance, which are not admitted to do business within such jurisdiction. With some exceptions, such sale of insurance or reinsurance within a jurisdiction where the insurer is not admitted to do business is prohibited. Renaissance Reinsurance does not intend to maintain an office or to solicit, advertise, settle claims or conduct other insurance activities in any jurisdiction other than Bermuda where the conduct of such activities would require that Renaissance Reinsurance be so admitted. Glencoe is eligible to write insurance in 29 states and is subject to the regulation and reporting requirements of these states. In accordance with certain requirements of the National Association of Insurance Commissioners (the "NAIC"), Glencoe has established, and is required to maintain, a trust funded with a minimum of $15.0 million as a condition of its status as a licensed, non-admitted insurer in the U.S.

DeSoto is a licensed insurer in Florida and Nobel is subject to regulation in all 50 U.S. states and the District of Columbia. The Company's U.S. operations are subject to extensive regulation under statutes which delegate regulatory, supervisory and administrative powers to state insurance commissioners. Such regulation generally is designed to protect policyholders rather than investors, and relates to such matters as the standard of solvency which must be met and maintained; the licensing of insurers and their agents; the nature of and extermination of the affairs of insurance companies, which includes periodic market conduct examinations by the regulatory authorities; annual and other reports, prepared on a statutory accounting basis, required to be filed on the financial condition of insurers or for other purposes; establishment and maintenance of reserves for unearned premiums and losses; and requirements regarding numerous other matters. In general, regulated insurers must file all rates for directly underwritten insurance with the insurance department of each state in which they operate on an admitted basis; however, reinsurance generally is not subject to rate regulation. Further, state insurance statutes typically place limitations on the amount of dividends or other distributions payable by insurance companies in order to protect their solvency. Florida, the jurisdiction of incorporation of DeSoto, requires that dividends be paid only out of earned surplus and limits the annual amount payable without the prior approval of the Florida Insurance Department to the greater of 10% of policyholders' surplus adjusted for unrealized gains or 100% of prior year statutory net income. Texas, the jurisdiction of incorporation of Nobel, currently requires that dividends be paid only out of earned statutory surplus and limits the annual amount of dividends payable without the prior approval of the Texas Insurance Department to the greater of 10% of statutory capital and surplus at the end of the previous calendar year or 100% of statutory net income from operations for the previous calendar year. These laws also impose prior approval requirements for certain transactions with affiliates.

Further, as a result of the Company's ownership of DeSoto and Nobel, under the terms of applicable state statutes, any person or entity desiring to purchase more than 10 percent of the Company's outstanding voting securities is required to obtain prior regulatory approval for the purchase.

The NAIC has established eleven financial ratios to assist state insurance departments in their oversight of the financial condition of insurance companies operating in their respective states. The NAIC calculates these ratios based on information submitted by insurers on an annual basis and shares the information with the applicable state insurance departments. The failure of the Company's U.S. insurance subsidiaries to comply with the acceptable range of such ratios could have an adverse effect on the Company.

In their ongoing effort to improve solvency regulations, the NAIC and individual states have enacted certain laws and statutory financial statement reporting requirements. For example, NAIC rules require audited statutory financial statements as well as actuarial certification of loss and loss adjustment expense reserves therein. Other activities are focused on greater disclosure of an insurer's reliance on reinsurance and changes in its reinsurance programs and stricter rules on accounting for certain overdue reinsurance. In addition, the NAIC has implemented risk-based capital requirements for property and casualty insurance companies (see below). These regulatory initiatives, and the overall focus on solvency, may intensify the restructuring and consolidation of the insurance industry. It is also possible that the U.S. Congress may enact legislation regulating the insurance industry. While the impact of these regulatory efforts on the Company's operations cannot be quantified until enacted, the Company believes it will be adequately positioned to compete in an environment of more stringent regulation.

The NAIC has implemented a risk-based capital measurement formula to be applied to all property/casualty insurance companies, which formula calculates a minimum required statutory net worth based on the underwriting, investment, credit loss reserve and other business risks applicable to the insurance company's operations. An insurance company that does not meet threshold risk-based capital measurement standards could be required to reduce the scope of its operations and ultimately could become subject to statutory receivership proceedings.

The Company's U.S. insurance subsidiaries are subject to guaranty fund laws which can result in assessments, up to prescribed limits, for losses incurred by policyholders as a result of the impairment or insolvency of unaffiliated insurance companies. Typically, an insurance company is subject to the guaranty fund laws of the states in which it conducts insurance business; however, companies which conduct business on a surplus lines basis in a particular state are generally exempt from that state's guaranty fund laws. The Company does not expect the amount of any such guaranty fund assessments to be paid by the Company, if any, in 2000 to be material.

The expansion of the Company's primary insurance operations, together with the potential of further expansion into additional insurance markets, could expose the Company or subsidiaries of the Company to increasing regulatory oversight. However, the Company intends to continue to conduct its operations so as to minimize the likelihood that RenaissanceRe or Renaissance Reinsurance will become subject to U.S. regulation.

OTHER AVAILABLE INFORMATION

The Company is subject to the information requirements of the Exchange Act, and in accordance therewith files reports, proxy statements and other information with the Commission. For further information regarding the Company, reference is made to such reports, proxy statements and other information which are available as described under "Available Information" and "Incorporation of Certain Documents by Reference."

GLOSSARY OF SELECTED INSURANCE TERMS

Attachment point	The amount of loss (per occurrence or in the aggregate, as the case may be) above which excess of loss reinsurance becomes operative.
Broker	One who negotiates contracts of insurance or reinsurance, receiving a commission for placement and other services rendered, between (1) a policy holder and a primary insurer, on behalf of the insured party, (2) a primary insurer and reinsurer, on behalf of the primary insurer, or (3) a reinsurer and a retrocessionaire, on behalf of the reinsurer.
Catastrophe excess of loss reinsurance	A form of excess of loss reinsurance that, subject to a specified limit, indemnifies the ceding company for the amount of loss in excess of a specified retention with respect to an accumulation of losses resulting from a "catastrophe cover."
Cede; Cedent; Ceding company	When a party reinsures its liability with another, it "cedes" business and is referred to as the "cedent" or "ceding company."
Claim expenses	The expenses of settling claims, including legal and other fees and the portion of general expenses allocated to claim settlement costs.
Claim reserves	Liabilities established by insurers and reinsurers to reflect the estimated cost of claims payments and the related expenses that the insurer or reinsurer will ultimately be required to pay in respect of insurance or reinsurance it has written. Reserves are established for losses and for claim adjustment expenses.
Excess of loss reinsurance	A generic term describing reinsurance that indemnifies the reinsured against all or a specified portion of losses on underlying insurance policies in excess of a specified amount, which is called a "level" or "retention." Also known as non-proportional reinsurance. Excess of loss reinsurance is written in layers. A reinsurer or group of reinsurers accepts a band of coverage up to a specified amount. The total coverage purchased by the cedent is referred to as a "program" and will typically be placed with predetermined reinsurers in pre-negotiated layers. Any liability exceeding the outer limit of the program reverts to the ceding company, which also bears the credit risk of a reinsurer's insolvency.
Funded cover	A form of insurance where the insured pays premiums to a reinsurer to serve essentially as a deposit in order to offset future losses. On a funded cover, there is generally limited or no transfer of risk for catastrophe losses from the insured to the reinsurer.
Generally accepted accounting principles	Accounting principles as set forth in opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or statements of the Financial Accounting Standards Board and/or their respective successors and which are applicable in the circumstances as of the date in question.
Incurred but not reported	Reserves for estimated losses that have been incurred by insureds and reinsureds but not yet reported to the insurer or reinsurer including

unknown future developments on losses which are known to the insurer or reinsurer.

Layer	The interval between the retention or attachment point and the maximum limit of indemnity for which a reinsurer is responsible.
Net premiums written	Gross premiums written for a given period less premiums ceded to reinsurers and retrocessionaires during such period.
Proportional reinsurance	A generic term describing all forms of reinsurance in which the reinsurer shares a proportional part of the original premiums and losses of the reinsured. (Also known as pro rata reinsurance, quota share reinsurance or participating reinsurance.) In proportional reinsurance the reinsurer generally pays the ceding company a ceding commission. The ceding commission generally is based on the ceding company's cost of acquiring the business being reinsured (including commissions, premium taxes, assessments and miscellaneous administrative expense) and also may include a profit factor.
Reinstatement premium	The premium charged for the restoration of the reinsurance limit of a catastrophe contract to its full amount after payment by the reinsurer of losses as a result of an occurrence.
Reinsurance	An arrangement in which an insurance company, the reinsurer, agrees to indemnify another insurance or reinsurance company, the ceding company, against all or a portion of the insurance or reinsurance risks underwritten by the ceding company under one or more policies. Reinsurance can provide a ceding company with several benefits, including a reduction in net liability on individual risks and catastrophe protection from large or multiple losses. Reinsurance also provides a ceding company with additional underwriting capacity by permitting it to accept larger risks and write more business than would be possible without a concomitant increase in capital and surplus, and facilitates the maintenance of acceptable financial ratios by the ceding company. Reinsurance does not legally discharge the primary insurer from its liability with respect to its obligations to the insured.
Retention	The amount or portion of risk that an insurer retains for its own account. Losses in excess of the retention level are paid by the reinsurer. In proportional treaties, the retention may be a percentage of the original policy's limit. In excess of loss business, the retention is a dollar amount of loss, a loss ratio or a percentage.
Retrocessional Reinsurance; Retrocessionaire	A transaction whereby a reinsurer cedes to another reinsurer, the retrocessionaire, all or part of the reinsurance that the first reinsurer has assumed. Retrocessional reinsurance does not legally discharge the ceding reinsurer from its liability with respect to its obligations to the reinsured. Reinsurance companies cede risks to retrocessionaires for reasons similar to those that cause primary insurers to purchase reinsurance: to reduce net liability on individual risks, to protect against catastrophic losses, to stabilize financial ratios and to obtain additional underwriting capacity.

Risk excess of loss reinsurance A form of excess of loss reinsurance that covers a loss of the reinsured on a single "risk" in excess of its retention level of the type reinsured, rather than to aggregate losses for all covered risks, as does catastrophe excess of loss reinsurance. A "risk" in this context might mean the insurance coverage on one building or a group of buildings or the insurance coverage under a single policy, which the reinsured treats as a single risk.

Statutory accounting principles ("SAP") Recording transactions and preparing financial statements in accordance with the rules and procedures prescribed or permitted by Bermuda and/or the United States state insurance regulatory authorities including the NAIC, which in general reflect a liquidating, rather than going concern, concept of accounting.

Underwriting The insurer's or reinsurer's process of reviewing applications submitted for insurance coverage, deciding whether to accept all or part of the coverage requested and determining the applicable premiums.

Underwriting capacity The maximum amount that an insurance company can underwrite. The limit is generally determined by the company's retained earnings and investment capital. Reinsurance serves to increase a company's underwriting capacity by reducing its exposure from particular risks.

Underwriting expenses The aggregate of policy acquisition costs, including commissions, and the portion of administrative, general and other expenses attributable to underwriting operations.

ITEM 2. PROPERTIES

The Company leases office space in Bermuda, where its executive offices are located.

Nobel owns a 39,000 square foot building at 8001 LBJ Freeway, Dallas, Texas. Approximately 10,000 square feet of this building is leased to unrelated tenants. Additionally, Nobel owns a 24,000 square foot building at 6923 North Trenholm Road, Columbia, South Carolina. Since Nobel has sold or reinsured a substantial portion of its operating businesses, it is considering the sale of these properties.

ITEM 3. LEGAL PROCEEDINGS

The Company is, from time to time, a party to litigation and arbitration that arises in the normal course of its business operations. While any proceeding contains an element of uncertainty, the Company believes that it is not presently a party to any such litigation or arbitration that is likely to have a material adverse effect on its business or operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of the Company's shareholders during the fourth quarter of 1999.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED SHAREHOLDER MATTERS.

The information with respect to the market for the Common Shares and related shareholder matters is contained under the caption "Financial and Investor Information" on page 56 of the Company's Annual Report to Shareholders for the year ended December 31, 1999 (the "Annual Report") and is incorporated herein by reference thereto in response to this item.

ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA

Selected Consolidated Financial Data is listed on page 20 of the Annual Report and is incorporated herein by reference thereto in response to this item. The selected financial data of the Company should be read in conjunction with the Consolidated Financial Statements of the Company and related Notes thereto contained in the Annual Report and incorporated herein by reference thereto.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information with respect to Management's discussion and analysis of financial condition and results of operations is contained under the caption "Management's Discussion and Analysis of Results of Operations and Financial Condition" on pages 21 through 32 of the Annual Report and is incorporated herein by reference thereto in response to this item.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information with regard to Quantitative and Qualitative Disclosures About Market Risk is contained on page 12 of this Form 10-K under the caption "Investments - Market Sensitive Instruments."

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Consolidated Financial Statements of the Company are contained on pages 34 through 54 of the Annual Report and are incorporated herein by reference thereto in response to this item. Reference is made to Item 14(a) of this Report for the Schedules to the Consolidated Financial Statements.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

This information with respect to directors and officers of the Company is contained under the captions "Directors and Executive Officers of the Company" on pages 4 through 7 of the Company's Definitive Proxy Statement in respect of the Annual General Meeting of Shareholders to be held on May 3, 2000 (the "Proxy Statement") and "Proposal 1" on page 25 of the Proxy Statement, and is incorporated herein by reference thereto in response to this item.

ITEM 11. EXECUTIVE COMPENSATION

The information with respect to executive compensation is contained under the subcaption "Executive Officer and Director Compensation" on pages 17 through 24 of the Proxy Statement, and is incorporated herein by reference thereto in response to this item.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information with respect to security ownership of certain beneficial owners and Management is contained under the caption "Security Ownership of Certain Beneficial Owners, Management and Directors" on pages 7 through 9 of the Proxy Statement, and is incorporated herein by reference thereto in response to this item.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information with respect to certain relationships and related transactions is contained under the caption "Certain Relationships and Related Transactions" on pages 10 through 12 of the Proxy Statement, and is incorporated herein by reference thereto in response to this item.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

a) Financial Statements and Exhibits.

1. The Consolidated Financial Statements of the Company and related Notes thereto are contained on pages 34 through 54 of the Company's 1999 Annual Report to Shareholders are incorporated herein by reference thereto.

2. The Schedules to the Consolidated Financial Statements of the Company are listed in the accompanying Index to Schedules to Consolidated Financial Statements and are filed as part of this Report.

3. The following exhibits are included in this Report:

3.1 Memorandum of Association.*

3.2 Amended and Restated Bye-Laws.##

3.3 Memorandum of Increase in Share Capital of Company.##

4.1 Specimen Common Share certificate.*

10.1 Investment Management Agreement, dated as of November 1, 1993, between GE Investment Management Incorporated and Renaissance Reinsurance Ltd.*

10.2 RenaissanceRe Holdings Ltd. Restricted Stock Plan.*

10.3 Agreement and Plan of Recapitalization, dated as of March 26, 1995, by and among RenaissanceRe Holdings, Ltd., Renaissance Reinsurance Ltd. and Investors named therein.*

10.4 Third Amended and Restated Employment Agreement, dated as of July 1, 1997, between Renaissance Reinsurance Ltd. and James N. Stanard, amended and restated as of June 3, 1998.#

10.5 Employment Agreement, dated as of February 4, 1998, between Renaissance Reinsurance Ltd. and William I. Riker.###

10.6 Employment Agreement, dated as of July 1, 1999, between Renaissance Reinsurance Ltd. and David A. Eklund.

10.7 Employment Agreement, dated as of October 17, 1997, between Renaissance Reinsurance Ltd. John M. Lummis.

10.8 Credit Agreement, dated as of October 5, 1999, among RenaissanceRe Holdings Ltd., various financial institutions which are, or may become, parties thereto (the "Lenders"), Deutsche Bank AG, as LC Issuer and Syndication Agent, Fleet National Bank,as Co-Agents, and Bank of America, National Association, as Administrative Agent for the Lenders.+++

10.9 Accession Agreement dated as of November 8, 1999, among RenaissanceRe Holdings Ltd. (the "Borrower"), Bank of America, National Association, as Administrative Agent (the "Administrative Agent"), Deutsche Bank AG, New York Branch, as LC Issuer (the "LC Issuer") and Mellon Bank, N.A., relating to the Credit Agreement dated as of October 5, 1999, among the Borrower, certain financial institutions which are signatories thereto, the LC Issuer and the Administrative Agent.

10.10 Equity Purchase Agreement, dated as of December 13, 1996, by and among RenaissanceRe Holdings Ltd., Warburg, Pincus Investors, L.P., Trustees of General Electric Pension Trust, GE Private Placement Partners I, Limited Partnership and United States Fidelity and Guaranty Company.^

10.11 RenaissanceRe Holdings Ltd. Second Amended and Restated 1993 Stock Incentive Plan.###

10.12 RenaissanceRe Holdings Ltd. Amended and Restated Non-Employee Director Stock Plan.###

10.13 Stock Purchase Agreement, dated December 19, 1997, by and among RenaissanceRe Holdings Ltd. and Renaissance U.S. Holdings, Inc. and Nobel Insurance Limited and Nobel Holdings, Inc.++

10.14 Guaranty Agreement, dated June 23, 1997, between RenaissanceRe Holdings Ltd. and The Bank of America.+

10.15 Amended and Restated Shareholders Agreement, dated as of March 23, 1998, by and among Warburg, Pincus Investors, L.P., Trustees of General Electric Pension Trust, GE Private Placement Partners I, Limited Partnership and United States Fidelity and Guaranty Company.###

10.16 Amended and Restated Registration Rights Agreement, dated as of March 23, 1998, by and among Warburg, Pincus Investors, L.P., PT Investments Inc., GE Private Placement Partners I-Insurance, Limited Partnership and United States Fidelity and Guaranty Company.###

10.17 Amended and Restated Declaration of Trust of RenaissanceRe Capital Trust, dated as of March 7, 1997, among the Company, as Sponsor, The Bank of New York, as Property Trustee, The Bank of New York (Delaware), as Delaware Trustee, and the Administrative Trustees named therein.^^

10.18 Indenture, dated as of March 7, 1997, among the Company, as Sponsor, and The Bank of New York, as Debenture Trustee.^^

10.19 Series A Capital Securities Guarantee Agreement, dated as of March 7, 1997, between the Company and The Bank of New York, as Trustee.^^

10.20 Registration Rights Agreement, dated March 7, 1997, among the Company, the Trust, Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Brothers Inc.^^

10.21 Credit Agreement between Renaissance U.S. Holdings, Inc., the Lenders named therein, and Bank of America National Trust and Savings Association as Administrative Agent, dated as of June 24, 1998.#

10.22 First Amendment to Credit Agreement between Renaissance U.S. Holdings Inc. the Lenders named therein, and Bank of America National Trust and Savings Association as Administrative Agent, dated as of December 31, 1998. @

10.23 Guaranty, dated as of June 24, 1998, among RenaissanceRe Holdings, Ltd., as Guarantor, and Bank of America National Trust & Savings Association.#

10.24 Share Purchase Agreement, dated as of November 17, 1999, between RenaissanceRe Holdings Ltd. And The St. Paul Companies, Inc.

13.1 Annual Report to Shareholders of RenaissanceRe Holdings Ltd. for the year ended December 31, 1999 (with the exception of the information incorporated by reference into Items 5, 7, 8 and 14 of this Report, such Annual Report to Shareholders is furnished for the information of the Commission and is not deemed "filed" as part of this Report).

21.1 List of Subsidiaries of the Registrant.

23.1 Consent of Ernst & Young.

27.1 Financial Data Schedule for the Year Ended December 31, 1999.

(b) Reports on Form 8-K

The Company filed no Current Reports on Form 8-K with the Commission during the fourth quarter of 1999.

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* Incorporated by reference to the Registration Statement on Form S-1 of the Company (Registration No. 33-70008) which was declared effective by the Commission on July 26, 1995.

^ Incorporated by reference to the Company's Current Report on Form 8-K, filed with the Commission on December 16, 1996, relating to an event which occurred on December 31, 1996.

^^ Incorporated by reference to the Company's Current Report on Form 8-K, filed with the Commission on March 19, 1997, relating to certain events which occurred on March 7, 1997.

+ Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997, filed with the Commission on October 22, 1997.

++ Incorporated by reference to the Company's Current Report on Form 8-K, filed with the Commission on January 6, 1998, relating to certain events which occurred on December 19, 1997.

+++ Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1996, filed with the Commission on March 21, 1997.

++++ Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1999, filed with the Commission on November 15, 1999.

Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 1998, filed with the Commission on August 4, 1998.

Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 1998, filed with the Commission on May 14, 1998.

Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1997, filed with the Commission on March 31, 1999.

@ Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1998, filed with the Commission on March 31, 1999.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Hamilton, Bermuda on March 30, 2000.

RENAISSANCERE HOLDINGS LTD.

/s/ James N. Stanard

James N. Stanard

President, Chief Executive Officer and
Chairman of the Board of Directors

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ James N. Stanard James N. Stanard	President and Chief Executive Officer and Chairman of the Board of Directors	March 30, 2000
/s/ John M. Lummis John M. Lummis	Senior Vice President and Chief Financial Officer (Principal Accounting Officer)	March 30, 2000
/s/ Arthur S. Bahr Arthur S. Bahr	Director	March 30, 2000
/s/ Thomas A. Cooper Thomas A. Cooper	Director	March 30, 2000
/s/ Edmund B. Greene Edmund B. Greene	Director	March 30, 2000
/s/ Brian Hall Brian Hall	Director	March 30, 2000
/s/ Gerald L. Igou Gerald L. Igou	Director	March 30, 2000
/s/ Kewsong Lee Kewsong Lee	Director	March 30, 2000
/s/ Paul J. Liska Paul J. Liska	Director	March 30, 2000
/s/ W. James MacGinnitie W. James MacGinnitie	Director	March 30, 2000

/s/ Howard H. Newman - ---------------------- Howard H. Newman	Director	March 30, 2000
/s/ Scott E. Pardee - ---------------------- Scott E. Pardee	Director	March 30, 2000
/s/ William I. Riker - ---------------------- William I. Riker	Director & Executive Vice President	March 30, 2000

RENAISSANCERE HOLDINGS LTD AND SUBSIDIARIES.

INDEX TO SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS

Schedules other than those listed above are omitted for the reason that they are not applicable.

REPORT OF INDEPENDENT AUDITORS ON SCHEDULES

To the Board of Directors and Shareholders of RenaissanceRe Holdings Ltd.

We have audited the consolidated financial statements of RenaissanceRe Holdings Ltd. and Subsidiaries as of December 31, 1999 and 1998, and for each of the three years in the period ended December 31, 1999, and have issued our report thereon dated January 28, 2000; such financial statements and our report thereon are incorporated by reference elsewhere in this Annual Report on Form 10-K. Our audits also included the financial statement schedules listed in item 14(a)(2) of this Registration Statement. These schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, the financial statement schedules referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

/s/ Ernst & Young

Hamilton, Bermuda
January 28, 2000

SCHEDULE I

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

SUMMARY OF INVESTMENTS

OTHER THAN INVESTMENTS IN RELATED PARTIES

(MILLIONS OF UNITED STATES DOLLARS)

TYPE OF INVESTMENT:	YEAR ENDED DECEMBER 31, 1999 AMORTIZED COST	YEAR ENDED DECEMBER 31, 1999 MARKET VALUE	AMOUNT AT WHICH SHOWN IN THE BALANCE SHEET
Fixed Maturities Available for Sale:			
U.S. Government bonds	$298.7	$295.7	$295.7
U.S. corporates	371.6	356.6	356.6
Non U.S. sovereign government bonds	55.3	54.4	54.4
Non U.S. corporate debt securities	50.5	54.0	54.0
U.S. mortgage backed securities	150.0	147.0	147.0
Subtotal	926.1	907.7	907.7
Other investments	8.6	8.6	8.6
Short-term investments	12.8	12.8	12.8
Cash and cash equivalents	132.1	132.1	132.1
Total investments, short-term investments, cash and cash equivalents	$1,079.6	$1,061.2	$1,061.2

SCHEDULE III

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

CONDENSED FINANCIAL INFORMATION OF REGISTRANT

RENAISSANCERE HOLDINGS LTD. BALANCE SHEETS

(PARENT COMPANY)

(THOUSANDS OF UNITED STATES DOLLARS, EXCEPT PER SHARE AMOUNTS)

	DECEMBER 31	
	1999	1998
ASSETS		
Cash	$ 48,483	$ 7,702
Investments available for sale	144,739	80,487
Investment in subsidiaries	673,229	650,515
Dividend receivable	30,637	24,294
Other assets	942	4,262
Total assets	$ 898,030	$ 767,260
LIABILITIES		
Loans payable	$ 200,000	$ 50,000
Minority interest - Company obligated, manditorily redeemable capital securities of a subsidiary trust holding solely junior subordinated debentures of the Company	89,630	100,000
Other liabilities	8,071	5,028
Total liabilities	297,701	155,028
SHAREHOLDERS' EQUITY		
Common Shares: $1 par value-authorized 225,000,000 shares issued and outstanding at December 31, 1999 - 19,686,480 (1998 - 21,645,913)	19,686	21,646
Additional paid-in capital	--	17,389
Unearned Stock Grant Compensation	(10,026)	(8,183)
Accumulated other comprehensive income	(18,470)	(5,144)
Retained earnings	609,139	586,524
Total shareholders' equity	600,329	612,232
Total liabilities and shareholders' equity	$ 898,030	$ 767,260

SCHEDULE III (CONT'D.)

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

CONDENSED FINANCIAL INFORMATION OF REGISTRANT

RENAISSANCERE HOLDINGS LTD.

STATEMENTS OF INCOME

(PARENT COMPANY)

(THOUSANDS OF UNITED STATES DOLLARS)

	YEAR ENDED DECEMBER 31, 1999	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997
Income:			
Investment income	$ 5,945	$ 1,364	$ 5,723
Total income	5,945	1,364	5,723
Expenses:			
Interest expense	6,805	3,059	4,271
Corporate expenses	3,120	3,317	3,218
Total expenses	9,925	6,376	7,489
Loss before equity in net income of subsidiaries & taxes	(3,980)	(5,012)	(1,766)
Equity in net income of Renaissance Reinsurance	117,408	126,768	146,209
Equity in net income of Renaissance U.S.	(2,746)	(44,274)	--
Equity in net income of Glencoe	2,809	6,340	2,421
Equity in net income of Renaissance Services	(962)	--	--
Income before minority interests & taxes	112,529	83,822	146,864
Minority interest - Company obligated, mandatorily redeemable capital securities of a subsidiary trust holding solely junior subordinated debentures of the Company	(8,288)	(8,540)	(6,998)
Minority interest - Glencoe	--	(705)	(617)
Net income before taxes	104,241	74,577	139,249
Income tax expense	--	--	--
Net income	$ 104,241	$ 74,577	$ 139,249

SCHEDULE III (CONT'D.)

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

CONDENSED FINANCIAL INFORMATION OF REGISTRANT-(CONTINUED)

RENAISSANCERE HOLDINGS LTD.

STATEMENTS OF CASH FLOWS

(PARENT COMPANY)

(THOUSANDS OF UNITED STATES DOLLARS)

	YEAR ENDED DECEMBER 31, 1999	YEAR ENDED DECEMBER 31, 1998	YEAR ENDED DECEMBER 31, 1997
Cash flows provided by (applied to) operating activities:			
Net income	$ 104,241	$ 74,577	$ 139,249
Less equity in net income of subsidiaries	116,509	88,129	148,013
	(12,268)	(13,552)	(8,764)
Adjustments to reconcile net loss to net cash provided by (applied to) operating activities			
Other	13,172	2,085	(4,013)
Net cash provided by (applied to) operating activities	904	(11,467)	(12,777)
Cash flows provided by investing activities:			
Contributions to subsidiary	(14,846)	(22,516)	(12,000)
Proceeds from sales of investments	199,562	76,770	73,793
Purchases of investments	(265,979)	(109,295)	(105,223)
Dividends from subsidiary	88,714	102,061	124,770
Purchase of minority interest in subsidiary	--	--	(5,185)
Net cash provided by investing activities	7,451	47,020	76,155
Cash flows provided by (applied to) financing activities:			
Proceeds from issuance (purchase) of Capital Securities	(8,591)	--	100,000
Repurchase of Common Shares	(80,098)	(42,724)	(53,458)
Dividend to Common Shareholders	(28,885)	(26,720)	(22,643)
Net proceeds from (repayment of) bank loan	150,000	--	(100,000)
Repayments of officer loans	--	--	4,104
Net cash provided by (applied to) financing activities	32,426	(69,444)	(71,997)
Net increase (decrease) in cash and cash equivalents	40,781	(33,891)	(8,619)
Balance at beginning of year	7,702	41,593	50,212
Balance at end of year	$ 48,483	$ 7,702	$ 41,593

SCHEDULE V

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

SUPPLEMENTARY INSURANCE INFORMATION

(THOUSANDS OF UNITED STATES DOLLARS)

	DECEMBER 31, 1999			YEAR ENDED DECEMBER 31, 1999					
	DEFERRED POLICY ACQUISITION COSTS	FUTURE POLICY BENEFITS, LOSSES, CLAIMS AND CLAIMS EXPENSES	UNEARNED PREMIUMS	PREMIUM REVENUE	NET INVESTMENT INCOME	BENEFITS, CLAIMS, LOSSES AND SETTLEMENT EXPENSES	AMORTIZATION OF DEFERRED POLICY ACQUISITION COSTS	OTHER OPERATING EXPENSES	NET PREMIUMS WRITTEN
Property...	$ 14,221	$ 478,601	$ 98,386	$ 221,117	$ 60,334	$ 77,141	$ 25,500	$ 36,768	$213,513

	DECEMBER 31, 1998			YEAR ENDED DECEMBER 31, 1998					
	DEFERRED POLICY ACQUISITION COSTS	FUTURE POLICY BENEFITS, LOSSES, CLAIMS AND CLAIMS EXPENSES	UNEARNED PREMIUMS	PREMIUM REVENUE	NET INVESTMENT INCOME	BENEFITS, CLAIMS, LOSSES AND SETTLEMENT EXPENSES	AMORTIZATION OF DEFERRED POLICY ACQUISITION COSTS	OTHER OPERATING EXPENSES	NET PREMIUMS WRITTEN
Property...	$ 10,997	$ 298,829	$ 94,466	$ 204,947	$ 52,834	$ 112,752	$ 26,506	$ 34,525	$195,019

	DECEMBER 31, 1997			YEAR ENDED DECEMBER 31, 1997					
	DEFERRED POLICY ACQUISITION COSTS	FUTURE POLICY BENEFITS, LOSSES, CLAIMS AND CLAIMS EXPENSES	UNEARNED PREMIUMS	PREMIUM REVENUE	NET INVESTMENT INCOME	BENEFITS, CLAIMS, LOSSES AND SETTLEMENT EXPENSES	AMORTIZATION OF DEFERRED POLICY ACQUISITION COSTS	OTHER OPERATING EXPENSES	NET PREMIUMS WRITTEN
Property...	$ 5,739	$ 110,037	$ 57,008	$ 211,490	$49,573	$ 50,015	$ 25,227	$ 25,131	$195,752

SCHEDULE VI

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

REINSURANCE

(THOUSANDS OF UNITED STATES DOLLARS)

	GROSS AMOUNT	CEDED TO OTHER COMPANIES	ASSUMED FROM OTHER COMPANIES	NET AMOUNT	PERCENTAGE OF AMOUNT ASSUMED TO NET
Year ended December 31, 1999					
Property Premiums Written..............	$ 68,961	$ 137,792	$ 282,344	$ 213,513	132%
Year ended December 31, 1998					
Property Premiums Written..............	$ 63,271	$ 75,441	$ 207,189	$ 195,019	106%
Year ended December 31, 1997					
Property Premiums Written..............	$ 7,041	$ 32,535	$ 221,246	$ 195,752	113%

SCHEDULE X

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

SUPPLEMENTARY INFORMATION CONCERNING

PROPERTY/CASUALTY INSURANCE OPERATIONS

(EXPRESSED IN UNITED STATES DOLLARS)

(DOLLARS IN THOUSANDS)

Affiliation with Registrant	Deferred Policy Acquisition Costs	Reserve for Unpaid Claims and Claims Expenses	Discount if any, Deducted	Unearned Premiums	Earned Premiums	Net Investment Income
Consolidated Subsidiaries						
Year ended December 31, 1999	$ 14,221	$478,601	$ --	$ 98,386	$221,117	$ 60,334
Year ended December 31, 1998	$ 10,997	$298,829	$ --	$ 94,466	$204,947	$ 52,834
Year ended December 31, 1997	$ 5,739	$110,037	$ --	$ 57,008	$211,490	$ 49,573

Affiliation with Registrant	Claims and Claims Expense Incurred Related to Current Year	Claims and Claims Expense Incurred Related to Prior Years	Amortization of Deferred Policy Acquisition Costs	Paid Claim and Claims Expenses	Net Premiums Written
Consolidated Subsidiaries					
Year ended December 31, 1999	$ 111,720	$(34,579)	$ 25,500	$ 99,740	$213,513
Year ended December 31, 1998	$ 96,431	$ 16,321	$ 26,506	$ 80,594	$195,019
Year ended December 31, 1997	$ 50,015	$ 0	$ 25,227	$ 45,399	$195,752

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

EXHIBITS

TO

FORM 10-K

Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 1999

RenaissanceRe Holdings Ltd.

1. The Consolidated Financial Statements of the Company and related Notes thereto are contained on pages 34 through 54 of the Company's 1999 Annual Report to Shareholders are incorporated herein by reference thereto.

2. The Schedules to the Consolidated Financial Statements of the Company are listed in the accompanying Index to Schedules to Consolidated Financial Statements and are filed as part of this Report.

3. The following exhibits are included in this Report:

3.1 Memorandum of Association.*

3.2 Amended and Restated Bye-Laws.#

3.3 Memorandum of Increase in Share Capital of Company.##

4.1 Specimen Common Share certificate.*

10.1 Investment Management Agreement, dated as of November 1, 1993, between GE Investment Management Incorporated and Renaissance Reinsurance Ltd.*

10.2 RenaissanceRe Holdings Ltd. Restricted Stock Plan.*

10.3 Agreement and Plan of Recapitalization, dated as of March 26, 1995, by and among RenaissanceRe Holdings, Ltd., Renaissance Reinsurance Ltd. and Investors named therein.*

10.4 Third Amended and Restated Employment Agreement, dated as of July 1, 1997, between Renaissance Reinsurance Ltd. and James N. Stanard, amended and restated as of June 3, 1998.#

10.5 Employment Agreement, dated as of February 4, 1998, between Renaissance Reinsurance Ltd. and William I. Riker.###

10.6 Employment Agreement, dated as of July 1, 1999, between Renaissance Reinsurance Ltd. and David A. Eklund.

10.7 Employment Agreement, dated as of October 17, 1997, between Renaissance Reinsurance Ltd. and John M. Lummis.

10.8 Credit Agreement, dated as of October 5, 1999, among RenaissanceRe Holdings Ltd., various financial institutions which are, or may become, parties thereto (the "Lenders"), Deutsche Bank AG, as LC Issuer and Syndication Agent, Fleet National Bank, as Co-Agents, and Bank of America, National Association, as Administrative Agent for the Lenders.+++

10.9 Accession Agreement dated as of November 8, 1999, among RenaissanceRe Holdings Ltd. (the "Borrower"), Bank of America, National Association, as Administrative Agent (the "Administrative Agent"), Deutsche Bank AG, New York Branch, as LC Issuer (the "LC Issuer") and Mellon Bank, N.A., relating to the Credit Agreement dated as of October 5, 1999, among the Borrower, certain financial institutions which are signatories thereto, the LC Issuer and the Administrative Agent.

10.10 Equity Purchase Agreement, dated as of December 13, 1996, by and among RenaissanceRe Holdings Ltd., Warburg, Pincus Investors, L.P., Trustees of General Electric Pension Trust, GE Private Placement Partners I, Limited Partnership and United States Fidelity and Guaranty Company.^

10.11 RenaissanceRe Holdings Ltd. Second Amended and Restated 1993 Stock Incentive Plan.###

10.12 RenaissanceRe Holdings Ltd. Amended and Restated Non-Employee Director Stock Plan.###

10.13 Stock Purchase Agreement, dated December 19, 1997, by and among RenaissanceRe Holdings Ltd. and Renaissance U.S. Holdings, Inc. and Nobel Insurance Limited and Nobel Holdings, Inc.++

10.14 Guaranty Agreement, dated June 23, 1997, between RenaissanceRe Holdings Ltd. and The Bank of America.+

10.15 Amended and Restated Shareholders Agreement, dated as of March 23, 1998, by and among Warburg, Pincus Investors, L.P., Trustees of General Electric Pension Trust, GE Private Placement Partners I, Limited Partnership and United States Fidelity and Guaranty Company.###

10.16 Amended and Restated Registration Rights Agreement, dated as of March 23, 1998, by and among Warburg, Pincus Investors, L.P., PT Investments Inc., GE Private Placement Partners I-Insurance, Limited Partnership and United States Fidelity and Guaranty Company.###

10.17 Amended and Restated Declaration of Trust of RenaissanceRe Capital Trust, dated as of March 7, 1997, among the Company, as Sponsor, The Bank of New York, as Property Trustee, The Bank of New York (Delaware), as Delaware Trustee, and the Administrative Trustees named therein.^^

10.18 Indenture, dated as of March 7, 1997, among the Company, as Sponsor, and The Bank of New York, as Debenture Trustee.^^

10.19 Series A Capital Securities Guarantee Agreement, dated as of March 7, 1997, between the Company and The Bank of New York, as Trustee.^^

10.20 Registration Rights Agreement, dated March 7, 1997, among the Company, the Trust, Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Salomon Brothers Inc.^^

10.21 Credit Agreement between Renaissance U.S. Holdings, Inc., the Lenders named therein, and Bank of America National Trust and Savings Association as Administrative Agent, dated as of June 24, 1998.#

10.22 First Amendment to Credit Agreement between Renaissance U.S. Holdings Inc. the Lenders named therein, and Bank of America National Trust and Savings Association as Administrative Agent, dated as of December 31, 1998. @

10.23 Guaranty, dated as of June 24, 1998, among RenaissanceRe Holdings, Ltd., as Guarantor, and Bank of America National Trust & Savings Association.#

10.24 Share Purchase Agreement, dated as of November 17, 1999, between RenaissanceRe Holdings Ltd. And The St. Paul Companies, Inc.

13.1 Annual Report to Shareholders of RenaissanceRe Holdings Ltd. for the year ended December 31, 1999 (with the exception of the information incorporated by reference into Items 5, 7, 8 and 14 of this Report, such Annual Report to Shareholders is furnished for the information of the Commission and is not deemed "filed" as part of this Report).

21.1 List of Subsidiaries of the Registrant.

23.1 Consent of Ernst & Young.

27.1 Financial Data Schedule for the Year Ended December 31, 1999.

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*   Incorporated by reference to the Registration Statement on Form S-1 of the Company (Registration No. 33-70008) which was declared effective by the Commission on July 26, 1995.

^   Incorporated by reference to the Company's Current Report on Form 8-K, filed with the Commission on December 16, 1996, relating to an event which occurred on December 31, 1996.

^^   Incorporated by reference to the Company's Current Report on Form 8-K, filed with the Commission on March 19, 1997, relating to certain events which occurred on March 7, 1997.

+   Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997, filed with the Commission on October 22, 1997.

++   Incorporated by reference to the Company's Current Report on Form 8-K, filed with the Commission on January 6, 1998, relating to certain events which occurred on December 19, 1997.

+++   Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1996, filed with the Commission on March 21, 1997.

++++   Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1999, filed with the Commission on November 15, 1999.

Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 1998, filed with the Commission on August 14, 1998.

Incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 1998, filed with the Commission on May 14, 1998.

Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1997, filed with the Commission on March 31, 1998.

@   Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1999, filed with the Commission on March 31, 1999.

EMPLOYMENT AGREEMENT

This Employment Agreement is dated as of July 1, 1999, and is entered into between Renaissance Reinsurance Ltd., a Bermuda company (the "Company"), and David A. Eklund ("Executive").

WHEREAS, Executive is currently employed as Executive Vice President of the Company pursuant to an agreement dated May 27, 1997 (the "Prior Agreement"); and

WHEREAS, Executive and the Company desire to replace the Prior Agreement and to embody in this Agreement new terms and conditions under which Executive shall continue to be employed by the Company.

NOW, THEREFORE, the parties hereby agree:

ARTICLE I.

Employment, Duties and Responsibilities

1.1. Employment. During the Term (as defined below), Executive shall serve as Executive Vice President and Chief Underwriting Officer of the Company. Executive agrees to devote his full time and efforts to promote the interests of the Company.

1.2. Duties and Responsibilities. Executive shall have such duties and responsibilities as specified by the Company's Board of Directors (the "Company's Board") from time to time and as are consistent with his position.

1.3. Base of Operation. Executive's principal base of operation for the performance of his duties and responsibilities under this Agreement shall be the offices of the Company in Hamilton, Bermuda; provided, however, that Executive shall perform such duties and responsibilities outside of Bermuda as shall from time to time be reasonably necessary to fulfill his obligations hereunder. Executive's performance of any duties and responsibilities outside of Bermuda shall be conducted in a manner consistent with any guidelines provided to Executive by Holdings' Board of Directors (the "Holdings Board").

ARTICLE II.

Term

2.1. Term. Subject to Article V, the employment of Executive under this Agreement shall be for a term (the "Term") commencing as of the date first written above and continuing until June 30, 2003, unless sooner terminated as provided herein.

ARTICLE III.

Compensation and Expenses

3.1. Salary, Incentive Awards and Benefits. As compensation and consideration for the performance by Executive of his obligations under this Agreement, Executive shall be entitled, during the Term, to the following (subject, in each case, to the provisions of ARTICLE V hereof):

(a) Salary; Bonus. The Company shall pay Executive a base salary at a rate to be determined by the Company's Board, upon recommendation of the Chief Executive Officer of the Company, payable in accordance with the normal payment procedures of the Company and subject to such withholding and other normal employee deductions as may be required by law. Bonuses shall be payable at the discretion of the Company.

(b) Awards. Executive may participate in the Second Amended and Restated 1993 Stock Incentive Plan of RenaissanceRe Holdings Ltd. (the "Plan"). Executive may receive grants from time to time as determined by the Compensation Committee of the Holdings Board. Executive shall enter into separate award agreements with respect to such awards granted to him ("Awards") under the Plan, and his rights with respect to such Awards shall be governed by the Plan and such award agreements.

(c) Restricted Stock. Executive is hereby granted 75,000 shares of restricted common stock of Holdings (the "Restricted Stock") under the Plan. The Restricted Stock shall vest at the rate of 20% per year on a cumulative basis, commencing on May 14, 2000, and shall be subject to the terms of the Plan and Restricted Stock Agreement with respect to the Restricted Stock to be entered into at the date herewith.

(d) Benefits. Executive shall be eligible to participate in such life insurance, health, disability and major medical insurance benefits, and in such other employee benefit plans and programs for the benefit of the employees and officers of the Company, as may be maintained from time to time during the Term, in each case to the extent and in the manner available to other officers of the Company and subject to the terms and provisions of such plan or program.

(e) Vacation. Executive shall be entitled to reasonable paid vacation periods, not to exceed five weeks for each full year during the Term, to be taken at his discretion, in a manner consistent with his obligations to the Company under this Agreement, and subject, with respect to timing, to the reasonable approval of the Chief Executive Officer of the Company.

(f) Indemnification/Liability Insurance. The Company shall indemnify Executive as required by the Bye-laws, and may maintain customary insurance policies providing for indemnification of Executive.

3.2. Expenses; Perquisites. During the Term, the Company shall provide Executive with the following expense reimbursements and perquisites:

(a) Business Expenses. The Company will reimburse Executive for reasonable business-related expenses incurred by him in connection with the performance of his duties hereunder, subject, however, to the Company's policies relating to business-related expenses as in effect from time to time.

(b) Housing. The Company shall reimburse Executive for all reasonable expenses incurred in connection with Executive's maintenance of a place of residence in Bermuda, as approved from time to time by the Board.

(c) Automobile. The Company shall provide Executive with an automobile with a value comparable to automobiles customarily provided to executive officers of comparable Bermuda-based companies.

(d) Tax Gross-Up. To the extent that benefits provided to Executive under subsection 3.02(b) of this Agreement result in imputed income and a resulting increased income tax liability to Executive, the Company shall pay Executive a tax reimbursement benefit in an amount such that, after deduction of all income taxes payable with respect to such tax reimbursement benefit, the amount retained by Executive will be equal to the amount of such increased income tax liability.

ARTICLE IV.

Exclusivity, Etc.

4.1. Exclusivity; Non-Competition. Executive agrees to perform his duties, responsibilities and obligations hereunder efficiently and to the best of his ability. Executive agrees that he will devote his entire working time, care and attention and best efforts to such duties, responsibilities and obligations throughout the Term. Executive also agrees that during the Term he will not engage in any business activities that are competitive with the business activities of the Company or any of its divisions, subsidiaries or affiliates.

4.2. Other Business Ventures. Executive agrees that during the Term he will not own, directly or indirectly, any controlling or substantial stock or other beneficial interest in any business enterprise which is engaged in business activities that are competitive with the business activities of the Company or any of its divisions, subsidiaries or affiliates. The preceding sentence notwithstanding, Executive may own, directly or indirectly, up to 1% of the outstanding capital stock of any business having a class of capital stock which is traded on any major stock exchange or in a national over-the-counter market.

4.3. Confidential Information. Executive agrees that he will not, at any time during or after the Term, make use of or divulge to any other person, firm or corporation any trade or business secret, process, method or means, or any other confidential information concerning the business or policies of the Company or any of its divisions, subsidiaries or affiliates, which he may have learned in connection with his employment hereunder. For purposes of this Agreement, a "trade or business secret, process, method or means, or any other confidential information" shall mean any information designated as confidential by the Company's Board and as to which Executive receives notice, provided that Executive shall be obligated to confer periodically with and assist the Company's Board in determining which information should, in the best interests of the Company, be so designated. Executive's obligation under this Section 4.03 shall not apply to any information which (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of Executive; (iii) is known to Executive prior to his receipt of such information from the Company, as evidenced by written records of Executive or (iv) is hereafter disclosed to Executive by a third party not under an obligation of confidence to the Company. Executive agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company's Board, any document or other object containing or reflecting any such confidential information. Executive recognizes that all such documents and objects, whether developed by him or by someone else, will be the sole exclusive property of the Company. Upon termination of his employment hereunder, Executive shall forthwith deliver to the Company all such confidential information, including without limitation all lists of customers, correspondence, accounts, records and any other documents or property made or held by him or under his control in relation to the business or affairs of the Company or its subsidiaries or affiliates, and no copy of any such confidential information shall be retained by him.

4.4. Non-Competition Obligations. During the Term and, other than in the case of the death or disability of Executive, upon any termination of the employment of Executive, Executive shall not, until the earlier of (x) two years from the date of such termination or (y) June 30, 2004 (the "Non-Competition Period"), directly or indirectly, whether as an employee consultant, independent contractor, partner, joint venturer or otherwise, (A) engage in any business activities reasonably determined by the Company's Board to be competitive, to a material extent, with any substantial type or kind of business activities conducted by the Company or any of its divisions, subsidiaries or affiliates at the time of such termination; (B) on behalf of any person or entity engaged in business activities competitive with the business activities of the Company or any of its divisions, subsidiaries or affiliates, solicit or induce, or in any manner attempt to solicit or induce, any person employed by, or as agent of, the Company or any of its divisions, subsidiaries or affiliates to terminate such person's contract of employment or agency, as the case may be, with the Company or with any such division, subsidiary or affiliate or (C) divert, or attempt to divert, any person, concern, or entity from doing business with the Company or any of its divisions, subsidiaries or affiliates, nor will he attempt to induce any such person, concern or entity to cease being a customer or supplier of the Company or any of its divisions, subsidiaries or affiliates. The preceding sentence notwithstanding, in the case of (i) a voluntary termination of employment by Executive prior to a "Change in Control," or a voluntary termination following a "Change in Control" which is not for "Good Reason" (each as hereinafter defined), or (ii) a termination by the Company for Cause (as hereinafter defined), the Company may elect, within 14 days after the date of such termination, to waive Executive's non-competition obligations, in which case it shall not be required to make payments to Executive during the Non-Competition Period, as provided in Section 5.05(a).

4.5. Remedies. Executive acknowledges that the Company's remedy at law for a breach by him of the provisions of this Article IV will be inadequate. Accordingly, in the event of a breach or threatened breach by Executive of any provision of this Article IV, the Company shall be entitled to injunctive relief in addition to any other remedy it may have. If any of the provisions of, or covenants contained in, this Article IV are hereafter construed to be invalid or unenforceable in any jurisdiction, the same shall not affect the remainder of the provisions or the enforceability thereof in any other jurisdiction, which shall be given full effect, without regard to the invalidity or unenforceability in such other jurisdiction. If any of the provisions of, or covenants contained in, this Article IV are held to be unenforceable in any jurisdiction because of the duration or geographical scope thereof, the parties agree that the court making such determination shall have the power to reduce the duration or geographical scope of such provision or covenant and, in its reduced form, such provision or covenant shall be enforceable; provided, however, that the determination of such court shall not affect the enforceability of this Article IV in any other jurisdiction.

ARTICLE V.

Termination

5.1. Termination for Cause. The Company shall have the right to terminate Executive's employment at any time for "Cause". For purposes of this Agreement, "Cause" shall mean (a) Executive's failure to substantially perform his duties under this Agreement, (b) the engaging by Executive in misconduct which is injurious to the Company or any of its divisions, subsidiaries or affiliates, monetarily or otherwise, (c) the commission by Executive of an act of fraud or embezzlement against the Company or any of its divisions, subsidiaries or affiliates, (d) the conviction of Executive of a felony, or (e) Executive's material breach of the provisions of any of Sections 4.01, 4.02 or 4.03 of this Agreement, provided Executive has received prior written notice of such breach.

5.2. Death. In the event Executive dies during the Term, Executive's employment shall automatically terminate, such termination to be effective on the date of Executive's death.

5.3. Disability. In the event that Executive suffers a disability which prevents him from substantially performing his duties under this Agreement for a period of at least 90 consecutive days, or 180 non-consecutive days within any 365-day period, and Executive becomes eligible for the Company's long-term disability plan, the Company shall have the right to terminate Executive's employment, such termination to be effective upon the giving of notice to Executive in accordance with Section 6.03 of this Agreement.

5.4. Termination Without Cause. The Company may at any time terminate Executive's employment for reasons other than Cause.

5.5. Effect of Termination.

(a) Obligations of Company. In the event of any termination of Executive's employment hereunder, the Company shall pay Executive any earned but unpaid base salary. In addition, except as provided in Section 5.06, upon a termination of Executive's employment for any reason other than Executive's death or disability, the Company shall continue to pay Executive during the Non-Competition Period, his then current base salary, and an amount equal to the highest regular annual bonus paid or payable to Executive over the preceding three fiscal years (excluding any extraordinary or non-recurring bonus), such amounts to be payable in equal monthly installments commencing on the date which is one month after the date of such termination. The preceding sentence notwithstanding, in the event of a termination of employment described in the last sentence of Section 4.04 of this Agreement, if the Company elects to waive Executive's non-competition obligations within 14 days after the date of such termination, the Company shall not be required to make such additional payments.

(b) Restricted Stock. Except as otherwise provided in Section 5.06(B) hereof, Executive's rights with respect to Restricted Stock upon any termination of his employment with the Company shall be governed exclusively by the terms and conditions of the Plan and any agreements executed by Executive in connection with the Restricted Stock.

(c) Obligations of Executive. Executive may terminate his employment at any time by 10 days' written notice to the Company. Executive shall have no obligations to the Company under this Agreement after the termination of his employment, except and to the extent Sections 4.03, 4.04 or 4.05 shall apply.

5.6. Termination Following a Change in Control. In the event that a Change in Control occurs (as hereinafter defined) and, on or within two years following the date of such Change in Control, Executive's employment is terminated by the Company without Cause, or Executive terminates his employment voluntarily for "Good Reason" (as hereinafter defined), then

(A) in lieu of the payments described in the second sentence of Section 5.05(a), the Company shall pay Executive, within fifteen days following the date of such termination, a lump sum cash amount equal to two times the sum of:

(i) Executive's annual base salary at the highest rate in effect during the Term; and

(ii) the highest regular annual bonus paid or payable to Executive over the preceding three fiscal years (excluding any extraordinary or non-recurring bonus) and

(B) notwithstanding anything to the contrary in the Plan, the portion of the Restricted Stock that had not yet vested shall not vest as of the date of such Change in Control but shall become fully vested as of the date of such termination.

For purposes of this Agreement, "Good Reason" means

(i) any action taken or failed to be taken by the Company or any of its officers which, without Executive's prior written consent, changes Executive's position (including titles), authority, duties or responsibilities from those in effect prior to the Change in Control, or reduces Executive's ability to carry out such duties and responsibilities;

(ii) any failure by the Company to comply with any of the provisions of Section 3 of this Agreement, other than an insubstantial or inadvertent failure which is remedied by the Company promptly after receipt of notice thereof from Executive;

(iii) the Company's requiring Executive to be employed at any location more than 35 miles further from his current principal residence than the location at which Executive was employed immediately preceding the Change in Control; or

(iv) any failure by the Company to obtain the assumption of and agreement to perform this Agreement by a successor as contemplated by Section 6.02(b) of this Agreement.

For purposes of this Agreement, "Change in Control" means the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of securities representing more than 50% of the value and voting power of all of the outstanding equity securities of Holdings (the "Outstanding Equity Securities"); provided, however, that the following acquisitions shall not constitute a Change in Control: (i) any acquisition by Holdings, (ii) any acquisition by one or more of the "Investors" (as such term is defined in the Plan) or any entity directly or indirectly controlling, controlled by, or under common control with, one or more of the Investors (an "Investor Affiliate"), or (iii) any acquisition by a corporation pursuant to a merger, consolidation or other similar transaction (a "Corporate Event") if, as a result of such Corporate Event, (A) substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Equity Securities immediately prior to such Corporate Event beneficially own, directly or indirectly, securities representing more than 50% of the value and voting power of the then outstanding equity securities of the corporation resulting from such Corporate Event (including a corporation which, as a result of such transaction, owns Holdings or all or substantially all of Holdings' assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Event, of the Outstanding Equity Securities, and (B) no Person other than (1) one or more of the Investors or any Investor Affiliate, or (2) any corporation resulting from such Corporate Event, beneficially owns, directly or indirectly, securities representing more than 50% of the value and voting power of the then outstanding equity securities of the corporation resulting from such Corporate Event.

Except as specifically provided in this Section 5.06, the effect of a termination of Executive's employment following a Change in Control shall be governed by the provisions of Section of 5.05.

ARTICLE VI.

Miscellaneous

6.1. Life Insurance. Executive agrees that the Company or any of its divisions, subsidiaries or affiliates may apply for and secure and own insurance on Executive's life (in amounts determined by the Company). Executive agrees to cooperate fully in the application for and securing of such insurance, including the submission by Executive to such physical and other examinations, and the answering of such questions and furnishing of such information by Executive, as may be required by the carrier(s) of such insurance. Notwithstanding anything to the contrary contained herein, neither the Company nor any of its divisions, subsidiaries or affiliates shall be required to obtain any insurance for or on behalf of Executive.

6.2. Benefit of Agreement; Assignment; Beneficiary. (a) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns, including, without limitation, any corporation or person which may acquire all or substantially all of the Company's assets or business, or with or into which the Company may be consolidated or merged. This Agreement shall also inure to the benefit of, and be enforceable by, Executive and his personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

(b) The Company shall require any successor (whether direct or indirect, by operation of law, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

6.3. Notices. Any notice required or permitted hereunder shall be in writing and shall be sufficiently given if personally delivered or if sent by telegram or telex or by registered or certified mail, postage prepaid, with return receipt requested, addressed: (a) in the case of the Company, to Renaissance Reinsurance Ltd., Renaissance House, East Broadway, Hamilton, Bermuda, Attention: Secretary, or to such other address and/or to the attention of such other person as the Company shall designate by written notice to Executive; and (b) in the case of Executive, to Executive at his then current home address as shown on the Company's books, or to such other address as Executive shall designate by written notice to the Company. Any notice given hereunder shall be deemed to have been given at the time of receipt thereof by the person to whom such notice is given.

6.4. Entire Agreement; Amendment. This Agreement contains the entire agreement of the parties hereto with respect to the terms and conditions of Executive's employment and supersedes any and all prior agreements and understandings, whether written or oral, between the parties hereto with respect to compensation due for services rendered hereunder including, without limitation, the Prior Agreement. This Agreement may not be changed or modified except by an instrument in writing signed by both of the parties hereto.

6.5. Waiver. The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a continuing waiver or as a consent to or waiver of any subsequent breach hereof.

6.6. Headings. The Article and Section headings herein are for convenience of reference only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

6.7. Enforcement. If any action at law or in equity is brought by either party hereto to enforce or interpret any of the terms of this Agreement, the prevailing party shall be entitled to reimbursement by the other party of the reasonable costs and expenses incurred in connection with such action (including reasonable attorneys' fees), in addition to any other relief to which such party may be entitled. Executive shall have no right to enforce any of his rights hereunder by seeking or obtaining injunctive or other equitable relief and acknowledges that damages are an adequate remedy for any breach by the Company of this Agreement.

6.8. Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the internal laws of Bermuda without reference to the principles of conflict of laws. The parties submit to the non-exclusive jurisdiction of the courts of Bermuda.

6.9. Agreement to Take Actions. Each party to this Agreement shall execute and deliver such documents, certificates, agreements and other instruments, and shall take such other actions, as may be reasonably necessary or desirable in order to perform his or its obligations under this Agreement or to effectuate the purposes hereof.

6.10. No Mitigation; No Offset. Executive shall not be required to mitigate damages or the amount of any payment provided for under this Agreement by seeking (and, without limiting the generality of this sentence, no payment otherwise required under this Agreement shall be reduced on account of) other employment or otherwise, and payments under this Agreement shall not be subject to offset in respect of any claims which the Company may have against Executive.

6.11. Attorneys' Fees. Each party to this Agreement will bear its own expenses in connection with any dispute or legal proceeding between the parties arising out of the subject matter of this Agreement, including any proceeding to enforce any right or provision under this Agreement.

6.12. Termination; Survivorship. This Agreement shall terminate upon termination of Executive's employment, except that the respective rights and obligations of the parties under this Agreement as set forth herein shall survive any termination of this Agreement to the extent necessary to the intended preservation of such rights and obligations.

6.13. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision or provisions of this Agreement, which shall remain in full force and effect.

6.14. Other Agreements. Executive represents and warrants to the Company that to the best of his knowledge, neither the execution and delivery of this Agreement nor the performance of his duties hereunder violates or will violate the provisions of any other agreement to which he is a party or by which he is bound.

6.15. Subsidiaries, etc. (a) The obligations of the Company under this Agreement may be satisfied by any subsidiary or affiliate of the Company for which Executive serves as an employee under this Agreement, to the extent such obligations relate to Executive's employment by such subsidiary or affiliate.

(b) The rights of the Company under this Agreement may be enforced by any Subsidiary or affiliate of the Company for which Executive serves as an employee under this Agreement, to the extent such rights relate to Executive's employment by such subsidiary or affiliate.

6.16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the Company and Executive have duly executed this Agreement as of the date first above written.

RENAISSANCE REINSURANCE LTD.

By: /s/ James N. Stanard

Name: James N. Stanard
Title: Chairman, President and CEO

/s/ David A. Eklund

David A. Eklund

EMPLOYMENT AGREEMENT

This Employment Agreement is dated as of October 17, 1997 and is entered into between Renaissance Reinsurance Ltd., a Bermuda company (the "Company"), and John M. Lummis ("Executive").

WHEREAS, Executive is currently employed as a Senior Vice President and Chief Financial Officer of the Company; and

WHEREAS, Executive and the Company desire to embody in this Agreement the terms and conditions under which Executive shall continue to be employed by the Company.

NOW, THEREFORE, the parties hereby agree:

ARTICLE I.

Employment, Duties and Responsibilities

1.1. Employment. During the Term (as defined below), Executive shall serve as a Senior Vice President and Chief Financial Officer of the Company and its parent, RenaissanceRe Holdings Ltd. ("Holdings"). Executive agrees to devote his full time and efforts to promote the interests of the Company.

1.2. Duties and Responsibilities. Executive shall have such duties and responsibilities as specified by the Company's Board of Directors (the "Company's Board") from time to time and as are consistent with his position.

1.3. Base of Operation. Executive's principal base of operation for the performance of his duties and responsibilities under this Agreement shall be the offices of the Company in Hamilton, Bermuda; provided, however, that Executive shall perform such duties and responsibilities outside of Bermuda as shall from time to time be reasonably necessary to fulfill his obligations hereunder. Executive's performance of any duties and responsibilities outside of Bermuda shall be conducted in a manner consistent with any guidelines provided to Executive by Holdings' Board of Directors (the "Holdings Board").

Article II.

Term

2.1. Term. Subject to Article V, the employment of the Executive under this Agreement shall be for a term (the

"Term") commencing as of the date first written above and continuing until July 1, 1998; provided, however, that the Term shall be extended for successive one-year periods as of July 1st of each year commencing with July 1, 1998 (each, a "Renewal Date") unless, with respect to any such Renewal Date, either party hereto gives the other party at least 30 days prior written notice of its election not to so extend the Term.

Article III.

Compensation and Expenses

3.1. Salary, Incentive Awards and Benefits. As compensation and consideration for the performance by Executive of his obligations under this Agreement, Executive shall be entitled, during the Term, to the following (subject, in each case, to the provisions of ARTICLE V hereof):

(a) Salary; Bonus. The Company shall pay Executive a base salary at a rate to be determined by the Board, upon recommendation of the Chief Executive Officer, payable in accordance with the normal payment procedures of the Company and subject to such withholding and other normal employee deductions as may be required by law. Bonuses shall be payable at the discretion of the Company.

(b) Awards. Executive may participate in the Second Amended and Restated 1993 Stock Incentive Plan of RenaissanceRe Holdings Ltd. (the "Plan"). Executive may receive grants from time to time as determined by the Compensation Committee of the Holdings Board. Executive shall enter into separate award agreements with respect to such awards granted to him ("Awards") under the Plan, and his rights with respect to such Awards shall be governed by the Plan and such award agreements.

(c) Benefits. Executive shall be eligible to participate in such life insurance, health, disability and major medical insurance benefits, and in such other employee benefit plans and programs for the benefit of the employees and officers of the Company, as may be maintained from time to time during the Term, in each case to the extent and in the manner available to other officers of the Company and subject to the terms and provisions of such plan or program.

(d) Vacation. Executive shall be entitled to reasonable paid vacation periods, not to exceed five weeks for each full year during the Term, to be taken at his discretion, in a manner consistent with his obligations to the Company under this Agreement, and subject, with respect to timing, to the reasonable approval of the Chief Executive Officer of the Company.

(e) Indemnification/Liability Insurance. The Company shall indemnify Executive as required by the Bye-laws, and may maintain customary insurance policies providing for indemnification of Executive.

3.2. Expenses; Perquisites. During the Term, the Company shall provide Executive with the following expense reimbursements and perquisites:

(a) Business Expenses. The Company will reimburse Executive for reasonable business-related expenses incurred by him in connection with the performance of his duties hereunder, subject, however, to the Company's policies relating to business-related expenses as in effect from time to time.

(b) Automobile. The Company shall provide Executive with an automobile with a value comparable to automobiles customarily provided to executive officers of comparable Bermuda-based companies.

(c) Tax Gross-Up. To the extent that benefits provided to Executive under subsections 3.02(b) of this Agreement result in imputed income and a resulting increased income tax liability to Executive, the Company shall pay Executive a tax reimbursement benefit in an amount such that, after deduction of all income taxes payable with respect to such tax reimbursement benefit, the amount retained by Executive will be equal to the amount of such increased income tax liability.

Article IV.

Exclusivity, Etc.

4.1. Exclusivity; Non-Competition. Executive agrees to perform his duties, responsibilities and obligations hereunder efficiently and to the best of his ability. Executive agrees that he will devote his entire working time, care and attention and best efforts to such duties, responsibilities and obligations throughout the Term. Executive also agrees that during the Term he will not engage in any business activities that are competitive with the business activities of the Company or any of its divisions, subsidiaries or affiliates.

4.2. Other Business Ventures. Executive agrees that during the Term he will not own, directly or indirectly, any controlling or substantial stock or other beneficial interest in any business enterprise which is engaged in business activities that are competitive with the business activities of the Company or any of its divisions, subsidiaries or affiliates. The preceding sentence notwithstanding, Executive may own, directly or indirectly, up to 1% of the outstanding capital stock of any business having a class of capital stock which is traded on any major stock exchange or in a national over-the-counter market.

4.3. Confidential Information. Executive agrees that he will not, at any time during or after the Term, make use of or divulge to any other person, firm or corporation any trade or business secret, process, method or means, or any other confidential information concerning the business or policies of the Company or any of its divisions, subsidiaries or affiliates, which he may have learned in connection with his employment hereunder. For purposes of this Agreement, a "trade or business secret, process, method or means, or any other confidential information" shall mean any information designated as confidential by the Board and as to which Executive receives notice, provided that Executive shall be obligated to confer periodically with and assist the Board in determining which information should, in the best interests of the Company, be so designated. Executive's obligation under this Section 4.03 shall not apply to any information which (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of Executive; (iii) is known to Executive prior to his receipt of such information from the Company, as evidenced by written records of Executive or (iv) is hereafter disclosed to Executive by a third party not under an obligation of confidence to the Company. Executive agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Board, any document or other object containing or reflecting any such confidential information. Executive recognizes that all such documents and objects, whether developed by him or by someone else, will be the sole exclusive property of the Company. Upon termination of his employment hereunder, Executive shall forthwith deliver to the Company all such confidential information, including without limitation all lists of customers, correspondence, accounts, records and any other documents or property made or held by him or under his control in relation to the business or affairs of the Company or its subsidiaries or affiliates, and no copy of any such confidential information shall be retained by him.

4.4. Non-Competition Obligations. During the Term and, other than in the case of the death or disability of the Executive, upon any termination of the employment of the Executive (including a termination by reason of either party's election not to extend the Term as provided in Section 2.01), the Executive shall not, for a period of one year from the date of such termination (the "Non-Competition Period"), directly or indirectly, whether as an employee consultant, independent contractor, partner, joint venturer or otherwise, (A) engage in any business activities reasonably determined by the Company's Board to be competitive, to a material extent, with any substantial type or kind of business activities conducted by the Company or any of its divisions, subsidiaries or affiliates at the time of such termination; (B) on behalf of any person or entity engaged in business activities competitive with the business activities of the Company or any of its divisions, subsidiaries or affiliates, solicit or induce, or in any manner attempt to solicit or induce, any person employed by, or as agent of, the Company or any of its divisions, subsidiaries or affiliates to terminate such person's contract of employment or agency, as the case may be, with the Company or with any such division, subsidiary or affiliate or (C) divert, or attempt to divert, any person, concern, or entity from doing business with the Company or any of its divisions, subsidiaries or affiliates, nor will he attempt to induce any such person, concern or entity to cease being a customer or supplier of the Company or any of its divisions, subsidiaries or affiliates. The preceding sentence notwithstanding, in the case of (i) a voluntary termination of employment by the Executive which is not for "Good Reason" following a "Change in Control" (each as hereinafter defined), (ii) a termination by the Company for Cause (as hereinafter defined), or (iii) an election by the Executive not to extend the term as provided in Section 2.01, the Company may elect, within 14 days after the date of such termination, to waive the Executive's non-competition obligations, in which case it shall not be required to make payments to the Executive during the Non-Competition Period, as provided in Section 5.05(a).

4.5. Remedies. Executive acknowledges that the Company's remedy at law for a breach by him of the provisions of this Article IV will be inadequate. Accordingly, in the event of a breach or threatened breach by Executive of any provision of this Article IV, the Company shall be entitled to injunctive relief in addition to any other remedy it may have. If any of the provisions of, or covenants contained in, this Article IV are hereafter construed to be invalid or unenforceable in any jurisdiction, the same shall not affect the remainder of the provisions or the enforceability thereof in any other jurisdiction, which shall be given full effect, without regard to the invalidity or unenforceability in such other jurisdiction. If any of the provisions of, or covenants contained in, this Article IV are held to be unenforceable in any jurisdiction because of the duration or geographical scope thereof, the parties agree that the court making such determination shall have the power to reduce the duration or geographical scope of such provision or covenant and, in its reduced form, such provision or covenant shall be enforceable; provided, however, that the determination of such court shall not affect the enforceability of this Article IV in any other jurisdiction.

Article V.

Termination

5.1. Termination for Cause. The Company shall have the right to terminate Executive's employment at any time for "Cause". For purposes of this Agreement, "Cause" shall mean (a) Executive's failure to substantially perform his duties under this Agreement, (b) the engaging by Executive in misconduct which is injurious to the Company or any of its divisions, subsidiaries or affiliates, monetarily or otherwise, (c) the commission by Executive of an act of fraud or embezzlement against the Company or any of its divisions, subsidiaries or affiliates, (d) the conviction of Executive of a felony, or (e) Executive's material breach of the provisions of any of Sections 4.01, 4.02 or 4.03 of this Agreement, provided Executive has received prior written notice of such breach.

5.2. Death. In the event Executive dies during the Term, the Executive's employment shall automatically terminate, such termination to be effective on the date of Executive's death.

5.3. Disability. In the event that Executive suffers a disability which prevents him from substantially performing his duties under this Agreement for a period of at least 90 consecutive days, or 180 non-consecutive days within any 365-day period, and Executive becomes eligible for the Company's long-term disability plan, the Company shall have the right to terminate the Executive's employment, such termination to be effective upon the giving of notice to Executive in accordance with Section 6.03 of this Agreement.

5.4. Termination Without Cause. The Company may at any time terminate Executive's employment for reasons other than Cause.

5.5. Effect of Termination.

(a) Obligations of Company. In the event of any termination of the Executive's employment hereunder, the Company shall pay Executive any earned but unpaid base salary. In addition, except as provided in Section 5.06, upon a termination of Executive's employment for any reason other than the Executive's death or disability (including a termination by reason of either party's election not to extend the Term as provided in Section 2.01), the Company shall continue to pay Executive during the Non-Competition Period, his then current base salary, and an amount equal to the highest regular annual bonus paid or payable to the Executive over the preceding three fiscal years (excluding any extraordinary or non-recurring bonus), such amounts to be payable in equal monthly installments commencing on the date which is one month after the date of such termination. The preceding sentence notwithstanding, in the event of a termination of employment described in the last sentence of Section 4.04 of this Agreement, if the Company elects to waive the Executive's non-competition obligations within 14 days after the date of such termination, the Company shall not be required to make such additional payments.

(b) Awards. Executive's rights with respect to Awards, upon any termination of his employment with the Company, shall be governed exclusively by the terms and conditions of the Plan and any award agreements executed by Executive in connection with the Plan.

(c) Obligations of Executive. Executive may terminate his employment at any time by 10 days' written notice to the Company. Executive shall have no obligations to the Company under this Agreement after the termination of his employment, except and to the extent Sections 4.03, 4.04 or 4.05 shall apply.

5.6. Termination Following a Change in Control. In the event that a Change in Control occurs (as hereinafter defined) and, on or within one year following the date of such Change in Control, the Executive's employment is terminated by the Company without Cause, or the Company elects not to extend the Term as provided in Section 2.01, or the Executive terminates his employment voluntarily for "Good Reason" (as hereinafter defined), then in lieu of the payments described in the second sentence of Section 5.05(a), the Company shall pay the Executive, within fifteen days following the date of such termination, a lump sum cash amount equal to two times the sum of:

(i) Executive's annual base salary at the highest rate in effect during the Term; and

(ii) the highest regular annual bonus paid or payable to the Executive over the preceding three fiscal years (excluding any extraordinary or non-recurring bonus).

For purposes of this Agreement, "Good Reason" means

(i) any action taken or failed to be taken by the Company or any of its officers which, without Executive's prior written consent, changes Executive's position (including titles), authority, duties or responsibilities from those in effect prior to the Change in Control, or reduces Executive's ability to carry out such duties and responsibilities;

(ii) any failure by the Company to comply with any of the provisions of Section 3 of this Agreement, other than an insubstantial or inadvertent failure which is remedied by the Company promptly after receipt of notice thereof from Executive;

(iii) the Company's requiring Executive to be employed at any location more than 35 miles further from his current principal residence than the location at which Executive was employed immediately preceding the Change in Control; or

(iv) any failure by the Company to obtain the assumption of and agreement to perform this Agreement by a successor as contemplated by Section 6.02(b) of this Agreement.

For purposes of this Agreement, "Change of Control" means the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act") (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of securities representing more than 50% of the value and voting power of all of Holdings' outstanding equity securities (the "Outstanding Equity Securities"); provided, however, that the following acquisitions shall not constitute a Change of Control: (i) any acquisition by the Holdings (ii) any acquisition by one or more of the "Investors" (as such term is defined in the Plan) or any entity directly or indirectly controlling, controlled by, or under common control with, one or more or the Investors (an "Investor Affiliate"), or (iii) any acquisition by a corporation pursuant to a merger, consolidation or other similar transaction (a "Corporate Event") if, as a result of such Corporate Event, (a) substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Equity Securities immediately prior to such Corporate Event beneficially own, directly or indirectly, securities representing more than 50% of the value and voting power of the then outstanding equity securities of the corporation resulting from such Corporate Event (including a corporation which, as result of such transaction, owns Holdings or all or substantially all of Holding's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Corporate Even, of the Outstanding Equity Securities, and (b) no Person other than (1) one of more of the Investors or any Investor Affiliate, or (2) any corporation resulting from such Corporate Event, beneficially owns, directly or indirectly, securities representing more than 50% of the value and voting power of the then outstanding equity securities of the corporation resulting from such Corporate Event.

Except as specifically provided in this Section 5.06, the effect of a termination of Executive's employment following a Change in Control shall be governed by the provisions of Section of 5.05.

Article VI.

Miscellaneous

6.1. Life Insurance. Executive agrees that the Company or any of its divisions, subsidiaries or affiliates may apply for and secure and own insurance on Executive's life (in amounts determined by the Company). Executive agrees to cooperate fully in the application for and securing of such insurance, including the submission by Executive to such physical and other examinations, and the answering of such questions and furnishing of such information by Executive, as may be required by the carrier(s) of such insurance. Notwithstanding anything to the contrary contained herein, neither the Company nor any of its divisions, subsidiaries or affiliates shall be required to obtain any insurance for or on behalf of Executive.

6.2. Benefit of Agreement; Assignment; Beneficiary. (a) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns, including, without limitation, any corporation or person which may acquire all or substantially all of the Company's assets or business, or with or into which the Company may be consolidated or merged. This Agreement shall also inure to the benefit of, and be enforceable by, Executive and his personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

(b) The Company shall require any successor (whether direct or indirect, by operation of law, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

6.3. Notices. Any notice required or permitted hereunder shall be in writing and shall be sufficiently given if personally delivered or if sent by telegram or telex or by registered or certified mail, postage prepaid, with return receipt requested, addressed: (a) in the case of the Company to Renaissance Reinsurance Ltd., Renaissance House, East Broadway, Hamilton, Bermuda, Attention: Secretary, or to such other address and/or to the attention of such other person as the Company shall designate by written notice to Executive; and (b) in the case of Executive, to Executive at his then current home address as shown on the Company's books, or to such other address as Executive shall designate by written notice to the Company. Any notice given hereunder shall be deemed to have been given at the time of receipt thereof by the person to whom such notice is given.

6.4. Entire Agreement; Amendment. This Agreement contains the entire agreement of the parties hereto with respect to the terms and conditions of Executive's employment and supersedes any and all prior agreements and understandings, whether written or oral, between the parties hereto with respect to compensation due for services rendered hereunder. This Agreement may not be changed or modified except by an instrument in writing signed by both of the parties hereto.

6.5. Waiver. The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a continuing waiver or as a consent to or waiver of any subsequent breach hereof.

6.6. Headings. The Article and Section headings herein are for convenience of reference only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

6.7. Enforcement. If any action at law or in equity is brought by either party hereto to enforce or interpret any of the terms of this Agreement, the prevailing party shall be entitled to reimbursement by the other party of the reasonable costs and expenses incurred in connection with such action (including reasonable attorneys' fees), in addition to any other relief to which such party may be entitled. Executive shall have no right to enforce any of his rights hereunder by seeking or obtaining injunctive or other equitable relief and acknowledges that damages are an adequate remedy for any breach by the Company of this Agreement.

6.8. Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the internal laws of Bermuda without reference to the principles of conflict of laws. The parties submit to the non-exclusive jurisdiction of the courts of Bermuda.

6.9. Agreement to Take Actions. Each party to this Agreement shall execute and deliver such documents, certificates, agreements and other instruments, and shall take such other actions, as may be reasonably necessary or desirable in order to perform his or its obligations under this Agreement or to effectuate the purposes hereof.

6.10. No Mitigation; No Offset. Executive shall not be required to mitigate damages or the amount of any payment provided for under this Agreement by seeking (and, without limiting the generality of this sentence, no payment otherwise required under this Agreement shall be reduced on account of) other employment or otherwise, and payments under this Agreement shall not be subject to offset in respect of any claims which the Company may have against Executive.

6.11. Attorneys' Fees. Each party to this Agreement will bear its own expenses in connection with any dispute or legal proceeding between the parties arising out of the subject matter of this Agreement, including any proceeding to enforce any right or provision under this Agreement.

6.12. Termination; Survivorship. This Agreement shall terminate upon termination of the Executive's employment, except that the respective rights and obligations of the parties under this Agreement as set forth herein shall survive any termination of this Agreement to the extent necessary to the intended preservation of such rights and obligations.

6.13. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision or provisions of this Agreement, which shall remain in full force and effect.

6.14. Other Agreements. Executive represents and warrants to the Company that to the best of his knowledge, neither the execution and delivery of this Agreement nor the performance of his duties hereunder violates or will violate the provisions of any other agreement to which he is a party or by which he is bound.

6.15. Subsidiaries, etc. (a) The obligations of the Company under this Agreement may be satisfied by any subsidiary or affiliate of the Company for which Executive serves as an employee under this Agreement, to the extent such obligations relate to Executive's employment by such subsidiary or affiliate.

(b) The rights of the Company under this Agreement may be enforced by any Subsidiary or affiliate of the Company for which Executive serves as an employee under this Agreement, to the extent such rights relate to Executive's employment by such subsidiary or affiliate.

6.16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the Company and Executive have duly executed this Agreement as of the date first above written.

RenaissanceRe Holdings LTD.

By: /s/ James N. Stanard

James N. Stanard
Chairman, President & CEO

/s/ John M. Lummis

Name: John M. Lummis
Title: Senior Vice President &
Chief Financial Officer

ACCESSION AGREEMENT

This ACCESSION AGREEMENT dated November 8, 1999 among RenaissanceRe Holdings Ltd. (the "Borrower"), Bank of America, National Association, as Administrative Agent (the "Administrative Agent"), Deutsche Bank AG, New York Branch, as LC Issuer (the "LC Issuer") and Mellon Bank, N.A. (the "Additional Lender") supplements the Credit Agreement dated as of October 5, 1999 (the "Credit Agreement") among the Borrower, certain financial institutions which are signatories thereto (the "Lenders"), the LC Issuer and the Administrative Agent.

1. Reference is made to the Credit Agreement. All terms defined therein shall have the meanings set forth therein when used in this Accession Agreement unless otherwise defined herein.

2. Effective as of any day on or after the date set forth above and on or before April 10, 2000 selected by the Borrower upon five Business Days' notice to the Administrative Agent and the Additional Lender (the "Effective Date"), the Additional Lender shall be added as a Lender pursuant to the terms of Section 2.13(b) of the Credit Agreement and shall have all the rights and obligations as a Lender under the Credit Agreement.

3. The commitment of the Additional Lender shall be $25,000,000 and after giving effect hereto the aggregate Commitments of all Lenders under the Credit Agreement shall be $300,000,000.

4. As of the Effective Date, Schedule 2.1 of the Credit Agreement is amended in its entirety as set forth on Schedule 2.1 hereto.

5. The Additional Lender represents and warrants that:

(i) It is duly organized and existing, has full power and authority to take, and has taken, all action necessary to execute and deliver this Accession Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Accession Agreement and to fulfill its obligations hereunder and under the Credit Agreement;

(ii) This Accession Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Additional Lender, enforceable against the Additional Lender in accordance with the terms hereof, subject, as to enforcement, to bankruptcy, insolvency, moratorium, reorganization and other laws of general application relating to and effecting creditors' rights and to general equitable principles.

(iii) It has received a copy of the Credit Agreement and the Schedules and Exhibits thereto, together with copies of the most recent financial statements referred to in Section 6.1 of the Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit and legal analysis and decision to enter into this Accession Agreement.

(iv) None of the Agents, the LC Issuer or any Lender has made any representations or warranties about the creditworthiness of the Borrower or with respect to the legality, validity, sufficiency or enforceability of the Credit Agreement or any other Loan Document.

6. In order to induce the Additional Lender, the Issuing Bank and the Administrative Agent to execute and deliver this Accession Agreement, the Borrower hereby represents and warrants that no Default or Event of Default has occurred and is continuing.

7. As hereby supplemented, the Credit Agreement shall remain in full force and effect.

8. This Accession Agreement is a Loan Document and shall be governed by and construed in accordance with, the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have caused this Accession Agreement to be executed by the proper and duly authorized officers as of the day and year first above written.

RENAISSANCERE HOLDINGS LTD.

By: /s/ John M. Lummis

Title: CFO - Senior Vice President

DEUTSCHE BANK AG, NEW YORK BRANCH,
as LC Issuer

By: /s/ John S. McGill /s/ Alex Krouk

Title: Director / Assistant Vice President

BANK OF AMERICA, NATIONAL
ASSOCIATION, as Administrative Agent

By: /s/ Debra J. Basler

Title: Vice President

MELLON BANK, N.A., as Additional Lender

By: /s/ Susan M. Whitewood

Title: Vice President

SCHEDULE 2.1

COMMITMENTS

Lender	Commitment Amount	Pro Rata Share
Bank of America, National Association	$ 89,000,000.00	29.666666666%
Fleet National Bank	$ 50,000,000.00	16.666666667%
Deutsche Bank	$ 60,000,000.00	20.000000000%
Bank of Bermuda	$ 35,000,000.00	11.666666667%
First Union National Bank	$ 15,000,000.00	5.000000000%
The Bank of N.T. Butterfield & Son Limited	$ 26,000,000.00	8.666666667%
Mellon Bank, N.A.	$ 25,000,000.00	8.333333333%
	$300,000,000.00	100.000000000%

[Letterhead of RenaissanceRe Holdings Ltd.]

November 11, 1999

The St. Paul Companies, Inc.
385 Washington Street
St. Paul, MN 55102-1396
Attn: Mr. Thomas Bradley

Gentlemen:

The St. Paul Companies, Inc. ("St. Paul") hereby agrees to sell to RenaissanceRe Holdings Ltd. (the "Company") and the Company hereby agrees to repurchase from St. Paul, 700,000 of the Company's full voting Common Shares, par value $1.00 per share (the "Common Shares"), for an aggregate purchase price of $26,600,000.00. The closing of such purchase and sale shall occur on November 17, 1999.

St. Paul represents and warrants to the Company that it has valid and marketable title to the Common Shares to be sold by it hereunder, free and clear of any liens or other impairments, and that the transactions contemplated hereby have been carried on by St. Paul without the intervention of any broker, finder or other person acting on its behalf in such manner as to give rise to any valid claim by any person against the Company for a finder's fee, brokerage commission or other similar payment.

For so long as St. Paul and its affiliates own at least 8% of the voting rights of the Company, the Company agrees to notify St. Paul of any proposed share repurchase authorizations, and to provide to St. Paul the estimated change that such authorizations will have on the voting rights of St. Paul.

If you are in accordance with the terms set forth herein, please acknowledge and agree by signing in the space provided below.

Very truly yours,

RENAISSANCERE HOLDINGS LTD.

By: /s/ James N. Stanard

Name: James N. Stanard
Title: Chairman, President and Chief Executive Officer

Acknowledged and Agreed to by:

THE ST. PAUL COMPANIES, INC.

By: /s/ Thomas A. Bradley

Name: Thomas A. Bradley
Title: Senior Vice President - Finance

COMPANY OVERVIEW

RenaissanceRe Holdings Ltd. ("RenaissanceRe") provides reinsurance and insurance coverage where the risk of natural catastrophes represents a significant component of the overall exposure. We are a leader in using sophisticated computer models to construct an optimal portfolio of these coverages.

Our principal business is property catastrophe reinsurance. Our subsidiary, Renaissance Reinsurance Ltd. ("Renaissance Reinsurance"), is one of the three largest providers of this coverage in the world. We provide reinsurance to insurance companies and other reinsurers primarily on an excess of loss basis. This means that we begin paying when our customers' claims from a particular catastrophe exceed a certain retained amount. Through these coverages we are subject to claims arising from large natural catastrophes, such as earthquakes and hurricanes, and we are also exposed to claims arising from other natural and man-made catastrophes such as winter storms, freezes, floods, fires and tornadoes. In addition, we opportunistically write other classes of risk, which in the past has included aviation, satellite and marine reinsurance.

We also provide primary insurance. This business is written through two subsidiaries, Glencoe Insurance Ltd. ("Glencoe") and DeSoto Insurance Company ("DeSoto"). Through these subsidiaries, we write commercial insurance in various areas of the United States and homeowners' insurance in Florida, focusing on business exposed to natural catastrophes.

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Financial Highlights
RenaissanceRe Holdings Ltd. and Subsidiaries

(amounts in thousands, except per share amounts)	1999	1998	1997	1996	1995
Gross premiums written	$ 351,305	$270,460	$228,287	$269,913	$292,607
Operating income*	119,961	121,547	142,144	159,098	160,471
Net income	104,241	74,577	139,249	156,160	162,786
Common dividends declared and paid	28,885	26,720	22,643	20,489	4,096
Per share amounts					
Operating income - diluted	$ 5.82	$ 5.42	$ 6.19	$ 6.12	$ 6.65
Net income - diluted	5.05	3.33	6.06	6.01	6.75
Book value	30.50	28.28	26.68	23.21	18.99
Dividends declared	1.40	1.20	1.00	0.80	0.16
Operating return on average shareholders' equity	19.8%	19.2%	25.0%	29.8%	43.2%
Operating ratios					
Claims and claim expense ratio*	34.9%	33.1%	23.7%	34.3%	38.3%
Underwriting expense ratio	28.1%	29.3%	23.8%	17.0%	13.7%
Combined ratio	63.0%	62.4%	47.5%	51.3%	52.0%

* Operating income excludes net realized gains (losses) on investments. Operating income and operating ratios exclude 1998 fourth quarter charges relating to Nobel Insurance Company. (See note 8 to the Consolidated Financial Statements.)

Operating Return on Average

43.2%	29.8%	25.0%	19.2%	19.8%
1995	1996	1997	1998	1999

Book Value per Share Equity

$18.99%	$23.21%	$26.68	$28.28	$30.50
1995	1996	1997	1998	1999

Jim Stanard
Chairman, President and
Chief Executive Officer

Dear Fellow Shareholder:

RenaissanceRe turned in a very strong performance in 1999, a year with the second largest amount of insured catastrophe losses in history. Our 20% return on average equity ("ROE") ranked us number one--by a wide margin--when compared with our competitors. This marks the seventh year in a row in which we have been the top performer among our peers.

Producing consistently superior returns comes down to execution. Ours is explained by three "success factors":

o superior risk selection. This is based on our proprietary REMS(C) risk modeling system, the deep experience of our underwriters and their effectiveness at using REMS(C) as a decision support tool. The tutorial on page 18 discusses practical issues in the effective use of catastrophe models.

o customer focused marketing. We are aggressive and responsive, known to our market for the speed with which we offer quotes and pay claims.

o shareholder focused capital management. We have always actively managed our capital, seeking to maximize value for our shareholders.

The Underwriting Cycle:

The prolonged slide in reinsurance pricing, combined with a year with above-average loss activity, produced the worst results across the worldwide reinsurance industry since 1992. This year many insurance and reinsurance companies are reporting unsatisfactory results, and have begun to cut their total premium by shedding underpriced business. Although it was an above-average year for insured cat losses, it was also a year of near misses. While winds over 100 mph on December 26 were truly unusual for Paris, Hurricanes Bret and Floyd could easily have taken much more destructive paths, which would have turned 1999 into a record setting loss year for the industry. (For a detailed description of this year's industry catastrophes, see the review of operations on page 9.)

In this very active year of catastrophes, RenaissanceRe delivered an outstanding underwriting profit and an attractive ROE. In addition, our core reinsurance business showed significant growth both in gross and net written premium income. How did we manage to deliver that performance?

To explain, let me start with a little history. We have always been willing to be contrarian, and have been out of step with the market at several points since we were formed:

o In 1993, as one of eight newly formed catastrophe companies, and the one with the smallest capital, we were very active in our marketing. Our management team had been through pricing cycles before; we knew that prices were very high, so it was the right time to grow quickly. We also began to invest millions of dollars to develop our REMS(C) pricing and exposure management system, before cat modeling became fashionable.

o In 1996, as some competitors were just hitting their growth stride, we began to cut back business as prices fell. We also began to buy retrocessional protection for ourselves, even though these actions cut our top line and reduced our earnings per share ("EPS") in years with low losses. Our ROE was still at a very high level, and at this stage of the cycle we, as shareholders, felt the right move was to reduce our risk--because we were not getting paid as much for bearing that risk as we had been in 1993 through 1995.

o We allowed net premium to fall from 1996 through 1998. Although we still had the best ROE of our peer group in 1996 and 1997, our margin of out-performance was narrowing because we were hedging our risk by buying more reinsurance (reducing net premium). These years were low loss years, which did not truly test the quality of anyone's reinsurance portfolio (see graph on page 9).

o Beginning in the fall of 1998, the environment changed. A series of catastrophes tested the effectiveness of reinsurance company risk management. Our net losses were small, while many reinsurers experienced six disappointing quarters from various events: Hurricane Georges, the record Australian hailstorm, the Oklahoma tornadoes, Hurricane Floyd and Typhoon Bart, earthquakes in Turkey and Taiwan, and the windstorms Anatol, Lothar and Martin in Europe.

During 1999, we maintained our operating ROE at about 20% because we had let business go rather than follow pricing down and had carefully protected ourselves by buying reinsurance. We were not surprised by our results from any of these events, and we did not have underpriced business that we needed to cut. Accordingly, as markets began to react to this string of losses, we were there to provide coverage--at our prices. That is how we have achieved our premium growth in 1999.

Although we have renewed a significant amount of our own reinsurance coverage, we will have less protection and therefore will be keeping a larger net risk position in 2000. Although reinsurance coverage will be costing us more, we expect to get corresponding price increases on the business that we are writing, so the combined effect should allow us to maintain the quality (the risk/reward balance) of our net portfolio.

Primary Operations:

Our primary operations produced a satisfactory return in 1999. One accomplishment was dealing with the problems at Nobel. We sold all of the old lines of business, and we believe that the charge we took in fourth quarter 1998 is still adequate. The silver lining from the Nobel situation is that after the initial problems were recognized, we moved quickly and effectively to address them, and now have a 50-state-licensed company that we can use to expand cat-exposed primary property business--when market conditions warrant. DeSoto and Glencoe have been profitable, but have allowed their premium to shrink, due to the current competitive conditions in the primary markets.

Capital Management:

We have always been active managers of our capital, and our depressed stock price gave us the opportunity during 1999 to buy back 10% of the Company at an average of 119% of year-end 1999 book value. We evaluate buybacks by looking at the book value dilution that results and assessing how many quarters we expect it will take to earn back the dilution. For 1999 the payback period was quite short, and all buybacks have been accretive to EPS.

During the year we also initiated two significant joint ventures that enhanced our capital base. State Farm Mutual Automobile Insurance Company, the largest property/casualty insurer in the United States, is our partner in the first venture, Top Layer Re. This vehicle, which has $3 billion of capital, is devoted to writing high-layer international cat business. Overseas Partners Ltd. is our partner in the second venture, known as OPCat, which has $450 million in capital. OPCat will write "side-by-side" with Renaissance in our core cat reinsurance business. These ventures provide us with both additional presence in the market as well as fee income. They allow us to leverage our access to business and our underwriting capability on a larger capital base while still actively managing our equity base in Renaissance to maximize value to our shareholders.

Our founding institutional shareholders sold some of their Renaissance stock during the year. In light of the increasing public ownership of our stock, Brian Hall and James MacGinnitie joined our Board as independent directors. Howard Newman of Warburg Pincus will be resigning from our Board; we owe Howard a debt of gratitude for his counsel and support to the Company since our formation.

Challenges:

We succeeded in the challenges that I laid out last year: to maintain the positive momentum in our core business and to carefully build our start-ups, all with a view to getting our ROE back up to our target levels. If it ain't broke, don't fix it; so our focus in 2000 is more of the same. In addition, we will manage our joint ventures to meet our commitments to both our shareholders and our partners. The basic challenge of our business is to be agile and aggressive in our marketing while maintaining high underwriting standards in a hardening market environment. Our track record indicates that our management team is well equipped to meet this challenge.

/s/ James N. Stanard

James N. Stanard
Chairman, President and Chief Executive Officer

Quarterly Underwriting Review

The RenaissanceRe management team meets in one of its quarterly underwriting sessions to review the reinsurance portfolio.

Reinsurance
A Year of Substantial Catastrophe Losses for the Industry

The insurance industry experienced a large number of significant catastrophe losses in 1999 including losses from the following events:

Event	Date	Insurance Industry Loss (in billions*)
Sydney hailstorm	4/14	$1.0
Oklahoma tornado	5/3	$1.5
Turkey earthquake	8/17	$2.0
Southeast US hurricane (Floyd)	9/13	$2.3
Taiwan earthquake	9/21	$1.0
Japanese typhoon (Bart)	9/24	$3.0
Danish windstorm (Anatol)	12/4	$0.5
European windstorms (Lothar & Martin)	12/26-27	$6.7

*Catastrophe loss data source: sigma No. 2/2000

Measured in current dollars, 1999 is estimated to have been the second worst year on record, with estimates of total insured natural catastrophe losses at over $24 billion. The year was distinguished by a relatively large number of events, compared with other high loss years in which a single large event has represented a larger proportion of the total (e.g., Hurricane Andrew's $19 billion of losses in 1992).

From the standpoint of the reinsurance industry, this type of year stresses portfolios in a different way. No single event explains the industry's poor performance; it was the accumulation of these events that caused the pain. The impact of multiple events was accentuated by "second event" reinsurance contracts, under which reinsurance coverage is triggered only if there are two loss events of a specified magnitude.

Superior Underwriting Results at Renaissance In this environment of heavy loss activity, Renaissance delivered a 20% ROE. In the following chart, we look at the difference (shown by the yellow bars) between Renaissance's actual ROE and the average of our peer group of reinsurance companies. This measure of out-performance is compared with the level of insurance industry losses (represented by the red line).

[GRAPHIC OMITTED]

This chart shows that our superior underwriting was most apparent in years of higher losses: a larger industry loss translated into a greater difference between Renaissance and the industry average. This past year of high frequency was one that

[Photo] (left to right):
Jon Paradine,
Russell Smith,
Bill Riker and
Craig Tillman

exposed underpriced portfolios. One of the insights from our modeling is that the risk to a reinsurance portfolio comes as much from multiple, moderate events as from single large events.

1999 reinforced our view that success in our business simply cannot be achieved by taking the industry average. Our superior performance derives from better risk selection and overall portfolio management. We assess our portfolio management skill--understanding the correlation of reinsurance contracts with each other--to be even more important to our performance than individual risk selection:

Return on Equity

```
- ---------------------------- RenaissanceRe ROE
         /\
        /  \   Attributable to
       /_  _\  Optimal Portfolio
         ||    Construction
         ||
         ||    Attributable to
               Individual Risk
               Section
- ---------------------------- Industry Average ROE
```

Part of our success this past year can be ascribed to our knowledge of the retrocessional market (referring to transactions in which one reinsurance company reinsures another). Our exposure management system has a unique capacity to assess the reinsurance that we purchase to evaluate the portfolio benefit. These purchases do not represent a simple arbitrage of one assumed contract against one ceded contract, but rather involve the complex problem of understanding how our assumed portfolio fits with our ceded portfolio. We purchase reinsurance to enhance capacity (not to allow us to write bad business). We dynamically manage our portfolio so that we are not over-reliant on the retrocessional market.

On the other side of the retrocessional market, we are also active in assuming premium from other reinsurance companies. Here we believe that there are important challenges to good underwriting because the ultimate reinsurer is at least one additional step

[Photo] (left to right):
Ian Branagan,
Dave Eklund,
Kevin O'Donnell and
Alex Richards

removed from the underlying primary insurance risks. There continues to be wide disparity in the quality of the retrocessional transactions in the market, so a rigorous assessment of the risk is critical. We have built a proprietary system for analyzing these risks, and since our inception, we have been active and successful in assuming retrocessional business.

Structured Products--Leveraging Our Skills

In 1998, we formed our structured products unit to focus on joint ventures, investment opportunities within the insurance and reinsurance industries and non-traditional structured reinsurance. Most of the transactions executed to date have focused on supporting the core catastrophe reinsurance business. During 1999, in addition to our efforts in the catastrophe-linked financial markets, we executed two notable joint ventures. Our business partners in these ventures are State Farm Mutual Automobile Insurance Company and Overseas Partners Ltd.

In January of this year, we formed Top Layer Re as a Bermuda domiciled reinsurer, owned equally by State Farm and Renaissance Reinsurance. Each partner contributed $50 million to capitalize the company. State Farm enhanced this capacity with a $2.9 billion annual aggregate stop loss; strong enough support to achieve a AAA rating from Standard and Poor's and an A++ rating from A. M. Best. Top Layer Re combines the underwriting skill and discipline of Renaissance with the financial strength of State Farm to offer significant capacity to high-layer property catastrophe reinsurance programs in all territories outside the United States.

In November, we entered into an agreement with Overseas Partners Cat Ltd., a subsidiary of Overseas Partners Ltd., both domiciled in Bermuda. With this agreement, OPCat, a new entity capitalized by its parent with $450 million of equity and rated A+ by

[Photograph of Jay Nichols (standing) and Monte Combe]

A.M. Best, appointed Renaissance as its sole underwriting manager. By offering companion layers with Renaissance Reinsurance, this partnership has established a significant new entrant in the property catastrophe reinsurance marketplace--a participant that is both stable and disciplined.

We are excited about these joint ventures for three reasons. First, our partners have a long-term commitment to the business and share our optimism about the future opportunities. Second, we believe that these two partnerships will further validate our leadership in the business of underwriting property catastrophe risk. We have consistently pointed to our track record in this marketplace, and we are confident these ventures will broaden that track record beyond the operating results of Renaissance Reinsurance. Third, these partnerships offer a significant commercial opportunity for Renaissance. Both ventures are structured with significant risk and premium sharing between the partners, and they also compensate Renaissance with underwriting fee income. We have formed Renaissance Underwriting Managers, Ltd. to provide services to these ventures.

We continued to participate in the catastrophe-linked securities market in 1999, participating in both the new issue and secondary market. We evaluate catastrophe-linked securities using the same methodologies we use to evaluate traditional reinsurance. However, these offerings provide less exposure information than a typical reinsurance submission and also contain different structural risks. We model each deal with the information provided, and participate in offerings that provide the appropriate portfolio return with acceptable structural risk. We are very selective in purchasing these securities, participating in less than one third of the transactions underwritten in 1999.

Marketing Success

Our gross reinsurance premium grew 36% and net reinsurance premium grew 21%, comparing 1999 with 1998. While our focus will always be on portfolio quality rather than on simple premium growth, the increase in premium this year reflects our ability to access business when market conditions harden and more contracts meet our hurdle rate.

To ensure our access to business, our underwriters are also active in their marketing roles. Over the course of 1999, they met with over 500 brokers and 400 clients or potential clients. Our reputation is that we make quick decisions on submissions, and we are proactive in offering alternative structures to our brokers and clients. Because of our effective desktop systems, we are able to provide very rapid, but still rigorous, underwriting decisions.

Premium grew in our reinsurance of primary companies, but even more profoundly in our assumed retrocessional business, where our 1999 premium doubled from the amount that we wrote in 1998. Here our success is a function not only of our access to business, but also of our confidence in our underwriting systems, as described above. Other companies needed to focus on re-underwriting their books of business, while we were expanding into a hardening market.

Market Outlook

Investors and senior executives in the reinsurance business are focusing on the past two years of heavy loss activity. The industry is recognizing that success in the catastrophe business is difficult to achieve--as a result of three interrelated factors:

o Catastrophe risks are difficult to understand. Underwriters must assess the risks based on their absolute exposure as well as their relative exposures. Given the low frequency of the events covered by catastrophe reinsurance, these risks must be considered by looking at the tails of the probability distributions, which are sensitive to key model assumptions and subject to uncertainty.

[Photo]

MARKETING & OPERATIONS

(left to right): Charles Hollis, Michelle Johnson and Bob Hykes

o Efficiently utilizing capital in the cat business requires a detailed understanding of cat risk. The property/casualty industry is often viewed as over-capitalized by as much as 20-30%. Yet, ironically, the solvency of some companies may be threatened by a single catastrophe event in one region, even while the same companies could support more risk in other regions. So the real question is having access to the portfolio management skills to efficiently manage capital.

o Available talent is in short supply. There are only a few underwriters with a successful track record writing catastrophe reinsurance. Recently, investors have become reluctant to support people who do not have successful track records.

We are optimistic that much of the naive capaci-

INFORMATION TECHNOLOGY

[Photograph of (left to right): John Gill, John Wineinger and Dion Tucker]

ty has dried up for the long run, given the poor results of many players over the past two years and a greater appreciation of the complexity of achieving success in this business. Against this backdrop, we saw an increasing level of opportunities in catastrophe reinsurance in 1999, and see the positive market environment continuing into 2000.

PRIMARY INSURANCE

Our primary operations consist of: (1) DeSoto, writing Florida homeowner business, (2) Glencoe, writing commercial "E&S" coverage in the U.S., and (3) Nobel, which is in run-off, but has licenses in 50 states. During 1999, bottom line contribution from our primary business was limited, and the focus of each of these businesses was to maintain and develop an operating platform for future growth.

Market conditions are beginning to show signs of firming. However, we remain very disciplined in the primary area and will grow only to pursue attractive opportunities. One area with potential is developing new distribution systems for the primary product, and we are exploring various ways to efficiently provide primary insurance in catastrophe-exposed areas that are underserved by traditional carriers.

Our primary business units can provide value in two ways. First, particularly if market conditions improve, we can expand our access to catastrophe-exposed insurance risks. Second, we are using insights gained from running our primary operations to be more effective in our reinsurance business. For example, knowledge gained from our DeSoto venture helped us understand the unique circumstances facing the new Florida companies, and allowed us to design better products for them. Glencoe provides us additional insight into conditions in the catastrophe-exposed commercial property market.

FINANCE

[Photograph of (left to right): Simon Jack, Preston Hutchings, John Lummis, Marty Merritt and Diana Petty]

Expanding capital resources

Our traditional capital resources include common equity, preferred and bank debt. Over time these resources have expanded significantly:

[GRAPHIC OMITTED]

The growth in 1999 arose principally from the renewal and expansion of our bank credit facility from $200 million to $300 million. The facility has a five-year term, and is available for general corporate purposes.

It is important to understand that financial leverage is not the driver of our high returns on equity. At year-end 1999, we had over $200 million of liquidity at the parent holding company, which was available to us to pay down debt. We made a tactical decision that we would retain this liquidity, which serves as stand-by capital that we could contribute to the capital of our operating units following a large catastrophe year (a year much worse than this past one).

Perhaps the most important theme for capital resources in 1999 is our newly developed off-balance-sheet financing capacity: the combination of Top Layer Re and OPCat (described in the Review of Operations on page 11) gives us access to an additional $3.4 billion of capital. The innovation in this approach is that we can maintain our equity base at a moderate size, and ensure its efficient use, at the same time that we have access to much larger amounts of capital. This additional pool of capital is viewed as equity-like from the standpoint of customers and ratings agencies--without diluting our common equity. With total capital resources of $4.4 billion, we believe that we have more capital available for the catastrophe reinsurance business than all but a very small number of competitors--each with a much larger common equity base.

By assembling these long-term capital resources, we are convinced that we have more than adequate financial scale to support our growing operational scale as one of the three largest writers of catastrophe reinsurance in the world.

Active management of our common equity

1999 was another year of active management of our equity capital. We repurchased a total of 2.2 million shares for $80 million. The average price per share was $36.26 for the year, compared with our book value per share of $30.50 at the end of the year. The benefit of this for our remaining shareholders is clear: we project that our 1999 repurchases will result in accretion to book value per share within two years.

Turning to our dividend, in February 1999, our Board increased our quarterly dividend from $.30 to $.35, our fifth consecutive annual increase. As re-cently announced, in February 2000, we again in-creased our quarterly dividend, from $.35 to $.375. With a payout ratio of approximately 25%, we continue to focus capital management around repurchases, given their tax efficiency for many of our shareholders, as well as greater flexibility for the Company.

Over the course of this year, our three founding shareholders each exited portions of their positions. The St. Paul Companies sold 700,000 shares to the Company. The Warburg Limited Partnership distributed 1.3 million shares to its partners, and we now view those shares as being part of the public float. An affiliate of General Electric's pension fund sold over 300,000 shares into the public market. Together, these transactions represent important progress toward expanding the public float for Renaissance, which has grown over time as depicted below:

[GRAPHIC OMITTED]

Investments

Our investment strategy balances the need for liquidity in the event of large catastrophe losses with the desire to enhance the attractive return on equity already provided by our underwriting activities. Consequently, the Company maintains a diversified portfolio of U. S. dollar, fixed-income securities with a short average duration and a very high average credit quality. This portfolio, though highly liquid, should provide an attractive return over time. At year-end, the portfolio had a yield to maturity of

7.15% and an effective duration of 2.7 years.

Given the rising interest rate environment of the past year, our portfolio's total return delivered less than cash for the year, understandable but disappointing nonetheless. Offsetting that result, we were pleased that, on a relative basis, our investment managers generally outperformed their benchmarks, and that the total portfolio outperformed a comparable duration U.S. Treasury index. We believe that a consistent approach to our investment strategy will enhance value over time.

At year-end our investment portfolio was allocated as follows:

Treasuries & Agencies 28%
Asset Backed (AAA) 17%
Mortgage Backed (AAA) 14%
Other 3%
Sovereigns & Supra-Nationals (AA/AAA) 6%
Global High Yield 9%
Investment Grade Corporate Debt 10%
Cash & Cash Equivalents 13%

INTELLIGENT USE OF MODELING

A distinguishing element in the successful management of catastrophe exposure is the intelligent use of computer models. Over the past two decades, catastrophe (or "cat") models have evolved to become important decision tools in property underwriting. Our use of these cat models enables each Renaissance business segment to assess risk (and reward for bearing risk) on a consistent basis. The several major vendors of these models have spent tens of millions of dollars on model development and employ hundreds of engineers, scientists and statisticians to develop cat models for many areas around the world. We evaluate and use models from all major vendors and have developed a unique perspective on the applicability of these models to underwriting cat risk. By comparing and contrasting different models, we are able to determine which model results are most relevant to the different risks we evaluate.

Using Cat Models

Cat models are software applications that simulate the interaction between exposure (e.g., insured value of properties), vulnerability (e.g., how much damage different wind speeds will cause) and hazards (e.g., the chance of a windstorm hitting a particular location) to estimate risk (e.g., the dollar loss that a reinsurer will suffer). Understanding the cat models' strengths and limitations requires a detailed knowledge of how they are developed and the level of science they capture. The goal is a probabilistic description of complex natural phenomena. Misuse of modeling information is prevalent due to the tendency to attribute precision to output that is generated by computers. It is important to understand the trade-offs between different levels of resolution in the analysis (e.g. by county, by zip code, by individual property location) and the need to collect accurate data about the insured risks. A cat model should not be seen as exact, but rather as an educated scientific estimate of the loss potential. Renaissance works closely with the vendors, especially when there are opportunities for validating the models by drawing upon our own loss experience and modeling knowledge.

The Evolution of Cat Models

In the past two decades, we have witnessed three stages of modeling sophistication.

- First, deterministic models evaluated the impact of large catastrophes to understand the potential worst case scenarios.

- Second, probabilistic models were used to evaluate many different scenarios on a particular exposure to create a picture of the probability distribution of potential loss.

- Third, and currently, models are increasingly descriptive of not only scenario risk, but also the uncertainty associated with that risk--acknowledging that our understanding of hurricanes and associated property vulnerability, for example, is inexact.

Multiple Models

Many property underwriting operations employ a single model for gauging the risk on both individual reinsurance contracts and portfolios of contracts. This is an important step forward compared to past practices in catastrophe risk underwriting. However, since any single model is necessarily biased towards the judgments of its developers, reliance on a single model will incorporate those same biases during the underwriting and portfolio selection process. Our own experience shows that models vary considerably, depending upon the underlying characteristics of the exposures simulated. Without a second or third opinion of the exposure and risk posed, it is impossible to gauge the variability in potential outcomes of natural hazard modeling. Effective risk management requires the anticipation of all credible estimates of loss, so the use of multiple models results in fewer surprises and can highlight hidden exposures.

Moreover, no one vendor model covers all perils for all areas. Although our largest exposure is to hurricane/typhoon and our next largest is earthquake, many other events such as hail, freeze and brushfire can cause losses. Also, some vendor models do not reflect the expenses of settling losses, or the localized inflation in rebuilding costs that follows a large event. Using models for decision making without adjusting for these "unmodeled" exposures can be worse than not modeling at all.

Helping Our Clients

One of our roles as a reinsurer is to use our modeling experience to help our clients identify the best models to use in their own risk management decisions. We continually test, compare and critique models to assist our clients in their own loss reduction and prevention efforts. Renaissance's unique model-based approach has afforded us a very prominent role in guiding model development.

Effective Management Systems

We could have access to the best modeling systems in the world but, if our underwriters did not actually use these results to make better decisions, the models would be pointless. Getting the "traders" (in our business, the underwriters) working effectively with the "quants" (the modelers) is a weak link in many financial organizations. Our underwriters, who are making the day-to-day pricing and risk-taking decisions, understand the inner workings of the models, and their strengths and weaknesses. When an answer comes out of the computer that differs from the underwriter's intuition, the underwriter neither believes nor discards it. He drills back into the model to find out where the difference lies. Is it a problem with the input data? Is there a weakness in some aspect of the model? Is the model giving the underwriter a new insight?

Effective use of catastrophe models is a key factor in our ability to consistently produce industry-leading results. But it is vital to understand the weaknesses along with the strengths of these models. Perhaps these models should come with warning labels: "improper use can be hazardous to your financial health--don't try this at home."

SELECTED FINANCIAL DATA
RenaissanceRe Holdings Ltd. and Subsidiaries

The following summary financial information should be read in conjunction with the Consolidated Financial Statements and the notes thereto presented on pages 34 to 54 in this Annual Report.

(in thousands, except per share data)	1999	1998	1997	1996	1995
INCOME STATEMENT DATA					
Gross premiums written	$ 351,305	$ 270,460	$ 228,287	$ 269,913	$ 292,607
Net premiums written	213,513	195,019	195,752	251,564	289,928
Net premiums earned	221,117	204,947	211,490	252,828	288,886
Net investment income	60,334	52,834	49,573	44,280	32,320
Total revenue	270,235	260,527	254,726	294,959	326,566
Claims and claim expenses	77,141	112,752	50,015	86,945	110,555
Acquisition and operating expenses	62,268	61,031	50,358	42,893	39,734
Net income	104,241	74,577	139,249	156,160	162,786
Earnings per Common Share - basic	$ 5.10	$ 3.39	$ 6.19	$ 6.15	$ 6.84
Earnings per Common Share - diluted	5.05	3.33	6.06	6.01	6.75
Dividends per share	1.40	1.20	1.00	0.80	0.16
BALANCE SHEET DATA					
Total investments	$ 942,669	$ 826,608	$ 736,538	$ 603,484	$ 528,836
Cash and cash equivalents	132,112	115,701	122,929	198,982	139,163
Total assets	1,617,243	1,356,164	960,749	904,764	757,060
Reserve for claims and claim expenses	478,601	298,829	110,037	105,421	100,445
Capital Securities(1)	89,630	100,000	100,000	--	--
Shareholders' equity	600,329	612,232	598,703	546,203	486,336
Book value per Common Share	$ 30.50	$ 28.28	$ 26.68	$ 23.21	$ 18.99
OPERATING RATIOS					
Claims and claim expense ratio	34.9%	55.0%	23.7%	34.3%	38.3%
Underwriting expense ratio	28.1%	29.8%	23.8%	17.0%	13.7%
Combined ratio	63.0%	84.8%	47.5%	51.3%	52.0%

(1) Minority interest - Company obligated, mandatorily redeemable capital securities of a subsidiary trust holding solely junior subordinated debentures of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS
of Results of Operations and Financial Condition

GENERAL

RenaissanceRe Holdings Ltd. ("RenaissanceRe") is a Bermuda based holding company with operating subsidiaries engaged in reinsurance, insurance and related services. RenaissanceRe's principal operating subsidiary, Renaissance Reinsurance Ltd. ("Renaissance Reinsurance") provides property catastrophe reinsurance coverage to insurers and reinsurers, primarily on an excess of loss basis. During 1999, Renaissance Reinsurance wrote $282.3 million of premium (1998 - $207.2 million) and based on gross premiums written, Renaissance Reinsurance is one of the largest providers of this coverage in the world. Excess of loss catastrophe coverage generally provides coverage for claims arising from large natural catastrophes, such as earthquakes and hurricanes, in excess of a specified loss. In connection with the coverage it provides, Renaissance Reinsurance is also exposed to claims arising from other natural and man-made catastrophes such as winter storms, freezes, floods, fires and tornadoes.

Renaissance Reinsurance of Europe ("Renaissance Europe") was incorporated in 1998 under the laws of Ireland as a wholly owned subsidiary of Renaissance Reinsurance. Renaissance Europe was formed to provide certain property catastrophe reinsurance coverage in Europe.

Glencoe Insurance Ltd. ("Glencoe") was incorporated in 1996 as a wholly owned subsidiary of RenaissanceRe. Glencoe provides primary catastrophe exposed property coverage on an excess and surplus lines basis, and is eligible to write business in 29 states. During 1999, Glencoe wrote $5.0 million of primary insurance premium (1998 - $5.6 million).

DeSoto Insurance Company ("DeSoto") was incorporated in 1997 as a wholly owned subsidiary of Glencoe. DeSoto is a special purpose Florida homeowners insurance company that is licensed to assume and renew homeowner policies from the Florida JUA, a state sponsored insurance company. During 1999, DeSoto wrote $14.3 million of primary homeowners insurance coverage (1998 - $26.7 million).

RenaissanceRe owns a U.S. holding company, Renaissance U.S. Holdings, Inc. ("Renaissance U.S."), whose principal subsidiary was primarily Nobel Insurance Company, a Texas-domiciled insurance company ("Nobel"). Following a 1998 fourth quarter after-tax charge of $40.1 million, Nobel disposed of its business lines in 1999. Nobel continues to be a licensed insurer in all 50 states, although there can be no assurance such licenses can be retained. See Financial Condition - Nobel. Currently, Renaissance U.S. also owns Paget Insurance Services, Pembroke Managing Agents and DeSoto Prime Insurance Company all of which are active in the Florida homeowners market.

In January 1999, Renaissance Reinsurance entered into a joint venture, Top Layer Reinsurance Ltd. ("Top Layer Re"), with State Farm Mutual Automobile Insurance Company ("State Farm") to provide high layer coverage for non-U.S. risks.

In November 1999, RenaissanceRe incorporated Renaissance Underwriting Managers ("Renaissance Managers") to act as underwriting manager to Overseas Partners Cat Ltd. ("OP Cat"), a subsidiary of Overseas Partners Ltd. Renaissance Managers will underwrite worldwide property catastrophe reinsurance programs for OP Cat.

RenaissanceRe and its subsidiaries' (the "Company") results depend to a large extent on the frequency and severity of catastrophic events, and the coverage offered to clients impacted thereby. In addition, from time to time, the Company may consider opportunistic diversification into new ventures, either through organic growth or the acquisition of other companies or books of business. In evaluating such new ventures, the Company seeks an attractive return on equity, the ability to develop or capitalize on a competitive advantage and opportunities that will not detract from its core reinsurance operations. Accordingly, the Company regularly reviews strategic opportunities and periodically engages in discussions regarding possible transactions, although there can be no assurance that the Company will complete any such transactions or that any such transaction would contribute materially to the Company's results of operations or financial condition.

RESULTS OF OPERATIONS
YEAR ENDED DECEMBER 31, 1999
COMPARED TO YEAR ENDED DECEMBER 31, 1998

Net operating income for the year ended December 31, 1999 was $120.0 million compared with $121.5 million for the year ended December 31, 1998. Operating earnings per Common Share were $5.82 for the year ended December 31, 1999 compared with $5.42 for the year ended December 31, 1998.

The Company's net operating income excludes the impact of realized investment gains and losses, as well as, in the case of 1998, the fourth quarter charge of $40.1 million related to Nobel. See Financial Condition - Nobel.

Gross premiums written for the year ended December 31, 1999 increased by $80.8 million, or 29.9 percent to $351.3 million from $270.5 million for the year ended December 31, 1998. Gross premiums written by segment were:

(in thousands) Year ended December 31,	1999	1998
Reinsurance	$282,344	$207,189
Primary	68,961	63,271
Total	$351,305	$270,460

Increased reinsurance premiums resulted primarily from the numerous industry losses which occurred late in 1998 and during 1999 and the related contraction in capacity in the property catastrophe reinsurance market, which resulted in increased prices in certain pockets of the property catastrophe reinsurance market during 1999. The $75.2 million or 36.3 percent increase in premiums from the reinsurance operations was the result of a 26.8 percent increase in premiums related to new business and a 25.3 percent increase related to changes in pricing, participation levels and coverage on renewed business, partially offset by a 15.8 percent decrease in premiums due to the Company or the cedant not renewing coverage.

Premiums written by the primary companies increased in 1999, largely because such results reflect a full year of premiums written for Nobel, compared with only six months of Nobel premium during 1998. This increase was partially offset by reduced premiums written for DeSoto. The reduction in DeSoto premiums was due to the one-time initial premiums assumed from the Florida JUA during 1998 of approximately $10 million. During 1999 Nobel sold its principal operating units and, as a result, the Company expects a decrease in future premium volume from the primary businesses. See Financial Condition - Nobel.

During 1999, the Company continued to purchase reinsurance to reduce its exposure to certain losses. During 1999, the consolidated ceded premiums were as follows:

(in thousands) Year ended December 31,	1999	1998
Reinsurance	$ 77,152	$ 40,036
Primary	60,640	33,405
Total	$137,792	$ 75,441

The increase in ceded reinsurance was the result of 1) increased costs of ceded reinsurance contracts renewed by Renaissance Reinsurance; 2) increased purchases of reinsurance by Renaissance Reinsurance; and 3) Nobel ceding the large majority of its 1999 gross premiums written as part of the planned reduction of its operations. Nobel's ceded reinsurance was $41.5 million in 1999 compared with $21.8 million during 1998. See Financial Condition - Nobel. To the extent that appropriately priced coverage is available, the Company anticipates continued use of reinsurance to reduce the potential volatility of its results.

The Company's gross premiums written by geographic region were as follows:

(in thousands)

Year ended December 31,	1999	1998
Geographic Region		
United States - reinsurance	$160,195	$128,387
United States - primary	68,961	63,271
Worldwide	49,482	20,584
Worldwide (excluding U.S.)	27,276	26,380
Europe (including the United Kingdom)	26,437	18,532
Other	15,742	9,374
Australia and New Zealand	3,212	3,932
Total Gross Premiums Written	$351,305	$270,460

The category "Worldwide (excluding U.S.)" consists of contracts that cover more than one geographic region (other than the U.S.). The exposure in this category for gross premiums written to date is predominately from Europe and Japan.

The table below sets forth the Company's combined ratio and components thereof, excluding, in the case of 1998, the Nobel charge:

Year ended December 31,	1999	1998
Claims and claim expenses	34.9%	33.1%
Underwriting expense ratio	28.1	29.3
Combined ratio	63.0%	62.4%

The net claims and claim expenses incurred for the year ended December 31, 1999 were $77.1 million, or 34.9 percent of net premiums earned. In comparison, claims and claim expenses incurred for the year ended December 31, 1998 were $67.8 million, or 33.1 percent of net premiums earned. The primary reason for the increase in the net incurred losses was the significant catastrophe losses that occurred during 1999. During 1999 nine significant worldwide catastrophic events occurred: the hail storms in Sydney Australia in April; the mid-western ("Oklahoma") tornadoes in May; Hurricane Floyd in September; Typhoon Bart which struck Japan in September; Turkish and Taiwanese earthquakes in August and September, respectively; and the Danish windstorm Anatol and the French windstorms, Lothar and Martin in December. Seven of these events are each expected to cause over $1 billion of insured damages. These events caused net incurred losses for Renaissance Reinsurance to increase to $64.4 million for 1999 or a loss ratio of 32.7 percent, compared with $42.4 million for 1998 or a loss ratio of 25.0 percent. Due to the potential high severity of claims related to the property catastrophe reinsurance business, there can be no assurance that Renaissance Reinsurance will continue to experience this level of net claims in future years.

Renaissance Reinsurance's net incurred losses in 1998 included claims on a number of aggregate stop loss and excess of loss contracts, as well as claims related to Hurricane Georges, the January Canadian Freeze, Hurricane Bonnie and additional claims from various U.S. wind, hail, tornado and flood events.

The claims and claim expenses incurred from the Company's primary operations for the year ended December 31, 1999 were $12.7 million, or a loss ratio of 52.2 percent of net premiums earned. In comparison, claims and claim expenses incurred from the Company's primary operations for the year ended December 31, 1998 were $25.4 million, or a loss ratio of 72.1 percent. During 1999, DeSoto and Glencoe continued to perform within targeted loss ratios. The primary factor contributing to the reduction in net losses from the primary operations was the recognition of a portion of a deferred gain related to a retroactive reinsurance contract entered into by Nobel during 1998. The Company's 1998 combined ratio and components thereof exclude the 1998 Nobel charge. See Financial Condition - Nobel.

For the Company's reinsurance operations, estimates of claims and claim expenses incurred and losses recoverable are based in part upon the estimation of claims resulting from catastrophic events. Estimation by the Company of claims resulting from catastrophic events based upon its own historical claim experience is inherently difficult because of the variability and uncertainty associated with property catastrophe claims. Therefore, the Company utilizes both proprietary and commercially available models, as well as historical reinsurance industry property catastrophe claims experience, for purposes of evaluating future trends and providing an estimate of ultimate claims costs.

For both the Company's reinsurance and primary operations, the Company uses statistical and actuarial methods to estimate ultimate expected claims and claim expenses. The period of time from the reporting of a loss to the Company through the settlement of the Company's liability may be several years. During this period, additional facts and trends will be revealed. As these factors become apparent, case reserves will be adjusted, sometimes requiring an increase in the overall reserves of the Company, while at other times the Company may affect a reallocation of IBNR reserves to specific case reserves. Reserve estimates are reviewed regularly, and such adjustments, if any, are reflected in results of operations in the period in which they become known and are accounted for as changes in estimates. See Notes 2 and 5 to the Consolidated Financial Statements.

Acquisition and operational expenses, consisting of brokerage commissions, excise taxes and other costs directly related to the underwriting operations of the Company, for the year ended December 31, 1999 were $62.3 million, or 28.1 percent of net premiums earned, compared with $60.1 million, or 29.3 percent of net premiums earned for the year ended December 31, 1998, excluding the 1998 Nobel charge. The primary contributor to the decrease in the underwriting expense ratio was the increase in premiums earned by Renaissance Reinsurance with no corresponding increase in the costs to operate the reinsurance operations. This was slightly offset by increased costs at Nobel, primarily related to severance costs, and increased costs at DeSoto for additional hires.

Net investment income (excluding net realized investment gains and losses) for the year ended December 31, 1999 was $60.3 million, compared with $52.8 million for the year ended December 31, 1998. The increase in investment income resulted primarily from an increase in interest rates during 1999 plus the $132.5 million increase in the amount of invested assets during the year, which was primarily the result of cash flows provided by operations of $130.3 million and an increase in the borrowings under the Company's line of credit of $150.0 million, partially offset by dividends paid and share repurchases of $28.9 million and $80.1 million, respectively.

During 1999, the Company reported other income of $4.9 million, compared with $9.8 million for the year ended December 31, 1998. The majority of the other income relates to recoveries on non-indemnity catastrophe index transactions. See Financial Condition - Derivative Instruments.

During 1999, net realized losses on investments were $15.7 million, compared with $6.9 million in 1998. The 1999 losses were primarily the result of increased interest rates during 1999 and the subsequent sale of fixed income securities. See Financial Condition - Investments.

Excluding a write-off of goodwill attributable to Nobel, corporate expenses were $3.1 million in 1999, compared with $4.2 million in 1998. During 1999, in conjunction with the sale and reinsurance of the primary business units of Nobel, the Company wrote off $6.7 million of goodwill. The 1998 amount excludes charges related to Nobel. See Financial Condition - Nobel.

During the year ended December 31, 1999, the Company recorded interest expense of $9.9 million on its outstanding debt and $8.3 million on its Capital Securities, compared with $4.5 million and $8.5 million in 1998, respectively. The increase in interest expense on the Company's outstanding debt was primarily related to an increase in borrowing rates and the additional borrowings of $150.0 million during 1999, $125.0 million of which was drawn on August 17, 1999.

RESULTS OF OPERATIONS
YEAR ENDED DECEMBER 31, 1998
COMPARED TO YEAR ENDED DECEMBER 31, 1997

Net operating income, excluding the Nobel fourth quarter $40.1 million after tax charge and excluding realized investment gains and losses, for the year ended December 31, 1998 was $121.5 million compared with $142.1 million for the year ended December 31, 1997. The decrease was primarily related to a decrease in net premiums earned, an increase in net claims and claim expenses and an increase in operating expenses, partially offset by an increase in investment income and an increase in other income. The above factors resulted in a decrease in operating earnings per Common Share to $5.42 for the year ended December 31, 1998 from $6.19 for the year ended December 31, 1997. Earnings, excluding the Nobel charge, but including realized gains and losses on investments, decreased to $114.7 million in 1998 from $139.2 million in 1997.

Including the Nobel charge, net operating income for the year ended December 31, 1998 was $81.5 million compared with $142.1 million for the year ended December 31, 1997. The decrease was primarily due to the fourth quarter Nobel charge. The Nobel charge included after tax amounts of $29.6 million for adverse development on Nobel's casualty and surety books of business, a goodwill write-down of $6.6 million, and other related costs of $3.9 million. Earnings per Common Share decreased to $3.33 per share in 1998, compared with $6.06 in 1997 primarily as a result of the Nobel charge. See Financial Condition - Nobel.

Gross premiums written for the year ended December 31, 1998 increased 18.5 percent to $270.5 million from $228.3 million for the year ended December 31, 1997. The increase resulted from the inclusion of $30.9 million of premiums from Nobel, which was acquired in June 1998, and of $26.7 million of premiums from DeSoto, which began providing coverage in January of 1998. Partially offsetting the growth in the primary insurance premiums was a 6.3 percent decrease in the Company's reinsurance operations from $221.2 million in 1997 to $207.2 million in 1998.

The property catastrophe reinsurance market and the primary insurance market were highly competitive in 1998. Because the property catastrophe reinsurance business has been one of the most profitable segments of the market, it is the focus of much competition, which resulted in lower premiums measured on a risk-adjusted basis. The 6.3 percent premium decrease from the Company's reinsurance operations was the result of a 16.4 percent decrease in premiums due to the Company or the cedent not renewing coverage and a 14.0 percent decrease related to changes in pricing, participation levels and coverage on renewed business, partially offset by a 24.1 percent increase in premiums related to new business. The decrease in premiums resulted in part from consolidation of the Company's customers.

During 1998, consistent with its risk management practices and the availability of coverage responsive to the Company's risk profile, the Company increased the level of property catastrophe reinsurance coverage purchased for its own account. Ceded premiums written in the Company's reinsurance operations during 1998 were $40.0 million compared with $35.4 million in 1997. Additionally, the Company's primary operations had ceded written premiums of $27.7 million (1997 - $0.9 million).

The Company's gross premiums written by geographic region were as follows:

(in thousands) Year ended December 31,	1998	1997
Geographic Region		
United States - reinsurance	$128,387	$116,676
Unites States - primary	63,271	7,041
Worldwide	20,584	27,930
Worldwide (excluding U.S.)	26,380	32,005
Europe (including the United Kingdom)	18,532	21,007
Other	9,374	16,738
Australia and New Zealand	3,932	6,890
Total Gross Premiums Written	$270,460	$228,287

The category "Worldwide (excluding U.S.)" consists of contracts that cover more than one geographic region (other than the U.S.). The exposure in this category for gross premiums written to date is predominately from Europe and Japan.

The table below sets forth the Company's combined ratio and components thereof, excluding the Nobel charge:

Year ended December 31,	1998	1997
Claims and claim expenses	33.1%	23.7%
Underwriting expense ratio	29.3	23.8
Combined ratio	62.4%	47.5%

The Company's combined ratio and components thereof, including the Nobel charge, were as follows:

Year ended December 31,	1998	1997
Claims and claim expenses	55.0%	23.7%
Underwriting expense ratio	29.8	23.8
Combined ratio	84.8%	47.5%

The 1998 claims ratio does not reflect the benefits of a $7.5 million recovery on a non-indemnity catastrophe index transaction, which is included in other income.

In the fourth quarter of 1998, the Company recorded pre tax charges of $45.0 million for claims and claim expenses on the casualty and surety books of business of Nobel. See Financial Condition - Nobel.

Excluding the Nobel charge, the claims and claim expenses incurred for the year ended December 31, 1998 were $67.8 million, or 33.1 percent of net premiums earned. In comparison, claims and claim expenses incurred for the year ended December 31, 1997 were $50.0 million, or 23.7 percent of net premiums earned. The primary reasons for the increase in the loss ratios were 1) a decrease in net earned premiums, which is primarily related to an increase in ceded premiums written and 2) the inclusion of the operations of Nobel and DeSoto during 1998, whose loss ratios, based on the nature of those businesses, are normally higher than those of Renaissance Reinsurance.

The year ended December 31, 1998 was the third worst year for insured U.S. catastrophe losses. In comparison, the year ended December 31, 1997 was a relatively light year for natural catastrophe losses. However, largely due to Renaissance Reinsurance's reinsurance protection, the net loss ratio of Renaissance Reinsurance was not significantly impacted by the 1998 catastrophe loss events. Net reinsurance claims for Renaissance Reinsurance in 1998 were $42.4 million, or 25.0 percent of net premiums earned as compared with $49.0 million in 1997 or 23.6 percent of net premiums earned. Gross claims in 1998 included claims on a number of aggregate stop loss and excess of loss contracts, as well as claims related to Hurricane Georges, the January Canadian Freeze, Hurricane Bonnie and additional claims from various U.S. wind, hail, tornado and flood events.

Excluding the Nobel charge, the Company's primary operations produced a loss ratio of 72.1 percent. Including the Nobel charge, the loss ratio of the primary operations was

200.0 percent. See Financial Condition - Nobel. In connection with the Company's acquisition of Nobel, Nobel purchased a retroactive reinsurance contract to cover $38.0 million of adverse loss development on certain prior year casualty reserves. Accounting guidelines require that adverse development of the reserves covered by this contract be reflected in the Company's statement of income at the time of the adjustment. However, the offsetting recovery under the contract is required to be deferred and recognized into income as payments are received from the reinsurer. During 1998, Nobel recognized $27.6 million of adverse development on the business covered by this contract with the offsetting recovery reflected on the balance sheet as a deferred gain. In future years, as payments are received from the reinsurer, the gain will be pro-rated and reflected in the statement of income as a reduction to claims and claim expenses.

For additional information on the Company's reserves and reserving methodology, see Notes 2 and 5 to the Consolidated Financial Statements.

Acquisition and operational expenses, consisting of brokerage commissions, excise taxes and other costs directly related to the underwriting operations of the Company, for the year ended December 31, 1998 were $60.1 million, or 29.3 percent of net premiums earned, compared with $50.4 million, or 23.8 percent for the year ended December 31, 1997. The primary contributors to the increase in underwriting expenses were the inclusion of Nobel and DeSoto, which operate with a greater expense ratio than that of Renaissance Reinsurance. Further, the increased purchase of reinsurance, which in turn reduces net premiums earned, causes acquisition and operational costs to increase as a percentage of net premiums earned.

Net investment income (excluding net realized investment gains and losses) for the year ended December 31, 1998 was $52.8 million, compared with $49.6 million for the year ended December 31, 1997. The increase in investment income resulted primarily from the increase in the amount of invested assets which was primarily the result of cash flows provided by operations and the assets purchased in the Nobel acquisition, partially offset by amounts used to pay dividends, purchase common stock and fund the acquisition of Nobel during the year.

During 1998, the Company reported other income of $9.8 million. The majority of the other income related to a recovery on a non-indemnity catastrophe index transaction. See Financial Condition - Derivative Instruments. During 1998, net realized losses were $6.9 million, compared with $2.9 million in 1997. The 1998 losses were primarily generated from the sale of a portion of the Company's emerging market debt securities. See Financial Condition - Investments.

Excluding the Nobel charge, corporate expenses were $4.0 million in 1998, compared with $3.2 million in 1997. The increase primarily related to the amortization of goodwill related to the purchase of Nobel during 1998. Including the Nobel charge, corporate expenses, on a pre tax basis, were $18.9 million, which included a write-down of goodwill of $9.9 million and additional costs and charges related to the expected sale of certain aspects of the Nobel operations of $5.0 million. See Financial Condition - Nobel.

For the year ended December 31, 1998, the Company realized net foreign exchange losses of $0.2 million compared with $3.4 million for the year ended December 31, 1997. The foreign exchange losses recorded in 1997 resulted primarily from the strengthening of the U.S. dollar against the British pound and the German mark.

During the year ended December 31, 1998, the Company recorded expenses of $8.5 million related to the Capital Securities that were issued in March 1997, compared with $7.0 million in 1997. Interest expense for the year ended December 31, 1998 was $4.5 million as compared with $4.3 million for the year ended December 31, 1997.

FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

As a holding company, RenaissanceRe relies on investment income, cash dividends and other permitted payments from its subsidiaries to make principal payments, interest payments, cash distributions on outstanding obligations and to pay quarterly dividends to its shareholders. The payment of dividends by RenaissanceRe's subsidiaries is, under certain circumstances, limited under U.S. statutory regulations and Bermuda insurance law. U.S. statutory regulations and The Bermuda Insurance Act 1978, amendments thereto and related regulations of Bermuda (the "Act"), require RenaissanceRe's Bermuda subsidiaries to maintain certain measures of solvency and liquidity. As at December 31, 1999, the statutory capital and surplus of RenaissanceRe's Bermuda subsidiaries was $653.9 million, and the amount required to be maintained by the Act, was $103.1 million.

During 1999, Renaissance Reinsurance paid aggregate cash dividends of $95.1 million to RenaissanceRe, compared with $102.1 million in 1998.

RenaissanceRe's operating subsidiaries have historically produced sufficient cash flows to meet expected claims payments and operational expenses and to provide dividend payments to RenaissanceRe. RenaissanceRe's subsidiaries also maintain a concentration of investments in high quality liquid securities, which management believes will provide sufficient liquidity to meet extraordinary claims payments should the need arise. Additionally, the Company maintains a $300.0 million credit facility from which $200.0 million has been borrowed and is available at the holding company, RenaissanceRe, to meet the liquidity needs of the Company's subsidiaries.

NOBEL

On June 25, 1998, the Company completed its acquisition of the U.S. operating subsidiaries of Nobel Insurance Limited, a Bermuda company ("Nobel Limited"), for $56.1 million. The Company accounted for this acquisition using the purchase method of accounting. The Company did not issue shares as part of the purchase.

During the fourth quarter of 1998, the Company recorded an after tax charge of $40.1 million, consisting of $29.6 million of adverse development on Nobel's casualty and surety books of business, a goodwill write-down of $6.6 million, and other related costs of $3.9 million. Consequently, RenaissanceRe adopted a plan to exit each of Nobel's business units. During 1999, Nobel completed the reinsurance of the casualty and surety books of business and signed agreements under which its bail and low-value dwelling books of business have been assumed by third parties, with obligations to make certain future payments to Nobel based on future revenues and/or profitability of these businesses. Also, Nobel has completed the sale of its IAS/Cat Crew subsidiary to its management team in an earn-out transaction.

Nobel and its affiliates have continued to conduct certain functions of the casualty, surety, low-value dwelling and bail businesses on a transitional basis. Renaissance U.S. expects to retain ownership of Nobel along with its licenses in the 50 U.S. states, although there can be no assurance that such licenses can be successfully maintained following the disposition of the business units.

Contemporaneously with the Nobel acquisition, Nobel purchased a retroactive reinsurance contract. This contract provides Nobel with $38.0 million of protection from adverse development on its pre October 1, 1997 casualty book of business plus $22.0 million on transferred reserves. SFAS No. 113, "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts", requires that adverse development of the reserves covered by this contract be reflected in the Company's statement of income when the adverse development becomes known. However, the offsetting recovery under the contract is required to be deferred and recognized into income as payments are received from the reinsurer. During 1998, Nobel recognized in its statement of income $27.6 million of adverse development on the business covered by this contract with the offsetting recovery reflected on the balance sheet as a deferred gain. During 1999 and in future years, as payments are received from the reinsurer, the gain will be pro-rated and reflected in the statement of income as a reduction to claims and claim expenses.

Primarily as a result of the losses from Nobel, Renaissance U.S. has recorded a deferred tax asset, the balance of which is $23.5 million as of December 31, 1999. The Company believes the future operations of Nobel, combined with other operating subsidiaries of Renaissance U.S., will enable it to utilize the net operating loss carry-forward.

In connection with the Nobel acquisition, Renaissance U.S. borrowed $35.0 million from a syndicate of banks. In addition, the banks provided a $15.0 million revolving loan facility which has been fully utilized as of December 31, 1999. RenaissanceRe has guaranteed these borrowings. See Note 6 to the Consolidated Financial Statements.

CASH FLOWS

Cash flows from operating activities resulted principally from premiums and investment income, net of paid losses, acquisition costs and underwriting expenses. Cash flows from operations in 1999 were $130.3 million, compared with $102.5 million in 1998. The 1999 cash flows from operations were primarily utilized to purchase $80.1 million of the Company's Common Shares and pay aggregate quarterly dividends of $28.9 million. Also during 1999, the Company borrowed an additional $150.0 million under its revolving credit facility, which was primarily used to purchase additional fixed income securities for the holding company's portfolio of investments. The 1998 cash flows from operations of $102.5 million, plus the proceeds from bank loans of $50.0 million were primarily used to purchase $42.7 million of the Company's Common Shares, pay aggregate quarterly dividends of $26.7 million and purchase Nobel for $56.1 million.

The Company has generated cash flows from operations in 1999 and 1998 significantly in excess of its operating commitments. To the extent that capital is not utilized in the Company's reinsurance business, the Company will consider using such capital to invest in new opportunities or will consider returning such capital to its shareholders.

Because of the nature of the coverages provided by the Company, which typically can produce losses of high severity and low frequency, it is not possible to accurately predict the Company's future cash flows from operating activities. As a consequence, cash flows from operating activities may fluctuate, perhaps significantly, between individual quarters and years.

In 1999, the Company formed Top Layer Re with State Farm and organized Renaissance Managers to act as underwriting manager to OPCat. The Company believes that Top Layer Re and the activities of Renaissance Managers will provide the Company with growing fee-based income in future periods. However, there can be no assurance that such income will contribute materially to the Company's cash flows, results of operations or financial condition.

CAPITAL RESOURCES

The total capital of the Company as at December 31, 1999 and 1998 was as follows:

(in thousands)	1999	1998
Revolving Credit Facility - Borrowed	$ 200,000	$ 50,000
Term Loan & Loan Facility	50,000	50,000
Revolving Credit Facility - Unborrowed	100,000	150,000
Minority interest - Capital Securities	89,630	100,000
Shareholders' equity	600,329	612,232
Total Capital Resources	$1,039,959	$962,232

The Company has a revolving credit and term loan agreement with a syndicate of commercial banks. During 1999, the Company re-negotiated its revolving credit facility and among other things, increased the commitment to $300.0 million from $200.0 million. The Company also increased its borrowings under the facility to $200.0 million as of December 31, 1999 from $50.0 million as of December 31, 1998. The additional funds drawn during the year have increased the liquidity at the holding company, RenaissanceRe, and are available if necessary, to be contributed to the operating subsidiaries following a large catastrophic event. Interest rates on the facility are based on a spread above LIBOR and averaged 5.76 percent during 1999 (6.12 percent in 1998). The credit agreement contains certain financial covenants including requirements that consolidated debt to capital does not exceed a ratio of 0.35:1; consolidated net worth must exceed the greater of $100.0 million or 125 percent of consolidated debt; and 80 percent of invested assets to be rated BBB- or better. Under the terms of the agreement, and if the Company is in compliance with the covenants thereunder, the Company has access to an additional $100.0 million should the need arise. The Company was in compliance with all the covenants of this revolving credit and term loan agreement as of December 31, 1999.

Renaissance U.S. has a $35.0 million term loan and $15.0 million revolving loan facility with a syndicate of commercial banks, each of which is guaranteed by RenaissanceRe. Interest rates on the facility are based upon a spread above LIBOR, and averaged 5.91 percent during 1999 (6.03 percent in 1998). The agreements contain certain financial covenants, the primary one being that, RenaissanceRe, being its principal guarantor, maintain a ratio of liquid assets to debt service of 4:1. This five year term loan has mandatory repayment provisions approximating 25 percent in each of years 2000 through 2003. The Company was in compliance with all the covenants of this term loan and revolving loan facility as of December 31, 1999.

The Company's Capital Securities pay cumulative cash distributions at an annual rate of 8.54 percent, payable semi-annually. During 1999 the Company purchased $10.4 million of its Capital Securities recognizing a gain of $1.8 million which has been reflected in shareholders' equity. The Indenture relating to the Capital Securities contains certain covenants, including a covenant prohibiting the payment of dividends by the Company if the Company is in default under the Indenture. The Company was in compliance with all of the covenants of the Indenture at December 31, 1999. The Capital Securities mature on March 1, 2027. Such securities are required by accounting principles to be classified as minority interest, rather than as a component of shareholders' equity of the Company.

Under the terms of certain reinsurance contracts, the Company may be required to provide letters of credit to reinsureds in respect of reported claims and/or unearned premiums. The Company has obtained a facility providing for the issuance of letters of credit. This facility is secured by a lien on a portion of the Company's investment portfolio. At December 31, 1999 the Company had outstanding letters of credit aggregating $73.2 million (1998 $42.0 million). Also, in connection with the Top Layer Re joint venture, the Company has committed $37.5 million of collateral in the form of a letter of credit.

In order to encourage employee ownership of Common Shares, the Company has guaranteed certain loan and pledge agreements (collectively, the "Employee Credit Facility") between certain employees of the Company (the "Participating Employees") and Bank of America Illinois ("BofA"). Pursuant to the terms of the Employee Credit Facility, BofA has agreed to loan the Participating Employees up to an aggregate of $25.0 million and the balance outstanding as of December 31, 1999 was $24.1 million (1998 - $19.1 million). Each loan under the Employee Credit Facility is required to be initially collateralized by the respective Participating Employee with Common Shares or other collateral acceptable to BofA. If the value of the collateral provided by a Participating Employee subsequently decreases, such Participating Employee is required to contribute additional collateral in the amount of such deficiency. Loans under the Employee Credit Facility are otherwise non-recourse to the Participating Employees. Given the level of collateral, the Company does not presently anticipate that it will be required to honor any guarantees under the Employee Credit Facility, although there can be no assurance that the Company will not be so required in the future.

SHAREHOLDERS' EQUITY

During 1999, shareholders' equity decreased by $11.9 million, from $612.2 million at December 31, 1998, to $600.3 million at December 31, 1999. The significant components of the change in shareholders' equity included net income from continuing operations of $104.2 million, less an increase in unrealized depreciation on investments of $13.3 million, the payment of dividends of $28.9 million and the purchase of common stock of $80.1 million.

In each of February, May and November of 1999, the Company announced $25 million share repurchase programs. During 1999, the Company repurchased 2,226,700 shares of stock for an aggregate value of $80.1 million. For the year ended December 31, 1998, the Company had repurchased an aggregate of 1,020,670 shares at a total cost of $42.7 million. Significant capital transactions during 1999 included:

o On November 17, 1999, the Company purchased and canceled 700,000 Common Shares at $38.00 per share for an aggregate purchase price of $26.6 million from one of the Company's founding institutional shareholders.

o On December 1, 1999, one of the Company's founding institutional shareholders sold 318,213 Diluted Voting Class II Common Shares into the public market, where they were subsequently converted into full voting Common Shares.

INVESTMENTS

As of December 31, 1999, the Company held investments and cash totaling $1,074.8 million (1998 - $942.3 million) with net unrealized depreciation of $18.5 million (1998 - $5.1 million).

Because the Company primarily provides coverage for damages resulting from natural and man-made catastrophes, the Company may become liable for substantial claim payments. Accordingly, the Company's investment portfolio is structured to provide a high level of liquidity.

The table below shows the aggregate amounts of investments available for sale, other investments and cash and cash equivalents comprising the Company's portfolio of invested assets:

(in thousands)	1999	1998
Investments available for sale, at fair value	$ 907,706	$ 799,995
Other investments	22,204	1,630
Cash, cash equivalents and short term investments	144,871	140,684
Total Invested Assets	$1,074,781	$ 942,309

The growth in the Company's portfolio of invested assets for the year ended December 31, 1999 resulted primarily from net cash provided by operating activities of $130.3 million and increased borrowings under the Company's revolving credit facility of $150.0 million, partially offset by $28.9 million of dividends paid and $80.1 million of Common Share repurchases. The Company's investment income also increased during this period, largely as a result of the increased size of the fixed income portfolio and an increase in interest rates.

The Company's current investment guidelines call for the invested asset portfolio, including cash and cash equivalents, to have at least an average AA rating as measured by

Standard & Poor's Ratings Group. At December 31, 1999, the Company's invested asset portfolio had a dollar weighted average rating of AA, an average duration of 2.7 years and an average yield to maturity of 7.15 percent.

LOSSES RECOVERABLE AND RESERVES FOR CLAIMS AND CLAIM EXPENSES

As of December 31, 1999, losses recoverable and reserves for claims and claim expenses increased by $128.3 million and $179.8 million, respectively, from the balances as of December 31, 1998. The increases primarily related to the occurrence of seven major catastrophes from September through December 1999. As discussed in the results of the Company's operations, the estimates of losses recoverable and of claims and claim expenses are based in part upon the estimation of claims resulting from catastrophic events such as these. During the period of time between the reserving for the losses and the settlement of the losses, additional facts and trends will be revealed. As these factors become apparent, losses recoverable and case reserves will be adjusted as needed. These adjustments may require an increase in the reserves or a reduction in the losses recoverable of the Company. At other times the Company may affect a reallocation of IBNR reserves to specific case reserves. The recoverable and reserve estimates are reviewed regularly, and adjustments, if any, will be reflected in the statements of income in the period in which they become known and will be accounted for as changes in estimates.

DERIVATIVE INSTRUMENTS

The Company has assumed risk through catastrophe and weather linked securities and derivative instruments under which losses could be triggered by an industry loss index or natural parameters. To date the Company has not experienced any losses from such securities or derivatives although there can be no assurance this performance will continue. In each of the fourth quarters of 1999 and 1998, the Company recorded recoveries on non-indemnity catastrophe index transactions. These recoveries are included in other income. In the future, the Company may also utilize other derivative instruments.

MARKET SENSITIVE INSTRUMENTS

The Company's investment portfolio includes investments which are subject to changes in market values with changes in interest rates. The aggregate hypothetical loss generated from an immediate adverse parallel shift in the treasury yield curve of 100 basis points would cause a decrease in total return of 2.70 percent, which equates to a decrease in market value of approximately $28.4 million on a portfolio valued at $1,052.6 million at December 31, 1999. As of December 31, 1998, the decrease in total return would have been 3.20 percent, which equates to a decrease in market value of approximately $28.1 million on a portfolio valued at $877.0 million. The foregoing reflects the use of an immediate time horizon, since this presents the worst-case scenario. Credit spreads are assumed to remain constant in these hypothetical examples.

CURRENCY

The Company's functional currency is the United States ("U.S.") dollar. The Company writes a substantial portion of its business in currencies other than U.S. dollars and may, from time to time, experience significant exchange gains and losses and incur underwriting losses in currencies other than U.S. dollars, which will in turn affect the Company's financial statements. See Note 2 to the Consolidated Financial Statements.

The Company's foreign currency policy is to hold foreign currency assets, including cash and receivables, that approximate the net monetary foreign currency liabilities, including loss reserves and reinsurance balances payable. All changes in the exchange rates are recognized currently in the Company's statement of income. As a result of the Company's exposure to foreign currency fluctuations, it is possible that during periods in which the U.S. dollar appreciates, the Company will recognize foreign exchange losses.

EFFECTS OF INFLATION

The potential exists, after a catastrophe loss, for the development of inflationary pressures in a local economy. The anticipated effects on the Company are considered in the Company's catastrophe loss models. The effects of inflation are also considered in pricing and in estimating reserves for unpaid claims and claim expenses. The actual effects of inflation on the results of the Company cannot be accurately known until claims are ultimately settled.

CURRENT OUTLOOK

The competitive pressures that have existed since 1995 continued in the property catastrophe market through 1998. However, due to industry losses in 1999, and the related contraction of capacity in the market, the Company has seen price increases in certain pockets of the property catastrophe market, which contributed to the Company's increased gross written premiums during this past year.

Because of continued catastrophic loss activity, the Company anticipates that additional price increases may occur in other pockets of the property catastrophe market. At this time, the Company does not believe that there will be a large upswing in pricing across all market segments, and believes that there continues to be numerous transactions in the market that are under priced. Identifying and avoiding such transactions requires significant underwriting skill, which the Company believes it possesses.

The Company believes that because of its competitive advantages, including its technological capabilities and its relationships with leading brokers and ceding companies, it will continue to find additional opportunities in the property catastrophe reinsurance business.

Because of recent loss activity, the Company believes that its aggregate cost for reinsurance protection will continue to increase during the upcoming year. It is also likely that a portion of the Company's reinsurance protection may become uneconomical and that the Company would determine to purchase less of such reinsurance. Accordingly it is possible that the Company will retain a greater level of net risk in the upcoming year as compared with the previous year.

Nobel has completed the sale and/or reinsurance of its principal operating units, although Nobel continues to operate a portion of such businesses on a transitional basis. Accordingly, the Company believes that its future consolidated results will reflect a reduced impact from Nobel and its affiliates. During 1999, the Company recorded $49.6 million of gross written premiums, $19.9 million of net premiums earned and net income of $2.9 million related to Nobel and its affiliates. The Company expects that Nobel and its affiliates will continue to conduct certain functions on a transitional basis and that the Company will continue to maintain ownership of Nobel along with its licenses in the 50 U.S. states, although there can be no assurance that such licenses can be successfully maintained.

The Company's financial strength has enabled it to pursue opportunities outside of the property catastrophe reinsurance market into the catastrophe exposed primary insurance market and the Company will continue to pursue other opportunities in the upcoming year. There can be no assurance that the Company's pursuit of such opportunities will materially impact the Company's financial condition and results of operations.

During recent fiscal years there has been considerable consolidation among leading brokerage firms and also among the Company's customers. Although consolidations may continue to occur, the Company believes that its financial strength, its position as one of the market leaders in the property catastrophe reinsurance industry and its ability to provide innovative products to the industry will minimize any adverse effect of such consolidation on the Company's business.

NEW ACCOUNTING PRONOUNCEMENTS

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. SFAS No. 133 is effective for all fiscal years beginning after June 15, 2000. Currently, the Company does not expect the adoption of SFAS No. 133 to have a material impact on its consolidated financial statements.

SAFE HARBOR DISCLOSURE

In connection with, and because it desires to take advantage of, the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company cautions readers regarding certain forward-looking statements in the following discussion and elsewhere in this Annual Report. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, the Company. In particular, statements using verbs such as "expect", "anticipate", "intends", "believe" or words of similar impact generally involve forward-looking statements. In light of the risks and uncertainties inherent in all future projections, the inclusion of forward-looking statements in this report should not be considered as a representation by the Company or any other person that the objectives or plans of the Company will be achieved. Numerous factors could cause the Company's actual results to differ materially from those in the forward-looking statements, including the following: (i) the occurrence of catastrophic events with a frequency or severity exceeding the Company's estimates; (ii) a decrease in the level of demand for the Company's reinsurance or insurance business, or increased competition in the industry; (iii) the lowering or loss of one of the financial or claims-paying ratings of the Company or one or more of its subsidiaries; (iv) risks associated with implementing business strategies of the Company; (v) uncertainties in the Company's reserving process; (vi) failure of the Company's reinsurers to honor their obligations; (vii) actions of competitors including industry consolidation; (viii) loss of services of any one of the Company's key executive officers; (ix) the passage of federal or state legislation subjecting Renaissance Reinsurance to supervision or regulation, including additional tax regulation, in the United States or other jurisdictions in which the Company operates; (x) challenges by insurance regulators in the United States to Renaissance Reinsurance's claim of exemption from insurance regulation under the current laws; (xi) changes in economic conditions, including currency rate conditions which could affect the Company's investment portfolio; (xii) a contention by the United States Internal Rev-enue Service that Renaissance Reinsurance is engaged in the conduct of a trade or business within the U.S.; or (xiii) slower than anticipated growth in the Company fee based operations. The foregoing review of important factors should not be construed as exhaustive; the Company undertakes no obligation to release publicly the results of any future revisions it may make to forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management is responsible for the integrity of the consolidated financial statements and other financial information presented in this annual report. The accompanying consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States, applying certain estimates and judgements as required.

The Company's internal controls are designed so that transactions are authorized and executed in accordance with management's authorization, to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard the assets against unauthorized use or disposition. Such controls are based on established policies and procedures and are implemented by qualified personnel with an appropriate segregation of duties.

Ernst & Young, independent auditors, are retained to audit the Company's consolidated financial statements and express their opinion thereon. Their accompanying report is based on audits conducted in accordance with auditing standards generally accepted in the United States, which includes the consideration of the Company's internal controls and an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. These procedures enable them to obtain a reasonable assurance about whether the financial statements are free of material misstatement and provide a reasonable basis for their opinion.

The Board of Directors exercises its responsibility for these financial statements through its Audit Committee. The Audit Committee meets periodically with the independent auditors, both privately and with management present, to review accounting, auditing, internal controls and financial reporting matters.

/s/ James N. Stanard	/s/ John M. Lummis
James N. Stanard	John M. Lummis
Chairman, President and	Senior Vice President and
Chief Executive Officer	Chief Financial Officer

REPORT OF INDEPENDENT AUDITORS

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF RENAISSANCERE HOLDINGS LTD.:

We have audited the accompanying consolidated balance sheets of RenaissanceRe Holdings Ltd. and Subsidiaries as of December 31, 1999 and 1998 and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of RenaissanceRe Holdings Ltd. and Subsidiaries as of December 31, 1999 and 1998, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1999, in conformity with accounting principles generally accepted in the United States.

/s/ Ernst & Young
Hamilton, Bermuda
January 28, 2000

CONSOLIDATED BALANCE SHEETS
RenaissanceRe Holdings Ltd. and Subsidiaries

At December 31, (in thousands of United States dollars, except per share amounts)	1999	1998
ASSETS		
Investments and cash		
Fixed maturity investments available for sale, at fair value (Amortized cost $926,176 and $804,968 at December 31, 1999 and 1998, respectively) (Note 3)	$ 907,706	$ 799,995
Short term investments, at cost	12,759	24,983
Other investments	22,204	1,630
Cash and cash equivalents	132,112	115,701
Total investments and cash	1,074,781	942,309
Reinsurance premiums receivable	80,455	96,761
Ceded reinsurance balances	50,237	41,370
Losses and premiums recoverable (Note 4)	328,627	200,379
Accrued investment income	13,456	9,968
Deferred acquisition costs	14,221	10,997
Other assets	55,466	54,380
TOTAL ASSETS	$ 1,617,243	$ 1,356,164
LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY		
Liabilities		
Reserve for claims and claim expenses (Note 5)	$ 478,601	$ 298,829
Reserve for unearned premiums	98,386	94,466
Bank loans (Note 6)	250,000	100,000
Reinsurance balances payable	50,157	94,058
Other liabilities	50,140	56,579
Total Liabilities	927,284	643,932
Minority interest - Company obligated, mandatorily redeemable capital securities of a subsidiary trust holding solely junior subordinated debentures of the Company (Note 7)	89,630	100,000
Commitments and contingencies (Note 18)		
Shareholders' Equity (Note 9)		
Common Shares and additional paid-in capital: $1 par value-authorized 225,000,000 shares; issued and outstanding at December 31, 1999 - 19,686,480 shares (1998 - 21,645,913 shares)	19,686	39,035
Unearned stock grant compensation (Note 16)	(10,026)	(8,183)
Accumulated other comprehensive income	(18,470)	(5,144)
Retained earnings	609,139	586,524
TOTAL SHAREHOLDERS' EQUITY	600,329	612,232
TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY	$ 1,617,243	$ 1,356,164
BOOK VALUE PER COMMON SHARE	$ 30.50	$ 28.28

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME
RenaissanceRe Holdings Ltd. and Subsidiaries

Years Ended December 31,	1999	1998	1997
(in thousands of United States dollars, except per share amounts)			
REVENUES			
Gross premiums written	$ 351,305	$ 270,460	$ 228,287
Net premiums written	$ 213,513	$ 195,019	$ 195,752
Decrease in unearned premiums	7,604	9,928	15,738
Net premiums earned	221,117	204,947	211,490
Net investment income (Note 3)	60,334	52,834	49,573
Foreign exchange losses	(411)	(153)	(3,442)
Other income	4,915	9,789	--
Net realized losses on investments (Note 3)	(15,720)	(6,890)	(2,895)
TOTAL REVENUES	270,235	260,527	254,726
EXPENSES			
Claims and claim expenses incurred (Note 5)	77,141	112,752	50,015
Acquisition costs	25,500	26,506	25,227
Operational expenses	36,768	34,525	25,131
Corporate expenses	9,888	18,924	3,218
Interest expense	9,934	4,473	4,271
TOTAL EXPENSES	159,231	197,180	107,862
Income before minority interests and taxes	111,004	63,347	146,864
Minority interest - Company obligated, mandatorily redeemable capital securities of a subsidiary trust holding solely junior subordinated debentures of the Company (Note 7)	(8,288)	(8,540)	(6,998)
Minority interest - Glencoe	--	(705)	(617)
Income before taxes	102,716	54,102	139,249
Income tax benefit (Note 13)	1,525	20,475	--
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	$ 104,241	$ 74,577	$ 139,249
EARNINGS PER COMMON SHARE - BASIC	$ 5.10	$ 3.39	$ 6.19
EARNINGS PER COMMON SHARE - DILUTED	$ 5.05	$ 3.33	$ 6.06

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
RenaissanceRe Holdings Ltd. and Subsidiaries

Years Ended December 31,	1999	1998	1997
(in thousands of United States dollars, except per share amounts)			
Common stock & additional paid-in capital			
Balance-- January 1	$ 39,035	$ 74,922	$ 126,433
Exercise of stock options & restricted stock awards	6,461	6,837	3,247
Repurchase of shares	(26,695)	(42,724)	(53,458)
Other	885	--	(1,300)
Balance-- December 31	19,686	39,035	74,922
Unearned stock grant compensation			
Balance-- January 1	(8,183)	(4,731)	(3,868)
Stock grants awarded	(5,382)	(5,964)	(4,731)
Amortization	3,539	2,512	3,868
Balance-- December 31	(10,026)	(8,183)	(4,731)
Accumulated other comprehensive income			
Balance-- January 1	(5,144)	(10,155)	1,577
Net unrealized gains (losses) on securities, net of adjustment (see disclosure below)	(13,326)	5,011	(11,732)
Balance-- December 31	(18,470)	(5,144)	(10,155)
Retained earnings			
Balance-- January 1	586,524	538,667	422,061
Net income	104,241	74,577	139,249
Dividends paid	(28,885)	(26,720)	(22,643)
Repurchase of shares	(53,403)	--	--
Other	662	--	--
Balance-- December 31	609,139	586,524	538,667
Total shareholders' equity	$ 600,329	$ 612,232	$ 598,703
COMPREHENSIVE INCOME			
Net income	$ 104,241	$ 74,577	$ 139,249
Other comprehensive income	(13,326)	5,011	(11,732)
Comprehensive income	$ 90,915	$ 79,588	$ 127,517
DISCLOSURE REGARDING NET UNREALIZED GAINS (LOSSES)			
Net unrealized holding losses arising during period	$ (29,046)	$ (1,879)	$ (14,627)
Net realized losses included in net income	15,720	6,890	2,895
Change in net unrealized gains (losses) on securities	$ (13,326)	$ 5,011	$ (11,732)

See accompanying notes to the consolidated financial statements.

STATEMENTS OF CASH FLOWS
RenaissanceRe Holdings Ltd. and Subsidiaries

Years Ended December 31, (in thousands of United States dollars)	1999	1998	1997
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:			
Net income	$ 104,241	$ 74,577	$ 139,249
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	9,810	14,488	1,121
Net realized losses on investments	15,720	6,890	2,895
Reinsurance balances, net	(27,595)	54,187	3,823
Ceded reinsurance balances	(8,867)	(34,245)	2,328
Accrued investment income	(3,488)	3,572	1,151
Reserve for unearned premiums	3,920	5,132	(8,610)
Reserve for claims and claim expenses, net	51,524	(8,530)	4,617
Other, net	(14,960)	(13,579)	6,710
Net cash provided by operating activities	130,305	102,492	153,284
CASH FLOWS APPLIED TO INVESTING ACTIVITIES:			
Proceeds from maturities and sales of investments	1,986,498	783,735	697,532
Purchase of investments available for sale	(2,146,361)	(828,299)	(829,193)
Net sales (purchases) of short term investments	12,224	(2,189)	--
Proceeds from sales of equities	1,319	30,550	57,958
Purchase of equities	--	--	(81,452)
Purchase of minority interest in Glencoe	--	(15,204)	(5,185)
Acquisition of subsidiary, net of cash acquired	--	(58,869)	--
Proceeds from sale of minority interest in Glencoe	--	--	3,000
Net cash applied to investing activities	(146,320)	(90,276)	(157,340)
CASH FLOWS PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES:			
Purchase of Common Shares	(80,098)	(42,724)	(53,458)
Net proceeds from (repayment of) bank loan	150,000	50,000	(100,000)
Proceeds from issuance (purchase) of Capital Securities	(8,591)	--	100,000
Dividends paid	(28,885)	(26,720)	(22,643)
Repayments of officer loans	--	--	4,104
Net cash provided by (applied to) financing activities	32,426	(19,444)	(71,997)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	16,411	(7,228)	(76,053)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	115,701	122,929	198,982
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 132,112	$ 115,701	$ 122,929

See accompanying notes to the consolidated financial statements.

NOTE 1. ORGANIZATION

RenaissanceRe Holdings Ltd. ("RenaissanceRe"), was formed under the laws of Bermuda on June 7, 1993 and serves as the holding company for its subsidiaries, Renaissance Reinsurance Ltd., ("Renaissance Reinsurance"), Glencoe Insurance Ltd., ("Glencoe"), Renaissance U.S. Holdings, Inc. ("Renaissance U.S."), Renaissance Underwriting Managers, Ltd. ("Renaissance Managers"), and RenaissanceRe Capital Trust (the "Trust").

o Renaissance Reinsurance commenced underwriting operations on June 15, 1993 and provides property catastrophe and reinsurance coverage to insurers and reinsurers on a worldwide basis.

o Glencoe commenced insurance underwriting operations in January 1996 and provides catastrophe exposed property coverage on an insurance and reinsurance basis.

o In January 1998, the Company began to provide personal lines coverages through DeSoto Insurance Company ("DeSoto"), a wholly owned subsidiary of Glencoe. DeSoto is a special purpose Florida homeowners insurance company that is licensed to assume and renew homeowners policies from the Florida Joint Underwriting Association, a state sponsored insurance company.

o In June 1998, Renaissance U.S. completed its acquisition of the U.S. operating subsidiaries of Nobel Insurance Limited, a Bermuda company ("Nobel Limited"), for $56.1 million. See Note 8.

o In October 1998, Renaissance Reinsurance of Europe ("Renaissance Europe") was incorporated under the laws of Ireland as a wholly owned subsidiary of Renaissance Reinsurance to provide certain property catastrophe and reinsurance coverage in Europe.

o Effective January 6, 1999, Top Layer Reinsurance Ltd., ("Top Layer Re") was formed as a joint venture between Renaissance Reinsurance and State Farm Mutual Automobile Insurance Company to provide property catastrophe reinsurance for high layer, non-U.S. risks. In connection with this joint venture, the Company has provided capital of $13.0 million and has provided a $37.5 million letter of credit.

o On November 27, 1999, Renaissance Managers was incorporated under the laws of Bermuda as a wholly owned subsidiary of RenaissanceRe to provide underwriting management services to non-related parties.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The consolidated financial statements have been prepared on the basis of United States generally accepted accounting principles ("GAAP") and include the accounts of RenaissanceRe and its subsidiaries, which are collectively referred to herein as the "Company". All intercompany transactions and balances have been eliminated on consolidation. Minority interests represent the interests of external parties in respect of net income and shareholders' equity of Glencoe and the Trust (See Note 7). Certain comparative information has been reclassified to conform with the current year presentation.

USE OF ESTIMATES IN FINANCIAL STATEMENTS

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported and disclosed amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The significant estimates reflected in the Company's financial statements, include, but are not limited to, the reserve for claims and claim expenses and the related losses and premiums recoverable.

PREMIUMS AND RELATED EXPENSES

Premiums are recognized as income, net of any applicable retrocessional coverage, over the terms of the related contracts and policies. Premiums written are based on policy and contract terms and include estimates based on information received from both insureds and ceding companies. Subsequent differences arising on such estimates are recorded in the period in which they are determined. Reserve for unearned premiums represents the portion of premiums written that relate to the unexpired terms of contracts and policies in force. Such reserves are computed by pro-rata methods based on statistical data or reports received from ceding companies.

Acquisition costs, consisting principally of commissions and brokerage expenses incurred at the time a contract or policy is issued, are deferred and amortized over the period in which the related premiums are earned. Deferred policy acquisition costs are limited to their estimated realizable value based on the related unearned premiums. Anticipated claims and claim expenses, based on historical and current experience, and anticipated investment income related to those premiums are considered in determining the recoverability of deferred acquisition costs.

REINSURANCE

Amounts recoverable from reinsurers are estimated in a manner consistent with the claim liability associated with the reinsured policies. The Company evaluates the financial condition of its reinsurers through internal evaluation by senior management. For retroactive reinsurance contracts, the amount by which liabilities associated with the reinsured policies exceed the amount paid for reinsurance coverage is deferred and amortized into income using the recovery method.

CLAIMS AND CLAIM EXPENSES

The reserve for claims and claim expenses includes estimates for unpaid claims and claim expenses on reported losses as well as an estimate of losses incurred but not reported. The reserve is based on individual claims, case reserves and other reserve estimates reported by insureds and ceding companies as well as management estimates of ultimate losses. Inherent in the estimates of ultimate losses are expected trends in claim severity and frequency and other factors which could vary significantly as claims are settled. Accordingly, ultimate losses may vary materially from the amounts provided in the consolidated financial statements. These estimates are reviewed regularly and, as experience develops and new information becomes known, the reserves are adjusted as necessary. Such adjustments, if any, are reflected in the consolidated statement of income in the period in which they become known and are accounted for as changes in estimates.

INVESTMENTS AND CASH

Investments are considered available for sale and are reported at fair value. The net unrealized appreciation or depreciation on investments is included in accumulated other comprehensive income. Investment transactions are recorded on the trade date with balances pending settlement reflected in the balance sheet as a component of other assets or other liabilities.

Realized gains or losses on the sale of investments are determined on the basis of the specific identification method and include adjustments to the net realizable value of investments for declines in value that are considered to be other-than-temporary. Net investment income includes interest and dividend income together with amortization of market premiums and discounts and is net of investment management and custody fees. The amortization of premium and accretion of discount for fixed maturity securities is computed utilizing the interest method. The effective yield utilized in the interest method is adjusted when sufficient information exists to estimate the probability and timing of prepayments. Fair values of investments are based on quoted market prices, or when such prices are not available, by reference to broker or underwriter bid indications.

Short term investments, which have a maturity of one year or less when purchased, are carried at cost which approximates fair value. For the purposes of the statements of cash flows, cash equivalents include money market instruments with a maturity of ninety days or less when purchased.

GOODWILL

The Company amortizes goodwill recorded in connection with its business combinations on a straight-line basis over the expected recovery period, principally twenty years. Goodwill is periodically reviewed for impairment and amounts deemed unrecoverable are adjusted accordingly. Goodwill is included in other assets on the consolidated balance sheet and is expensed through corporate expenses in the consolidated statement of income.

EARNINGS PER SHARE

Basic earnings per share is based on weighted average Common Shares and excludes any dilutive effects of options and restricted stock. Diluted earnings per share assumes the exercise of all dilutive stock options and restricted stock grants. See Note 10.

FOREIGN EXCHANGE

The Company's functional currency is the United States dollar. Revenues and expenses denominated in foreign currencies are translated at the prevailing exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates in effect at the balance sheet date, which may result in the recognition of exchange gains or losses which are included in the determination of net income.

STOCK INCENTIVE COMPENSATION PLANS

The Company has elected to follow Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25") and related interpretations in accounting for its employee stock options. The alternative fair value accounting provided for under SFAS No. 123 requires the use of option valuation models that were not necessarily developed for use in valuing employee stock options. It is the opinion of management that disclosure of the pro-forma impact of fair values provides a more relevant and informative presentation of the impact of stock options issued to employees than financial statement recognition of such amounts. Under APB 25, the Company recognizes compensation expense for stock option grants to the extent that the fair value of the stock exceeds the stock option exercise price at the measurement date.

TAXATION

The Company utilizes the liability method of accounting for income taxes. Under the liability method, deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

NEW ACCOUNTING PRONOUNCEMENT

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. SFAS No. 133 is effective for all fiscal years beginning after June 15, 2000. Currently, the Company does not expect the adoption of SFAS No. 133 to have a material impact on its consolidated financial statements.

NOTE 3. INVESTMENTS

The amortized cost, fair value and related unrealized gains and losses on fixed maturity investments are as follows:

December 31, 1999	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government bonds	$298,748	$ 115	$ (3,135)	$295,728
Non-U.S. government bonds	55,308	-	(835)	54,473
U.S. corporate bonds	371,631	895	(15,954)	356,572
Non-U.S. corporate bonds	50,456	3,540	(36)	53,960
U.S. mortgage backed securities	150,033	35	(3,095)	146,973
	$926,176	$ 4,585	$ (23,055)	$907,706

December 31, 1999	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government bonds	$560,068	$ 5,183	$ (641)	$564,610
Non-U.S. government bonds	34,694	-	(4,067)	30,627
Non-U.S. corporate bonds	73,192	1,822	(8,044)	66,970
U.S. corporate bonds	137,014	1,599	(825)	137,788
	$804,968	$ 8,604	$ (13,577)	$799,995

Contractual maturities of fixed maturity securities are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

December 31, 1999	Amortized Cost	Fair Value
Due within one year	$ 2,801	$ 2,787
Due after one through five years	460,462	456,408
Due after five through ten years	232,751	226,073
Due after ten years	80,129	75,465
U.S. mortgage backed securities	150,033	146,973
	$ 926,176	$ 907,706

The following table summarizes the composition of the fair value of the fixed maturity portfolio by ratings assigned by rating agencies (e.g. Standard & Poor's Corporation) or, with respect to non-rated issues, as estimated by the Company's investment managers.

At December 31,	1999	1998
AAA	72.9%	70.9%
AA	5.0	4.3
A	5.9	9.2
BBB	4.8	3.7
BB	3.7	5.2
B	5.3	2.2
NR	2.4	4.5
	100.0%	100.0%

INVESTMENT INCOME

The components of net investment income are as follows:

Year Ended December 31,	1999	1998	1997
Fixed maturities	$52,470	$45,392	$42,183
Short term investments	6,200	2,354	-
Cash and cash equivalents	2,898	6,831	9,338
	61,568	54,577	51,521
Investment expenses	1,234	1,743	1,948
Net investment income	$60,334	$52,834	$49,573

The analysis of realized gains (losses) and the change in unrealized gains (losses) on investments is as follows:

Year Ended December 31,

	1999	1998	1997
Gross realized gains	$ 4,619	$ 13,192	$ 4,741
Gross realized losses	(20,339)	(20,082)	(7,636)
Net realized losses on investments	(15,720)	(6,890)	(2,895)
Unrealized gains (losses)	(13,326)	5,011	(11,732)
Total realized and unrealized losses on investments	$(29,046)	$ (1,879)	$(14,627)

Proceeds from maturities and sales of fixed maturity investments were $1,986.5 million, $783.7 million and $697.5 million for the years ended December 31, 1999, 1998 and 1997, respectively. At December 31, 1999 and 1998 approximately $15.0 million of cash and investments were on deposit with various regulatory authorities as required by law.

Other investments include the investment in Top Layer Re of $14.9 million. Top Layer Re, which is 50% owned by Renaissance Reinsurance, is carried using the equity method. Undistributed earnings from Top Layer Re of $1.9 million are included in other income. The carrying value approximates fair value. Other investments also include available for sale equity securities reported at fair value.

DERIVATIVE INSTRUMENTS

The Company has assumed and ceded risk through catastrophe and weather linked securities and derivative instruments under which losses or recoveries are triggered by an industry loss index or geological or physical variables. Net related fees and risk premiums assumed and ceded are not material to the Company's operations. During 1999 and 1998, the Company recognized gains on non-indemnity catastrophe index transactions, which are included as a component of other income.

NOTE 4. CEDED REINSURANCE

The Company utilizes reinsurance to reduce its exposure to large losses. The Company currently has in place contracts that provide for recovery of a portion of certain claims and claim expenses from reinsurers in excess of various retentions and loss warranties. The Company would remain liable to the extent that any reinsurance company fails to meet its obligations. The earned reinsurance premiums ceded were $128.1 million, $68.1 million and $25.1 million for 1999, 1998 and 1997, respectively.

Other than loss recoveries, certain of the Company's ceded reinsurance contracts also provide for recoveries of additional premiums, reinstatement premiums and lost no claims bonuses which are incurred when losses are ceded to reinsurance contracts. Total recoveries netted against premiums and claims and claim expenses incurred for the year ended December 31, 1999 were $255.3 million and $110.1 million in 1998.

Included in losses and premiums recoverable as of December 31, 1999, are recoverables of $37.8 million (1998 - $50.4 million) which relate to a retroactive reinsurance contract entered into by Nobel. This contract provides Nobel with $38.0 million of protection from adverse development on its pre October 1, 1997 casualty book of business plus $22.0 million of capacity on transferred reserves. SFAS No. 113, "Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts", requires that adverse development of the reserves covered by this contract be reflected in the Company's statement of income when the adverse development becomes known. However, the offsetting recovery under the contract is required to be deferred and recognized into income as payments are received from the reinsurer. During 1998, Nobel in its statement of income recognized $27.6 million of adverse development on the business covered by this contract with the offsetting recovery reflected on the balance sheet as a deferred gain. During 1999 and in future years, as payments are received from the reinsurer, the gain will be pro-rated and reflected in the statement of income as a reduction to claims and claim expenses.

NOTE 5. RESERVE FOR CLAIMS AND CLAIM EXPENSES

For the Company's reinsurance operations, estimates of claims and claim expenses are based in part upon the estimation of claims resulting from catastrophic events. Estimation by the Company of claims resulting from catastrophic events based upon its own historical claim experience is inherently difficult because of the Company's short operating history and the potential severity of property catastrophe claims. Therefore, the Company utilizes both proprietary and commercially available models, as well as historical reinsurance industry property catastrophe claims experience, for purposes of evaluating future trends and providing an estimate of ultimate claims costs.

On both the Company's reinsurance and primary operations, the Company uses statistical and actuarial methods to reasonably estimate ultimate expected claims and claim expenses. The period of time from the reporting of a loss to the Company, and the settlement of the Company's liability may be several years. During this period, additional facts and trends will be revealed. As these factors become apparent, case reserves will be adjusted, sometimes requiring an increase in the overall reserves of the Company, and at other times requiring a reallocation of IBNR reserves to specific case reserves. These estimates are reviewed regularly, and such adjustments, if any, are reflected in results of operations in the period in which they become known and are accounted for as changes in estimates.

Activity in the liability for unpaid claims and claim expenses is summarized as follows:

Year Ended December 31,	1999	1998	1997
Net reserves as of January 1	$197,512	$110,037	$105,421
Net reserves assumed in respect of acquired company	-	55,317	-
Net incurred related to:			
Current year	111,720	96,431	50,015
Prior years	(34,579)	16,321	-
Total net incurred	77,141	112,752	50,015
Net paid related to:			
Current year	44,701	49,671	3,740
Prior years	55,039	30,923	41,659
Total net paid	99,740	80,594	45,399
Total net reserves as of December 31	174,913	197,512	110,037
Losses recoverable as of December 31	303,688	101,317	-
Total gross reserves as of December 31	$478,601	$298,829	$110,037

The prior year development in 1999 was due primarily to favorable development on property catastrophe reserves for 1998 and prior. The prior year development in 1998 was due primarily to adverse development of Nobel's surety and casualty businesses, partially offset by favorable development on property catastrophe reserves for 1997 and prior years. The Company's total gross reserve for incurred but not reported claims was $293.2 million as of December 31, 1999 (1998- $135.4 million).

NOTE 6. BANK LOANS

The Company has a revolving credit and term loan agreement with a syndicate of commercial banks. During 1999, the Company re-negotiated its revolving credit facility and among other things, increased the commitment to $300.0 million from $200.0 million. The Company also increased its borrowings under the facility to $200.0 million as of December 31, 1999 from $50.0 million as of December 31, 1998. The additional funds drawn during the year have increased the liquidity at the holding company, RenaissanceRe, and are available if necessary, to be contributed to the operating subsidiaries following a large catastrophic event. Interest rates on the facility are based on a spread above LIBOR and have averaged 5.76 percent during 1999 (6.12 percent in 1998). The credit agreement contains certain financial covenants including requirements that consolidated debt to capital does not exceed a ratio of 0.35:1; consolidated net worth must exceed the greater of $100.0 million or 125 percent of consolidated debt; and 80 percent of invested assets must be rated BBB- by S&P or Baa3 by Moody's Investor Service or better. Under the terms of the agreement, and if the Company is in compliance with the covenants thereunder, the Company has access to an additional $100.0 million should the need arise. The Company was in compliance with all the covenants of this revolving credit and term loan agreement as at December 31, 1999. Renaissance U.S. has a $35.0 million term loan and $15 million revolving loan facility with a syndicate of commercial banks. Interest rates on the facility are based upon a spread above LIBOR, and averaged 5.91 percent during 1999 (6.03 percent in 1998). The Credit Agreement contains certain financial covenants, the primary one being that, RenaissanceRe, being its principal guarantor, maintain a ratio of liquid assets to debt service of 4:1. This five year term loan has mandatory repayment provisions approximating 25 percent in each of years 2000 through 2003. The Company was in compliance with all the covenants of this term loan and revolving loan facility as at December 31, 1999.

Interest payments on the above loans totaled $8.3 million, $4.4 million and $4.6 million for the years ended December 31, 1999, 1998 and 1997, respectively. Fair value of bank loans approximate the carrying values, because such loans reprice frequently.

NOTE 7. CAPITAL SECURITIES

On March 7, 1997, the Company issued $100.0 million of "Company Obligated, Mandatorily Redeemable Capital Securities of a Subsidiary Trust holding solely $103,092,783 of the Company's 8.54 percent Junior Subordinated Debentures due March 1, 2027" ("Capital Securities") issued by the Trust. The Capital Securities pay cumulative cash distributions at an annual rate of 8.54 percent, payable semi-annually. Proceeds from the offering were used to repay a portion of the Company's outstanding indebtedness. Effective September 11, 1997, the Trust exchanged the Capital Securities for substantially the same securities registered under the Securities Act of 1933. The Trust is a wholly owned subsidiary of the Company and is consolidated into the Company's consolidated financial statements. The Capital Securities and the related accrued dividends, are reflected in the consolidated financial statements as a minority interest.

During 1999 the Company repurchased $10.4 million of the Capital Securities recognizing a gain of $1.8 million, which was reflected in shareholders' equity.

NOTE 8. ACQUISITION

On June 25, 1998, the Company completed its acquisition of the U.S. operating subsidiaries of Nobel Insurance Limited, a Bermuda company ("Nobel Limited"), for $56.1 million. The Company issued no shares as part of the purchase and accounted for this acquisition using the purchase method of accounting.

During the fourth quarter of 1998, the Company recorded an after tax charge of $40.1 million, consisting of $29.6 million of adverse development on Nobel's casualty and surety books of business, a goodwill write-down of $6.6 million, and other related costs of $3.9 million. Consequently, at the end of 1998, RenaissanceRe adopted a plan to exit each of Nobel's business units. During 1999, Nobel completed the reinsurance of the casualty and surety books of business and signed agreements under which its bail and low-value dwelling books of business have been assumed by third parties, with obligations to make certain future payments to Nobel based on future revenues and/or profitability of these businesses. Also, Nobel has completed the sale of its IAS/Cat Crew subsidiary to its management team in an earn-out transaction.

During 1999, in conjunction with the sale and reinsurance of the principal business units of Nobel, the Company wrote off $6.7 million of goodwill which was reflected in corporate expenses in the statement of income.

The Company expects that Nobel and its affiliates will continue to conduct certain functions of the casualty, surety, low-value dwelling and bail businesses on a transitional basis. Renaissance U.S. expects to retain ownership of Nobel along with its licenses in the 50 U.S. states, although there can be no assurance that such licenses can be successfully maintained following the disposition of the business units.

Primarily as a result of the losses from Nobel, Renaissance U.S. has recorded a deferred tax asset, the balance of which is $23.5 million as of December 31, 1999.

In connection with the Nobel acquisition, Renaissance U.S. borrowed $35.0 million from a syndicate of banks. In addition, the banks provided a $15.0 million revolving loan facility which has been fully utilized as of December 31, 1999. RenaissanceRe has guaranteed these arrangements. See Note 6.

Contemporaneously with the Nobel acquisition, Nobel entered into a retroactive reinsurance contract. This contract provides Nobel with $38.0 million of protection from adverse development on its pre October 1, 1997 casualty book of business. See Note 4.

NOTE 9. SHAREHOLDERS' EQUITY

On May 5, 1998, the shareholders voted to increase the authorized capital to an aggregate of 325,000,000 shares consisting of 225,000,000 Common Shares and 100,000,000 Preference Shares. The Company's 225,000,000 authorized $1.00 par value Common Shares consist of three separate series with differing voting rights as follows:

December 31, 1999	Authorized	Issued and Outstanding
Full Voting Common Shares (the Common Shares) (includes all shares registered and available to the public)	209,775,379	17,237,976
Diluted Voting Class I Common Shares (the Diluted Voting I Shares)	15,039,089	2,448,504
Diluted Voting Class II Common Shares (the Diluted Voting II Shares)	185,532	-
	225,000,000	19,686,480

The Diluted Voting I Shares and the Diluted Voting II Shares (together the Diluted Voting Shares) were authorized at a special general meeting of shareholders on December 23, 1996 and subsequent to the authorization, affiliates of General Electric Investment Corporation exchanged 5.7 million Common Shares for 4.2 million Diluted Voting I Shares and 1.5 million Diluted Voting II Shares, and as such are the sole holders of such diluted voting securities.

The Diluted Voting Shareholders vote together with the common shareholders. The Diluted Voting I Shares are limited to a fixed voting interest in the Company of up to 9.9 percent on most corporate matters. Each Diluted Voting II Share has a one-third vote on most corporate matters. The Diluted Voting Shareholders are entitled to the same rights, including receipt of dividends and the right to vote on certain significant corporate matters, and are subject to the same restrictions as the common shareholders. The Company currently does not intend to register or list the Diluted Voting Shares on the New York Stock Exchange.

In each of February, May and November of 1999, the Company announced share repurchase programs of $25.0 million. For the year ended December 31, 1999, the Company repurchased a total of 2,226,700 Common Shares of the Company for an aggregate price of $80.1 million. During 1998, the Company repurchased a total of 1,020,670 Common Shares of the Company for an aggregate price of $42.7 million.

On November 17, 1999, the Company purchased and cancelled 700,000 Common Shares at $38.00 per share for an aggregate purchase price of $26.6 million from one of the Company's founding institutional shareholders.

On December 1, 1999, one of the Company's founding institutional shareholders sold 318,213 Diluted Voting Class II Common Shares into the public market, where they were subsequently converted into Full Voting Common Shares.

On June 23, 1997, concurrent with a secondary offering, the Company purchased for cancellation 700,000 Common Shares at $36.29 per share for an aggregate price of $25.4 million from the Company's founding institutional shareholders or their successors.

In November 1997, June 1997 and February 1996, the Company paid for the costs of secondary offerings of the Company's Common Shares sold by the founding institutional investors. The Company incurred costs of $0.6, $0.7 and $0.5 million, respectively, with respect to the registrations which are reflected as a reduction to additional paid-in capital on the consolidated balance sheet.

NOTE 10. EARNINGS PER SHARE

The Company utilizes SFAS No. 128, "Earnings per Share" to account for its weighted average shares. The numerator in both the Company's basic and diluted earnings per share calculations is identical. The following table sets forth the reconciliation of the denominator from basic to diluted weighted average shares outstanding (in thousands of per share amounts):

Year Ended December 31,	1999	1998	1997
Weighted average shares - basic	20,444	22,021	22,496
Per share equivalents of employee stock options and restricted shares	184	407	471
Weighted average shares - diluted	20,628	22,428	22,967

NOTE 11. RELATED PARTY TRANSACTIONS AND MAJOR CUSTOMERS

The Company has in force treaties with subsidiaries of The St. Paul Companies, and affiliates of General Electric Investments ("GEI") covering property catastrophe risks. The terms of these treaties were determined in arms length negotiations and the Company believes that such terms are comparable to terms the Company would expect to negotiate in similar transactions with unrelated parties. For the years ended December 31, 1999, 1998 and 1997, the Company received $11.1 million, $13.7 million and $19.2 million in reinsurance premiums and deposits related to these treaties, respectively.

During 1999, the Company had in place an investment advisory agreement with GE Investment Management, an affiliate of GEI. GE Investment Management managed approximately 15.0 percent of the Company's portfolio, subject to the Company's investment guidelines. The terms of the investment advisory agreement were determined in arms length negotiations. The performance of, and the fees paid to GE Investment Management were reviewed periodically by the Board of Directors. Such fees paid to GE advisors aggregated to $0.2 million, $0.4 million, $1.2 million for the years ended December 31, 1999, 1998 and 1997. This agreement expired on December 31, 1999, and was not renewed.

During the years ended December 31, 1999, 1998 and 1997, the Company received 78.8%, 64.2%, and 70.1%, respectively, of its premium assumed from its five largest reinsurance brokers. Subsidiaries and affiliates of J&H Marsh & McLennan, Inc., AON Re Group, E. W. Blanch & Co., Greig Fester, and Willis Faber accounted for approximately 24.5%, 20.5%, 20.3%, 7.1% and 6.4%, respectively, of the Company's premiums written in 1999.

NOTE 12. DIVIDENDS

During 1999, four regular quarterly dividends of $0.35 per share were paid to shareholders of record as of February 18, May 28, August 19, and November 18. During 1998, four regular quarterly dividends of $0.30 per share were paid to shareholders of record as of February 18, May 20, August 19, and November 19. During 1997, four regular quarterly dividends of $0.25 per share were paid to shareholders of record as of February 19, May 22, August 20, and November 20. The total amount of dividends paid to Common Shareholders during 1999, 1998 and 1997 was $28.9 million, $26.7 million and $22.6 million, respectively.

NOTE 13. TAXATION

Under current Bermuda law, neither RenaissanceRe, Renaissance Reinsurance, nor Glencoe are required to pay taxes in Bermuda on either income or capital gains. Income from U.S. company operations is subject to taxes imposed by U.S. authorities. Renaissance Reinsurance of Europe is subject to the taxation laws of Ireland.

The U.S. companies have a net operating loss carryforward of $42.8 million which will be available to offset regular taxable U.S. income during the carryforward period (through 2019). As of December 31, 1999, a deferred tax asset of $23.5 million is included in other assets on the consolidated balance sheet.

The income tax expense (benefit) consists of:

Year Ended December 31, 1999

	Current	Deferred	Total
U.S. federal	$ 487	$ -	$ 487
U.S. state and local	(61)	(1,951)	(2,012)
	$ 426	$(1,951)	$(1,525)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 1999 are presented below:

	1999
Deferred tax assets:	
Allowance for doubtful accounts	$ 127
Unearned premiums	288
Claims reserves, principally due to discounting for tax	2,474
Retroactive reinsurance gain	4,613
Net operating loss carryforwards	14,553
Other	4,167
	26,222
Deferred tax liabilities:	
Deferred policy acquisition costs	(848)
Other	(1,871)
Net deferred tax asset	$23,503

NOTE 14. GEOGRAPHIC INFORMATION

Financial information relating to gross premiums by geographic region is as follows:

Year Ended December 31,	1999	1998	1997
United States	$229,156	$191,658	$123,717
Worldwide	49,482	20,584	27,930
Worldwide (excluding U.S.)	27,276	26,380	32,005
Europe (including the United Kingdom)	26,437	18,532	21,007
Other	15,742	9,374	16,738
Australia and New Zealand	3,212	3,932	6,890
Total Gross Premiums Written	$351,305	$270,460	$228,287

The category "Worldwide (excluding U.S.)" consists of contracts that cover more than one geographic region (other than the U.S.). The exposure in this category for gross premiums written to date is predominantly from Europe and Japan.

NOTE 15. SEGMENT REPORTING

The Company has two reportable segments: reinsurance operations and primary operations. The reinsurance segment provides property catastrophe reinsurance as well as other reinsurance to selected insurers and reinsurers on a worldwide basis. The primary segment provides insurance both on a direct and on a surplus lines basis for commercial and homeowners catastrophe exposed property business. Also included in the primary segment are coverages written by Nobel for commercial auto and general liability as well as surety business which provides coverage to small and mid-size contractors. The majority of the Nobel business has been substantially reinsured, and is expected to diminish in future years based on the sale of the Nobel business units. See Note 8.

The activities of the Company's Bermuda and U.S. holding companies are the primary contributors to the results reflected in the other category. The pre-tax loss of the holding companies primarily consisted of interest expense on bank loans, the minority interest on the Capital Securities, and realized investment losses on the sales of investments, partially offset by investment income on the assets of the holding companies. Data for the three years ended December 31, 1999 , 1998 and 1997 is as follows:

Year Ended December 31, 1999	Reinsurance	Primary	Other	Total
Gross premiums written	$ 282,345	$ 68,960	$ --	$ 351,305
Total revenues	232,715	31,377	6,143	270,235
Pre-tax profit (loss)	117,408	8,926	(23,618)	102,716
Assets	1,112,692	274,401	230,150	1,617,243
Claims and claim expense ratio	32.7%	52.2%	--	34.9%
Underwriting expense ratio	25.8%	12.4%	--	28.1%
Combined ratio	58.5%	64.6%	--	63.0%
Year Ended December 31, 1998				
Gross premiums written	$ 207,189	$ 63,271	$ --	$ 270,460
Total revenues	216,976	42,229	1,322	260,527
Pre-tax profit (loss)	126,768	(51,438)	(21,228)	54,102
Assets	897,656	369,801	88,707	1,356,164
Claims and claim expense ratio	25.0%	200.2%	--	55.0%
Underwriting expense ratio	28.1%	37.1%	--	29.8%
Combined ratio	53.1%	237.3%	--	84.8%
Year Ended December 31, 1997				
Gross premiums written	$ 221,246	$ 7,041	$ --	$ 228,287
Total revenues	242,076	6,909	5,741	254,726
Pre-tax profit (loss)	146,209	2,421	(9,381)	139,249
Assets	795,043	84,211	81,495	960,749
Claims and claim expense ratio	23.6%	25.0%	--	23.7%
Underwriting expense ratio	22.6%	86.1%	--	23.8%
Combined ratio	46.2%	111.1%	--	47.5%

NOTE 16. STOCK INCENTIVE COMPENSATION
AND EMPLOYEE BENEFIT PLANS

The Company has a stock incentive plan under which all employees of the Company and its subsidiaries may be granted stock options and restricted stock awards. A stock option award under the Company's stock incentive plan allows for the purchase of the Company's Common Shares at a price that is generally equal to the five day average closing price of the Common Shares immediately prior to the date of grant. Options to purchase Common Shares are granted periodically by the Board of Directors, generally vest over four years and generally expire ten years from the date of grant.

The Company adopted the disclosure-only method under SFAS No. 123, "Accounting for Stock Based Compensation", as of December 31, 1996, and continues to account for stock-based compensation plans under Accounting Principles Board Opinion No. 25. In accordance with SFAS No. 123, the fair value of option grants is estimated on the date of grant using the Black-Scholes option pricing model for pro-forma footnote purposes with the following weighted average assumptions used for grants in 1999, 1998 and 1997, respectively; dividend yield of 3.4, 2.7 and 2.5 percent, expected option life of five years for all years, and expected volatility of 27.41, 25.09 and 25.09 percent. The risk-free interest rate was assumed to be 6.3 percent in 1999, 5.5 percent in 1998 and 6.0 percent in 1997. If the compensation cost had been determined based upon the fair value method recommended in SFAS No. 123, the Company's net income would have been $100.9 million, $71.8 million and $135.4 million for each of 1999, 1998 and 1997, respectively, and the Company's earnings per share on a diluted basis would have been $4.89, $3.20 and $5.89 for each of 1999, 1998 and 1997, respectively. The following is a table of the changes in options outstanding for 1999, 1998 and 1997, respectively:

	Awards available for grant	Options outstanding	Weighted average exercise price	Fair value of options	Range of exercise prices
Balance, December 31, 1996	1,574,001	1,297,261	$ 18.74		
Authorized	1,000,000				
Options granted	(705,949)	705,949	$ 37.49	$ 9.67	$34.18 - $44.61
Options forfeited	144,436	(144,436)	$ 28.91		
Options exercised		(571,967)	$ 15.23		
Shares turned in or withheld	114,287				
Restricted stock issued	(174,704)				
Restricted stock forfeited	8,249				
Balance, December 31, 1997	1,960,320	1,286,807	$ 26.67		
Options granted	(486,079)	486,079	$ 45.05	$10.84	$34.97 - $48.00
Options forfeited	16,225	(16,225)	$ 33.45		
Options exercised		(136,891)	$ 17.69		
Shares turned in or withheld	59,928				
Restricted stock issued	(136,313)				
Restricted stock forfeited	461				
Balance, December 31, 1998	1,414,542	1,619,770	$ 35.62		
Options granted	(363,139)	364,899	$ 36.42	$12.24	$33.19 - $41.29
Options forfeited	247,537	(247,537)	$ 38.46		
Options exercised		(150,264)	$ 16.41		
Shares turned in or withheld	82,811				
Restricted stock issued	(186,625)				
Restricted stock forfeited	16,335				
Balance, December 31, 1999	1,211,461	1,586,868	$ 37.22		
Total options exercisable at December 31, 1999		750,482			

During 1997, the shareholders approved an increase of 1,000,000 shares under the Company's 1993 Amended Stock Incentive Plan. The total number of shares available under the plan is 4,000,000 shares. The shareholders also approved the issuance of share-based awards, the issuance of restricted Common Shares under the plan and an adjustment in the calculation of shares available for issuance thereunder by deeming the number of shares tendered to, or withheld by the Company in connection with certain option exercises and in satisfaction of tax withholding liabilities to be so available.

The Company has also established a Non-Employee Director Stock Incentive Plan to issue stock options and shares of restricted stock. In 1997, the shareholders approved an increase of authorized shares available for issuance thereunder from 100,000 Common Shares to 200,000 Common Shares. In 1999, 12,000 options to purchase Common shares and 1,665 restricted Common Shares were granted. In 1998, 6,000 options to purchase Common Shares and 939 restricted Common Shares were granted. In 1997, 24,000 options to purchase Common Shares and 1,870 restricted Common Shares were issued. The options and restricted Common Shares vest ratably over three years.

The Company has also established an employee stock bonus plan. Under the plan, eligible employees may elect to receive a grant of Common Shares of up to 50 percent of their bonus in lieu of cash, with an associated grant from the Company of an equal number of restricted shares. The restricted Common Shares vest ratably over a three or four year period. During the restricted period, the employee receives dividends and votes the restricted Common Shares, but the restricted shares may not be sold, transferred or assigned. In 1999, 1998 and 1997 the Company issued 56,430, 33,036, and 46,424 restricted shares under this plan, respectively, with values of $2.0, $1.5, and $1.7 million, respectively. Additionally, in 1999, 1998 and 1997 the Board of Directors granted 130,195, 103,277 and 128,279 restricted shares with a value of $4.6, $4.5, and $4.9 million to certain employees. The shares granted to these employees vest ratably over a four to five year period. At the time of grant, the market value of the shares awarded under these plans is recorded as unearned stock grant compensation and is presented as a separate component of shareholders' equity. The unearned compensation is charged to operations over the vesting period. Compensation expense related to these plans was $3.4, $2.5, and $0.7 million in 1999, 1998 and 1997, respectively.

All of the Company's employees are eligible for defined contribution pension plans. Contributions are primarily based upon a percentage of eligible compensation.

NOTE 17. STATUTORY REQUIREMENTS

Under the Insurance Act, 1978, amendments thereto and related regulations of Bermuda ("The Act"), Renaissance Reinsurance and Glencoe are required to prepare statutory financial statements and to file in Bermuda a statutory financial return. The Act also requires Renaissance Reinsurance and Glencoe to maintain certain measures of solvency and liquidity. As at December 31, 1999 the statutory capital and surplus of the Bermuda subsidiaries was $653.9 million and the amount required to be maintained under Bermuda law was $103.1 million.

Under the Act, Renaissance Reinsurance is classified as a Class 4 insurer, and is therefore restricted as to the payment of dividends in the amount of 25 percent of the prior year's statutory capital and surplus, unless at least two members of the Board of Directors attest that a dividend in excess of this amount would not cause Renaissance Reinsurance to fail to meet its relevant margins. During 1999, Renaissance Reinsurance paid aggregate cash dividends of $95.1 million to RenaissanceRe.

Glencoe is also eligible as an excess and surplus lines insurer in a number of states in America. There are various capital and surplus requirements in these states, with the most onerous requiring the Company to maintain a minimum of $15.0 million in capital and surplus. In this regard the declaration of dividends from retained earnings and distributions from additional paid-in capital are limited to the extent that the above requirements are met.

The Company's U.S. insurance subsidiaries are subject to various statutory and regulatory restrictions regarding the payment of dividends. The restrictions are primarily based upon statutory surplus and statutory net income. The U.S. insurance subsidiaries' combined statutory surplus amounted to $28.4 million at December 31, 1999 and the amount required to be maintained was $25.0 million.

NOTE 18. COMMITMENTS AND CONTINGENCIES

CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Company to concentration of credit risk consist principally of investments, cash and reinsurance balances. The Company limits the amount of credit exposure to any one financial institution and except for U.S. Government bonds, none of the Company's investments exceeded 10 percent of shareholders' equity at December 31, 1999. Concentrations of credit risk with respect to reinsurance balances are limited due to their dispersion across various companies and geographies.

FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK

Except for the derivatives discussed in Note 3, as of December 31, 1999 the Company was not a party to any financial instruments that exposed the Company to any off-balance sheet risks.

LETTERS OF CREDIT
As of December 31, 1999 the Company's bankers have issued letters of credit of approximately $73.2 million in favor of certain ceding companies. The letters of credit are secured by cash and investments of similar amounts.

EMPLOYMENT AGREEMENTS
The Board of Directors has authorized the execution of employment agreements between the Company and certain officers. These agreements provide for severance payments under certain circumstances, as well as accelerated vesting of options and restricted stock grants, under a change in control, as defined therein and by the Company's stock option plan.

EMPLOYEE CREDIT FACILITY
In June of 1997, the Company executed a credit facility in order to encourage direct, long-term ownership of the Company's stock, and to facilitate purchases of the Company's stock by officers of the Company. Under the terms of the facility, the purchases are financed by personal loans to the officers from the bank. Such loans are collateralized by the stock purchased. The Company guarantees the loans, but has recourse to the collateral if it incurs a loss under the guarantee. At December 31, 1999, the bank loans guaranteed by the Company totaled $24.1 million. At December 31, 1999, the common stock that collateralizes the loans had a fair value of $51.9 million.

LITIGATION
The Company is party to various lawsuits arising in the normal course of business. The Company does not believe that any of the litigation will have a material impact on its consolidated financial statements.

NOTE 19. QUARTERLY FINANCIAL RESULTS (UNAUDITED)

	Quarter Ended March 31, 1999	Quarter Ended March 31, 1998	Quarter Ended June 30, 1999	Quarter Ended June 30, 1998	Quarter Ended September 30, 1999	Quarter Ended September 30, 1998
Net premiums earned	$ 57,988	$ 46,097	$ 57,668	$ 47,041	$ 54,123	$ 58,666
Net investment income	13,106	13,629	14,039	12,629	15,714	13,305
Net foreign exchange gains (losses)	(666)	(24)	394	(827)	107	49
Other income	(269)	--	460	347	882	642
Net realized investment gains (losses)	(497)	1,236	(5,030)	(2,163)	(6,020)	(5,833)
Total revenue	$ 69,662	$ 60,938	$ 67,531	$ 57,027	$ 64,806	$ 66,829
Claims and claim expenses incurred	$ 15,695	$ 7,876	$ 21,005	$ 10,294	$ 19,420	$ 26,696
Net income (loss)	$ 30,018	$ 35,674	$ 24,049	$ 28,538	$ 23,974	$ 20,372
Earnings (loss) per share-basic	$ 1.42	$ 1.60	$ 1.17	$ 1.28	$ 1.18	$ 0.93
Earnings (loss) per share-diluted	$ 1.41	$ 1.57	$ 1.16	$ 1.26	$ 1.17	$ 0.91
Weighted average shares-basic	21,138	22,298	20,524	22,237	20,356	21,962
Weighted average shares-diluted	21,323	22,708	20,703	22,728	20,536	22,393
Claims and claim expense ratio	27.1%	17.1%	36.4%	21.9%	35.9%	45.5%
Underwriting expense ratio	28.1%	27.7%	26.2%	28.2%	30.1%	29.2%
Combined ratio	55.2%	44.8%	62.6%	50.1%	66.0%	74.7%

	Quarter Ended December 31, 1999	Quarter Ended December 31, 1998*
Net premiums earned	$ 51,338	$ 53,143
Net investment income	17,475	13,271
Net foreign exchange gains (losses)	(246)	649
Other income	3,842	8,800
Net realized investment gains (losses)	(4,173)	(130)
Total revenue	$ 68,236	$ 75,733
Claims and claim expenses incurred	$ 21,021	$ 67,886
Net income (loss)	$ 26,200	$(10,007)
Earnings (loss) per share-basic	$ 1.33	$ (0.46)
Earnings (loss) per share-diluted	$ 1.31	$ (0.46)
Weighted average shares-basic	19,759	21,568
Weighted average shares-diluted	19,949	21,874
Claims and claim expense ratio	41.0%	127.7%
Underwriting expense ratio	28.3%	33.7%
Combined ratio	69.3%	161.4%

* Loss in fourth quarter of 1998 was principally from Nobel operations. See Note 8.

NOTE 20. CONSOLIDATED UNAUDITED PRO FORMA STATEMENTS

Operating results of Nobel and its affiliates acquired by the Company have been included in the consolidated financial statements from their date of acquisition. As required by Accounting Principles Board Opinion No. 16, the following selected unaudited pro forma information is being provided to present a summary of the combined results of the Company and Nobel and its affiliates assuming the acquisition of Nobel and its affiliates had occurred as of January 1 of each year. The pro forma data is for informational purposes only and does not necessarily represent results which would have occurred if the acquisition had taken place on the basis assumed above.

Pro Forma Statements:

(in thousands except per share data)

Years Ended December 31,	1998	1997
Total revenues	$ 294,239	$ 305,239
Net income	60,320	142,426
Earnings per Common Share-basic	$ 2.74	$ 6.33
Earnings per Common Share-diluted	$ 2.69	$ 6.20

DIRECTORS AND OFFICERS
(as of March 1, 2000)

BOARD OF DIRECTORS

James N. Stanard (4)
Chairman of the Board

Arthur S. Bahr (2)
Retired
General Electric Investment Corporation

Thomas A. Cooper (2), (4)
TAC Associates

Edmund B. Greene (1)
Retired
General Electric Company

Brian R. Hall (1)
Retired
Johnson & Higgins (Bermuda) Ltd.

Gerald L. Igou (3)
General Electric Investment Corporation

Kewsong Lee (1)
E.M. Warburg, Pincus & Co., L.L.C.

Paul J. Liska (2), (4)
The St. Paul Companies, Inc.

W. James MacGinnitie (3), (4)
Independent Consultant

Howard H. Newman
E.M. Warburg, Pincus & Co., L.L.C.

Scott E. Pardee (3)
Middlebury College
Department of Economics

William I. Riker (3)
Renaissance Reinsurance Ltd.

Committees of the Board:
(1) Audit
(2) Compensation
(3) Investment
(4) Transaction

OFFICERS OF RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES

James N. Stanard
Chairman of the Board
President
Chief Executive Officer
RenaissanceRe Holdings Ltd.

William I. Riker
President
Chief Operating Officer
Renaissance Reinsurance Ltd.

David A. Eklund
Executive Vice President
Chief Underwriting Officer
Renaissance Reinsurance Ltd.

John M. Lummis
Senior Vice President
Chief Financial Officer
RenaissanceRe Holdings Ltd.

Robert E. Hykes
Senior Vice President
Renaissance Services Ltd.

John D. Nichols, Jr.
Senior Vice President
Renaissance Reinsurance Ltd.

Kevin J. O'Donnell
Senior Vice President
Renaissance Reinsurance Ltd.

Russell M. Smith
Senior Vice President
Renaissance Reinsurance Ltd.

W. Preston Hutchings
Vice President
Chief Investment Officer
RenaissanceRe Holdings Ltd.

Martin J. Merritt
Vice President
Controller
Company Secretary
RenaissanceRe Holdings Ltd.

Craig W. Tillman
Vice President
Glencoe Insurance Ltd.

Jonathan D. Paradine
Assistant Vice President
Renaissance Services Ltd.

Diana R. Petty
Assistant Vice President
RenaissanceRe Holdings Ltd.

J. Alex Richards
Assistant Vice President
Renaissance Services Ltd.

John R. Wineinger
Assistant Vice President
Renaissance Services Ltd.

Mark Rickey
Chief Executive Officer
Renaissance U.S. Holdings, Inc.

Robert L. Ricker
President
DeSoto Insurance Company

Ian D. Branagan
Divisional Director
Renaissance Reinsurance of Europe

For general information about the Company or for copies of the annual report, quarterly earnings releases and Forms 10-K and 10-Q, please contact:

Martin J. Merritt
Vice President, Controller and Company Secretary
Tel. 441-299-7230
Internet: mjm@renre.com

STOCK INFORMATION
The Company's stock is listed on The New York Stock Exchange under the symbol RNR.

The following table sets forth the high and low closing sales prices per share, as reported on The New York Stock Exchange Composite Tape for the four fiscal quarters of 1999 and 1998:

	1999 Price Range		1998 Price Range	
	High	Low	High	Low
First Quarter	36.81	31.69	50.06	40.00
Second Quarter	38.13	30.94	50.25	43.25
Third Quarter	37.31	34.69	47.63	41.50
Fourth Quarter	42.13	33.50	42.88	34.81

INDEPENDENT AUDITORS
Ernst & Young
Hamilton, Bermuda

TRANSFER AGENT
ChaseMellon Shareholder Services, L.L.C.
Overpeck Centre
85 Challenger Road
Ridgefield Park, NJ 07660
USA
Tel. 1-800-756-3353

All requests should be directed to:
The Company Secretary
RenaissanceRe Holdings Ltd.
Renaissance House
8-12 East Broadway
P.O. Box HM2527
Hamilton HMGX, Bermuda
Tel. 441-295-4513
Fax 441-292-9453

Exhibit 21.1

SUBSIDIARIES OF RENAISSANCERE HOLDINGS LTD.

1. 100% of the issued and outstanding capital shares of Renaissance Reinsurance Ltd., a company organized under the laws of Bermuda, is owned by RenaissanceRe Holdings Ltd.

2. 100% of the issued and outstanding capital shares of Glencoe Insurance Ltd., a company organized under the laws of Bermuda, is owned by RenaissanceRe Holdings Ltd.

3. 100% of the issued and outstanding capital shares of DeSoto Insurance Company, a company organized under the laws of Florida, is owned by Glencoe Insurance Ltd.

4. 100% of the issued and outstanding capital shares of Renaissance Services Ltd., a company organized under the laws of Bermuda, is owned by RenaissanceRe Holdings Ltd.

5. 100% of the issued and outstanding capital shares of Renaissance U.S. Holdings, Inc., a corporation organized under the laws of Delaware, is owned by RenaissanceRe Holdings Ltd.

6. 100% of the issued and outstanding capital shares of Nobel Insurance Company, an insurance company organized under the laws of Texas, is owned by Renaissance U.S. Holdings Inc.

7. 100% of the issued and outstanding capital shares of Nobel Service Corporation, a corporation organized under the laws of Texas, is owned by Nobel Insurance Company.

8. 100% of the issued and outstanding capital shares of Paget Insurance Agency, Inc., a corporation organized under the laws of Florida, is owned beneficially by Renaissance U.S. Holdings Inc.

9. 100% of the issued and outstanding capital shares of Pembroke Managing Agents, Inc., a corporation organized under the laws of Florida, is owned beneficially by Renaissance U.S. Holdings Inc.

10. 50% of the issued and outstanding capital shares of Top Layer Reinsurance Ltd., a company organized under the laws of Bermuda, is owned by Renaissance Reinsurance Ltd.

11. 99% of the issued and outstanding capital shares of Renaissance Reinsurance of Europe, a company organized under the laws of Ireland, is owned by Renaissance Reinsurance Ltd., with the remaining 1% owned by RenaissanceRe Holdings Ltd.

12. 100% of the Common Securities of RenaissanceRe Capital Trust, a Delaware statutory business trust, are owned by RenaissanceRe Holdings Ltd. Such Common Securities represent approximately 3% of the outstanding beneficial interests in the Trust, and 100% of the ordinary voting power.

13. 100% of the issued and outstanding capital shares of Renaissance Underwriting Managers, Ltd., a company organized under the laws of Bermuda, is owned by RenaissanceRe Holdings Ltd.

14. 100% of the issued and outstanding capital shares of Renaissance Services, Ltd., a company organized under the laws of Bermuda, is owned by Renaissance U.S. Holdings, Inc.

EXHIBIT 23.1

CONSENT OF INDEPENDENT AUDITORS

To the Board of Directors and Shareholders of
RenaissanceRe Holdings Ltd.

We consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-06339 and 333-61015) of RenaissanceRe Holdings Ltd. of our report dated January 28, 2000, with respect to the consolidated financial statements of RenaissanceRe Holdings Ltd. and Subsidiaries as of December 31, 1999 and 1998 and for each of the three years in the period ended December 31, 1999 incorporated by reference in the Company's 1999 Form 10-K, and of our report dated January 28, 2000 on the schedules included in the Company's 1999 Form 10-K.

/s/ Ernst & Young

Hamilton, Bermuda

March 28, 2000

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This Schedule contains summary financial information extracted from the Report on Form 10-K of RenaissanceRe Holdings Ltd. for the year ended December 31, 1999 and is qualified in its entirety by reference to the financial statements (and the notes thereto) contained in such Report.

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12-MOS
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DEC-31-1999
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104,241
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(34,579)
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