

EVEREST RE GROUP LTD
Form S-3ASR
October 14, 2011

As filed with the Securities and Exchange Commission on October 14, 2011
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT

Under
The Securities Act of 1933

EVEREST RE GROUP, LTD.

(Exact name of registrant as specified in its charter)

Bermuda (State or other jurisdiction of incorporation)	98-0365432 (I.R.S. Employer Identification No.)
Wessex House – 2nd Floor 45 Reid Street P. O. Box HM 845 Hamilton, HM DX, Bermuda (441) 295-0006 (Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)	Dominic J. Addesso Everest Global Services, Inc. 477 Martinsville Road P.O. Box 830 Liberty Corner, New Jersey 07938-0830 (908) 604-3000 (Name, address, including zip code, and telephone number, including area code, of agent for service)

EVEREST REINSURANCE
HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	22-3263609 (I.R.S. Employer Identification No.)
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477 Martinsville Road P.O. Box 830 Liberty Corner, New Jersey 07938-0830 (908) 604-3000 (Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)	Dominic J. Adesso 477 Martinsville Road P.O. Box 830 Liberty Corner, New Jersey 07938-0830 (908) 604-3000 (Name, address, including zip code, and telephone number, including area code, of agent for service)
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EVEREST RE CAPITAL TRUST III

(Exact name of registrants as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	83-6054672 (I.R.S. Employer Identification No.)
c/o Everest Reinsurance Holdings, Inc. 477 Martinsville Road P.O. Box 830 Liberty Corner, New Jersey 07938-0830 (908) 604-3000 (Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)	Dominic J. Adesso 477 Martinsville Road P.O. Box 830 Liberty Corner, New Jersey 07938-0830 (908) 604-3000 (Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Lawrence R. Hamilton, Esq. Mayer Brown LLP 71 South Wacker Drive Chicago, Illinois 60606-4637 (312) 782-0600	Sanjoy Mukherjee, Esq. Everest Reinsurance Holdings, Inc. 477 Martinsville Road P.O. Box 830 Liberty Corner, New Jersey 07938-0830 (908) 604-3000
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Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

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

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

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

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

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon the filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer
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Non-accelerated
filer

Smaller
reporting
company

(Do not check if smaller reporting company)

Title of Each Class of Securities to be Registered	Amount to be registered/ Proposed maximum aggregate offering price per unit/ Proposed maximum offering price (1)	Amount of registration fee
Everest Re Group, Ltd. Common Shares (2)		
Everest Re Group, Ltd. Preferred Shares (3)		
Everest Re Group, Ltd. Debt Securities		
Everest Reinsurance Holdings, Inc. Debt Securities		
Everest Re Group, Ltd. Warrants		
Share Purchase Contracts		
Share Purchase Units (4)		
Everest Re Capital Trust III Preferred Securities		
Guarantee of Everest Reinsurance Holdings, Inc. Debt Securities (5)		
Guarantees of Preferred Securities of Everest Re Capital Trust III (5)		
Total		\$0 (6)

- (1) An indeterminate aggregate initial offering price or number of the securities of each identified class is being registered as may from time to time be offered at indeterminate prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are issued in units or represented by depositary shares.
 - (2) Also includes such presently indeterminate number of common shares as may be issued by Everest Re Group, Ltd.
 - (a) upon conversion of or exchange for any debt securities or preferred shares that provide for conversion or exchange into common shares, (b) upon exercise of warrants to purchase common shares or (c) pursuant to share purchase contracts.
 - (3) Also includes such presently indeterminate number of preferred shares as may be issued by Everest Re Group, Ltd.
 - (a) upon conversion of or exchange for any debt securities that provide for conversion or exchange into preferred shares, (b) upon exercise of warrants to purchase preferred shares or (c) pursuant to share purchase contracts.
 - (4) Each share purchase unit consists of (a) a share purchase contract under which the holder, upon settlement, will purchase or sell an indeterminate number of common shares or preferred shares and (b) common shares, preferred shares, debt securities, trust preferred securities, other share purchase contracts or debt obligations of third parties securing the holder's obligation to purchase or sell the securities subject to the share purchase contract. No separate consideration will be received for the share purchase contract or the related pledged securities.
 - (5) The guarantees include the rights of holders of preferred securities under guarantees of Everest Re Group, Ltd. and Everest Reinsurance Holdings, Inc., a debt securities guarantee of Everest Re Group, Ltd. and the obligations of Everest Reinsurance Holdings, Inc. under a junior subordinated indenture, any supplemental indentures thereto, the trust agreement, as amended, and the expense agreement to be responsible for specified costs, expenses, debt and liabilities of Everest Re Capital Trust III, all as described in this Registration Statement. No separate consideration will be received for any of these guarantees.
 - (6) In accordance with Rules 456(b) and 457(r), the registrants are deferring payment of the entire registration fee.
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PROSPECTUS

EVEREST RE GROUP, LTD.
Common Shares, Preferred Shares, Debt Securities,
Warrants to Purchase Common or Preferred Shares or Debt Securities,
Share Purchase Contracts and Share Purchase Units

EVEREST REINSURANCE HOLDINGS, INC.
Debt Securities

EVEREST RE CAPITAL TRUST III
Preferred Securities

We may offer and sell from time to time securities in one or more offerings. This prospectus provides you with a general description of the securities we may offer.

Everest Group may offer and sell the following securities:

common shares;

preferred shares;

senior or subordinated debt securities, which may be convertible into common or preferred shares;

warrants to purchase common shares, preferred shares or debt securities; and

share purchase contracts and share purchase units.

Everest Holdings may offer and sell senior or subordinated debt securities, which may be convertible into Everest Group common or preferred shares and which may be guaranteed by Everest Group.

Everest Capital Trust may offer and sell investment grade preferred securities, which will be guaranteed by Everest Holdings and which may be guaranteed by Everest Group.

Each time that securities are sold using this prospectus, we will provide a supplement to this prospectus that contains specific information about the offering. The supplement may also add to or update information contained in this prospectus. You should read this prospectus and the supplement carefully before you invest.

The securities may be offered and sold to or through one or more underwriters, dealers or agents or directly to purchasers on a continuous or delayed basis. The supplements to this prospectus will provide the specific terms of the plan of distribution.

The securities offered by this prospectus involve a high degree of risk. See "Risk Factors" beginning on page 5 for a discussion of certain factors that you should consider before buying the securities.

Everest Group's common shares are listed on the New York Stock Exchange under the symbol "RE." If we decide to list any other of these securities on a national securities exchange upon issuance, the applicable supplement to this prospectus will identify the exchange and the date when we expect trading to begin.

Neither the Securities and Exchange Commission nor any state securities commission or other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 14, 2011.

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ABOUT THIS PROSPECTUS

You should rely only on the information contained or incorporated by reference in this prospectus. “Incorporated by reference” means that we can disclose important information to you by referring you to another document filed separately with the SEC. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making, nor will we make, an offer to sell securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and any supplement to this prospectus is current only as of the dates on their covers. Our business, financial condition, results of operations and prospects may have changed since those dates.

Unless the context otherwise requires, references in this prospectus to “we,” “us” and “our” refer to Everest Re Group, Ltd. and its subsidiaries, collectively. References to “Everest Group” refer to Everest Re Group, Ltd. References to “Everest Holdings” refer to Everest Reinsurance Holdings, Inc. References to “Everest Bermuda” refer to Everest Reinsurance (Bermuda), Ltd. References to “Everest Capital Trust” refer to Everest Re Capital Trust III. References to the “common shares” refer to Everest Group’s common shares, par value \$0.01 per share. References to “\$” are to United States currency, and the terms “United States” and “U.S.” mean the United States of America, its states, its territories, its possessions and all areas subject to its jurisdiction.

IF SECURITIES OFFERED HEREBY ARE SOLD BY MEANS OF A FIRM COMMITMENT UNDERWRITING, CERTAIN PERSONS PARTICIPATING IN THE OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE SECURITIES, INCLUDING OVER-ALLOTMENT, STABILIZING AND SHORT-COVERING TRANSACTIONS IN THE SECURITIES AND THE IMPOSITION OF A PENALTY BID, IN CONNECTION WITH THE OFFERING MADE HEREBY.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the information incorporated by reference in this prospectus may contain forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the federal securities laws. In some cases, these statements can be identified by the use of forward-looking words such as “may,” “will,” “should,” “could,” “anticipate,” “estimate,” “expect,” “plan,” “believe,” “predict,” “potential” and “intend.” You should be aware that these statements and any forward-looking statements in these documents only reflect our expectations and are not guarantees of performance. These statements involve risks, uncertainties and assumptions. Actual events or results may differ materially from our expectations. Important factors that could cause our actual results to be materially different from our expectations include those discussed under the heading “Risk Factors” on page 5 of this prospectus. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

EVEREST RE GROUP, LTD.

Our principal business, conducted through our operating subsidiaries, is the underwriting of reinsurance and insurance in the United States, Bermuda and international markets. Reinsurance is a form of insurance purchased by an insurance company to indemnify it for all or part of the loss that it may sustain under insurance contracts it has written. Insurance companies purchasing reinsurance are often referred to as ceding companies or reinsureds.

We underwrite reinsurance both through brokers and directly with ceding companies, giving us the flexibility to pursue business regardless of the ceding company's preferred reinsurance purchasing method. Everest Group's operating subsidiaries, excluding Mt. McKinley Insurance Company, which is in run-off, are each rated A+ ("Superior") by A.M. Best Company, an independent insurance industry rating organization that rates insurance companies on factors of concern to policyholders.

The address of our principal executive offices is Wessex House – 2nd Floor, 45 Reid Street, P. O. Box HM 845, Hamilton, HM DX, Bermuda, and our telephone number is (441) 295-0006.

Our significant operating subsidiaries are the following:

Everest Reinsurance Company, a Delaware insurance company, underwrites property and casualty reinsurance for insurance and reinsurance companies in the United States and international markets.

Everest Bermuda, a Bermuda insurance company, writes property and casualty business and life and annuity business through its office in Bermuda and a branch in the United Kingdom.

Everest National Insurance Company, a Delaware insurance company, writes property and casualty insurance in the United States.

Everest Indemnity Insurance Company, a Delaware insurance company, engages in the excess and surplus lines insurance business in the United States. Excess and surplus lines insurance is specialty property and liability coverage that an insurer not licensed to write insurance in a particular state is permitted to provide when the specific specialty coverage is unavailable from licensed insurers.

Mt. McKinley Insurance Company, formerly known as Gibraltar Casualty Company, a Delaware insurance company, engaged in the excess and surplus lines insurance business in the United States from 1978 to 1985. In 1985, it ceased writing new and renewal insurance, and now its ongoing operations relate to servicing claims arising from its previously written business.

Everest Security Insurance Company, a Georgia insurance company, writes property and casualty insurance primarily in Georgia and Alabama.

Everest International Reinsurance, Ltd., a Bermuda Insurance company, writes property and casualty business.

Everest Reinsurance Company (Ireland), Limited, an Ireland reinsurance company, writes non-life reinsurance, both directly and through brokers, for the London and European markets.

Everest Insurance Company of Canada, a Canadian insurance company, writes property and casualty insurance in all Canadian provinces.

EVEREST REINSURANCE HOLDINGS, INC.

Everest Holdings was established in 1993 in Delaware to serve as the parent holding company of Everest Reinsurance Company. Until October 6, 1995, Everest Holdings was an indirect, wholly-owned subsidiary of The Prudential Insurance Company of America. On October 6, 1995, The Prudential Insurance Company of America sold its entire interest in Everest Holdings' shares of common stock in an initial public offering. Effective February 24, 2000, Everest Holdings completed a restructuring whereby Everest Holdings became a wholly-owned subsidiary of Everest Group, and each outstanding share of common stock of Everest Holdings automatically converted into one common share of Everest Group. Effective December 30, 2008, Everest Holdings became a wholly owned subsidiary of Everest Underwriting Group (Ireland) Limited ("Holdings Ireland"), via a capital contribution of all of the outstanding stock of Everest Holdings from Everest Group to Holdings Ireland. Holdings Ireland is a direct subsidiary of Everest Group.

Everest Holdings' principal executive offices are located at 477 Martinsville Road, P.O. Box 830, Liberty Corner, New Jersey 07938-0830, and its telephone number is (908) 604-3000.

EVEREST RE CAPITAL TRUST III

Everest Holdings created Everest Capital Trust as a Delaware statutory trust pursuant to its trust agreement. Everest Holdings will enter into an amended and restated trust agreement, referred to in this prospectus as the trust agreement, for Everest Capital Trust, which will state the terms and conditions for Everest Capital Trust to issue and sell preferred securities and common securities.

Everest Capital Trust exists solely to:

issue and sell investment grade preferred securities, representing undivided beneficial interests in the assets of the trust, to the public;

issue and sell its common securities, representing undivided beneficial interests in the assets of the trust, to Everest Holdings;

use the proceeds from the sale of its preferred and common securities to purchase a series of Everest Holdings' junior subordinated debt securities;

distribute the cash payments it receives from the junior subordinated notes it owns to the holders of the preferred and common securities; and

engage in other activities that are necessary or incidental to these purposes.

Everest Holdings will purchase all of the common securities of Everest Capital Trust. The common securities will represent an aggregate liquidation amount equal to at least 3% of the trust's total capitalization. The preferred securities will represent the remaining 97% of the trust's total capitalization. The common securities will have terms substantially identical to, and will rank equal in priority of payment with, the preferred securities. However, if Everest Holdings defaults on the related junior subordinated debt securities, then cash distributions and liquidation, redemption and other amounts payable on the common securities will be subordinate in priority of payment to these amounts payable on the preferred securities.

The preferred securities will be guaranteed by Everest Holdings and may be guaranteed by Everest Group as described under the heading "Description of the Trust Preferred Securities Guarantees" on page 43 of this prospectus. Everest Capital Trust is a legally separate entity, and its assets are not available to satisfy the obligations of any other capital

trust created by Everest Holdings.

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Everest Holdings has appointed five trustees to conduct the business and affairs of Everest Capital Trust:

The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., as property trustee;

BNY Mellon Trust of Delaware, as Delaware trustee; and

Three officers of Everest Holdings, as administrative trustees.

Except under specified limited circumstances, only Everest Holdings can remove or replace the trustees.

Everest Holdings will pay all fees and expenses related to Everest Capital Trust and the offering of the preferred securities and will pay all ongoing costs and expenses of Everest Capital Trust, except Everest Capital Trust's obligations under its preferred and common securities.

Everest Capital Trust does not have separate financial statements. The statements would not be material to holders of the preferred securities because Everest Capital Trust does not have any independent operations and exists solely for the reasons described above. During any financial reporting periods when Everest Capital Trust has preferred securities outstanding, each of Everest Holdings and Everest Group will include in a footnote to the financial statements the following disclosures:

Everest Capital Trust is a 100% wholly-owned finance s