

DEPARTMENT OF INSURANCE**Legal Division, Corporate Affairs Bureau**

45 Fremont Street, 24th Floor
San Francisco, CA 94105



Monica Macaluso
Attorney
TEL: 415-538-4118
FAX: 415-904-5896
E-Mail: Monica.Macaluso@insurance.ca.gov
www.insurance.ca.gov

December 16, 2016

VIA ELECTRONIC MAIL**Anne.Cullen@dbr.com**

Ms. Anne Cullen
Drinker, Biddle & Reath, LLP
1177 Avenue of the Americas, 41st Floor
New York, NY 10036

SUBJECT: Validus Reinsurance Ltd., Application for Renewal of Trusteed Reinsurer
Status in California, IDB# 16-4804, APP-2016-00933

Dear Ms. Cullen:

This letter confirms that Validus Reinsurance Ltd. (Validus) trusteed reinsurer status has been renewed in California effective January 1, 2017. California domiciled cedents may take statement credit for cessions to Validus through December 31, 2017. A copy of this letter should be provided to Validus' California cedents as authority for the credit taken.

Validus' status as a trusteed reinsurer remains valid in California as long as the trust meets the requirements of section 922.4(d) of the California Insurance Code, and Title 10, section 2303.5 of the California Code of Regulations. Validus must file its financial reports and list of cedents with the California Department of Insurance when it makes these filings with its domiciliary regulator. Please submit the filings to Ms. Monica Macaluso at the address appearing on this letterhead.

A request to renew Validus' trusteed status beyond 2017 should be submitted in duplicate to the Corporate Affairs Bureau on or before August 15, 2017. The annual filing should include all information and documents required for the initial application, except there is no need to provide duplicates of financial documents already filed. The renewal request should be accompanied by a filing fee of \$1,500. Failure to timely file the required documents is grounds for revocation of trusteed reinsurer status.

Validus' trusteed reinsurer status permits statement credit for cessions to Validus without the collateral that would otherwise be required under California Insurance Code section 922.5. Approval of Validus' trusteed reinsurer status does not permit Validus to transact insurance

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business in California. Transact is defined in section 35 of the California Insurance Code and includes any of the following:

- (a) Solicitation.
- (b) Negotiations preliminary to execution.
- (c) Execution of a contract of insurance.
- (d) Transaction of matters subsequent to execution of the contract and arising out of it.

Please feel free to contact me with any questions or concerns. Thank you for your continued cooperation.

Sincerely,



Monica Macaluso
Attorney

cc: Ms. Jing Chen, Financial Analysis Division