

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

 X **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the fiscal year ended December 31, 2023

 Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission file number 1-15731

EVEREST GROUP, LTD.

(Exact name of registrant as specified in its charter)

<p align="center">Bermuda</p> <p align="center">(State or other jurisdiction of incorporation or organization)</p>	<p align="center">98-0365432</p> <p align="center">(I.R.S. Employer Identification No.)</p>
<p align="center">Seon Place – 4th Floor 141 Front Street PO Box HM 845 Hamilton, Bermuda</p> <p align="center">(Address of principal executive offices)</p>	<p align="center">HM 19</p> <p align="center">(Zip Code)</p>

441-295-0006

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Class	Trading Symbol	Name of Exchange where Registered
Common Shares, \$0.01 par value	EG	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes X No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes No X

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 whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes X No

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

Large accelerated filer	<u> X </u>	Accelerated filer	<u> </u>
Non-accelerated filer	<u> </u>	Smaller reporting company	<u> </u>
		Emerging growth company	<u> </u>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Yes No X

[Table of Contents](#)

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Yes X No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No X

The aggregate market value as of June 30, 2023, the last business day of the registrant’s most recently completed second quarter, of the voting shares held by non-affiliates of the registrant was \$14.8 billion.

Securities registered pursuant to Section 12(b) of the Act:

Class	Number of Shares Outstanding At February 1, 2024
Common Shares, \$0.01 par value	43,381,573

DOCUMENTS INCORPORATED BY REFERENCE

Certain information required by Items 10, 11, 12, 13 and 14 of Form 10-K is incorporated by reference into Part III hereof from the registrant’s proxy statement for the 2024 Annual General Meeting of Shareholders, which will be filed with the Securities and Exchange Commission within 120 days of the close of the registrant’s fiscal year ended December 31, 2023.

EVEREST GROUP, LTD

TABLE OF CONTENTS
FORM 10-K

	Page
PART I	
Item 1. Business	1
Item 1A. Risk Factors	20
Item 1B. Unresolved Staff Comments	32
Item 1C. Cybersecurity	32
Item 2. Properties	33
Item 3. Legal Proceedings	33
Item 4. Mine Safety Disclosures	34
PART II	
Item 5. Market for Registrant’s Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities	34
Item 6. (Reserved)	36
Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations	37
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	59
Item 8. Financial Statements and Supplementary Data	60
Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	60
Item 9A. Controls and Procedures	60
Item 9B. Other Information	60
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	61
PART III	
Item 10. Directors, Executive Officers and Corporate Governance	61
Item 11. Executive Compensation	61
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters	61
Item 13. Certain Relationships and Related Transactions, and Director Independence	61
Item 14. Principal Accountant Fees and Services	61
PART IV	
Item 15. Exhibits and Financial Statement Schedules	62

Safe Harbor Disclosure

This report contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other 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”. Forward-looking statements contained in this report include:

- the effects of catastrophic events on our financial statements;
- our losses from catastrophe exposure could exceed our projections;
- information regarding our reserves for losses and loss adjustment expenses or LAE;
- our failure to accurately assess underwriting risk and establish adequate premium rates;
- decreases in pricing for property and casualty reinsurance and insurance;
- our inability or failure to purchase reinsurance;
- our ability to maintain our financial strength ratings;
- the failure of our insured, intermediaries and reinsurers to satisfy their obligations to us;
- decline in our investment values and investment income due to exposure to financial markets conditions;
- the failure to maintain enough cash to meet near-term financial obligations;
- our ability to pay dividends, interest and principal, which is dependent on our ability to receive dividends, loan payments and other funds from our subsidiaries due to our holding company structure;
- reduced net income and capital levels due to foreign currency exchange losses;
- our sensitivity to unanticipated levels of inflation;
- the effects of measures taken by domestic or foreign governments on our business;
- our ability to retain our key executive officers and to attract or retain the executives and employees necessary to manage our business;
- the effect of cybersecurity risks, including technology breaches or failure, and regulatory and legislative developments related to cybersecurity on our business;
- our dependence on brokers and agents for business developments;
- material variation of analytical models used in decision making from actual results;
- the effects of business continuation risk on our operations;
- the effect on our business of the highly competitive nature of our industry, including the effects of new entrants to, competing products for and consolidation in the (re)insurance industry;
- an anti-takeover effect caused by insurance laws and provisions in the bye-laws of Group (as defined in Part I below);
- the difficulty investors in Group may have in protecting their interests compared to investors in a U.S. corporation;
- our failure to comply with insurance laws and regulations and other regulatory challenges;
- the ability of Bermuda Re (as defined in Part I below) to obtain licenses or admittance in additional jurisdictions to develop its business;
- the ability of Bermuda Re to arrange for security to back its reinsurance impacting its ability to write reinsurance;
- changes in international and U.S. tax laws;
- the effect on Group and/or Bermuda Re should it become subject to taxes in jurisdictions where not currently subject to taxation; and
- the ability of Everest Re, Holdings, and Holdings Ireland (each, as defined in Part I below), Everest Dublin Insurance Holdings Limited (Ireland), Bermuda Re and Everest International Reinsurance, Ltd. to pay dividends.

Forward-looking statements 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 events or results to be materially different from our expectations include those discussed under the caption ITEM 1A, “Risk Factors”. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

Unless otherwise indicated, all financial data in this document have been prepared using accounting principles generally accepted in the United States of America (“GAAP”). As used in this document, “Group” means Everest Group, Ltd.; “Bermuda Re” means Everest Reinsurance (Bermuda), Ltd.; “Holdings Ireland” means Everest Underwriting Group (Ireland) Limited; “Ireland Re” means Everest Reinsurance Company (Ireland), Designated Activity Company or “dac”; “Ireland Insurance” means Everest Insurance (Ireland), dac; “Holdings” means Everest Reinsurance Holdings, Inc.; “Everest Re” means Everest Reinsurance Company and its subsidiaries (unless the context otherwise requires); and the “Company”, “Everest”, “we”, “us”, and “our” means Everest Group, Ltd. and its consolidated subsidiaries.

Unless noted otherwise, all tabular dollar amounts are in millions of United States (“U.S.”) dollars (“U.S. dollars” or “\$”). Some amounts may not reconcile due to rounding.

ITEM 1. BUSINESS

The Company.

Everest is a Bermuda-based reinsurance and insurance organization. As part of the S&P 500 Index, we are a leading financial services institution focused on diversifying our portfolio and geographic presence. Through our direct and indirect subsidiaries operating in the U.S. and internationally, we serve a diverse group of clients worldwide, providing what we believe are extensive product and distribution capabilities, a strong balance sheet, an innovative culture and access to world-class talent.

At December 31, 2023, we had shareholders’ equity of \$13.2 billion and total assets of \$49.4 billion.

Our Operations.

The Company’s principal business, conducted through its Reinsurance and Insurance operating segments, is the underwriting of reinsurance and insurance in the U.S., Bermuda and other international markets. Our global network of operations spans more than 100 countries across six continents. In 2023, the Company had gross written premiums of \$16.6 billion with approximately 68.9% representing reinsurance and 31.1% representing insurance. The Company underwrites reinsurance both through brokers and directly with ceding companies, giving it the flexibility to pursue business based on the ceding company’s preferred reinsurance purchasing method. The Company underwrites insurance principally through brokers, including for surplus lines, and general agent relationships. Group’s active operating subsidiaries are each rated A+ (“Superior”) by A.M. Best Company (“A.M. Best”), a leading provider of insurer ratings that assigns financial strength ratings to insurance companies based on their ability to meet their obligations to policyholders.

Following is a summary of the Company’s principal operating subsidiaries:

- Bermuda Re, a Bermuda insurance company and a direct subsidiary of Group, is registered in Bermuda as a Class 4 insurer and long-term insurer and is authorized to write both reinsurance and insurance property and casualty. Bermuda Re’s UK branch writes property and casualty reinsurance to the United Kingdom, China and European markets. As of December 31, 2023, Bermuda Re had shareholder’s equity of \$4.2 billion.
- Everest International Reinsurance, Ltd. (“Everest International”), a Bermuda insurance company and a direct subsidiary of Group, is registered in Bermuda as a Class 4 insurer and is authorized to write property and casualty business. Everest International’s Singapore branch writes property and casualty reinsurance to the Singapore market. A majority of Everest International’s business is assumed reinsurance from its affiliates: Everest Re, Bermuda Re, Ireland Re and Ireland Insurance. As of December 31, 2023, Everest International had shareholder’s equity of \$1.4 billion.
- Ireland Re, an Ireland reinsurance company and an indirect subsidiary of Group, is licensed to write non-life reinsurance, both directly and through brokers, for the London and European markets through its Ireland office as well as through its Zurich branch.
- Ireland Insurance, an Ireland insurance company and an indirect subsidiary of Group, is licensed to write insurance for the European markets through its Ireland office as well as through its branches in the United

Kingdom, the Netherlands, Spain, France and Germany. In addition, Ireland Insurance is considered an approved/eligible alien surplus lines insurer in all 50 states and the District of Columbia.

- Lloyd's of London (Lloyd's) Syndicate 2786, a wholly-owned Everest syndicate supported by funds at Lloyd's provided by Everest Corporate Member Limited, was established in 2015 as a platform to facilitate the further expansion of Everest's international insurance operations. The syndicate is managed by a third-party managing agency.
- Everest Compañía de Seguros Generales Chile S.A., a Chile based insurance company, is licensed to write insurance and reinsurance within Chile.
- Everest Insurance Company of Canada ("Everest Canada"), a Canadian insurance company and direct subsidiary of Holdings Ireland, is licensed to write property and casualty insurance in all Canadian provinces.
- Everest Reinsurance Company, a Delaware reinsurance company and a direct subsidiary of Holdings, is a licensed property and casualty insurer and/or reinsurer in all 50 states, the District of Columbia, Puerto Rico and Guam and is authorized to conduct reinsurance business in Canada, Singapore and Brazil. Everest Reinsurance Company underwrites property and casualty reinsurance for insurance and reinsurance companies in the U.S. and international markets, through its U.S. offices as well as through its branches in Canada and Singapore. As of December 31, 2023, Everest Reinsurance Company had statutory surplus of \$7.0 billion.
- Everest National Insurance Company ("Everest National"), a Delaware insurance company and a direct subsidiary of Everest Reinsurance Company, is licensed in all 50 states, the District of Columbia and Puerto Rico and is authorized to write property and casualty insurance on an admitted basis in the jurisdictions in which it is licensed. The majority of Everest National's business is reinsured by its parent, Everest Reinsurance Company.
- Everest Indemnity Insurance Company ("Everest Indemnity"), a Delaware insurance company and a direct subsidiary of Everest Reinsurance Company, writes excess and surplus lines insurance business in the U.S. on a non-admitted basis. Excess and surplus lines insurance is specialty property and liability coverage that an insurer not licensed to write insurance in a particular jurisdiction is permitted to provide to insureds when the specific specialty coverage is unavailable from admitted insurers. Everest Indemnity is a Delaware domestic surplus lines insurer and is eligible to write business on a non-admitted basis in all other U.S. states, the District of Columbia and Puerto Rico. The majority of Everest Indemnity's business is reinsured by its parent, Everest Reinsurance Company.
- Everest Security Insurance Company ("Everest Security"), a Delaware insurance company and a direct subsidiary of Everest Reinsurance Company, is licensed to write property and casualty insurance on an admitted basis in Delaware, Georgia and Alabama. The majority of Everest Security's business is reinsured by its parent, Everest Reinsurance Company.
- Everest Premier Insurance Company ("Everest Premier"), a Delaware insurance company and a direct subsidiary of Everest Reinsurance Company, is licensed to write property and casualty insurance in all 50 states and the District of Columbia. The majority of Everest Premier's business is reinsured by its parent, Everest Reinsurance Company.
- Everest Denali Insurance Company ("Everest Denali"), a Delaware insurance company and a direct subsidiary of Everest Reinsurance Company, is licensed to write property and casualty insurance in all 50 states and the District of Columbia. The majority of Everest Denali's business is reinsured by its parent, Everest Reinsurance Company.
- Everest International Assurance, Ltd. ("Everest Assurance"), a Bermuda company and a direct subsidiary of Holdings is registered in Bermuda as a Class 3A general business insurer and as a Class C long-term insurer. Everest Assurance has made a one-time election under section 953(d) of the U.S. Internal Revenue Code to be a U.S. income tax paying "Controlled Foreign Corporation." By making this election, Everest Assurance is authorized to write life reinsurance and casualty reinsurance in both Bermuda and the U.S. In addition, Everest Assurance is considered an approved/eligible alien surplus lines insurer in all 50 states and the District of Columbia.

Human Capital Management.

Our colleagues worldwide are essential to our success, and we strive to attract and retain the highest caliber of talent to meet our business needs as well as the needs of our clients and customers. It is our goal to build skilled, talented, collaborative, inclusive teams and foster a sense of purpose and company culture rooted in diversity of thought and experiences. As of February 1, 2024, the Company employed 2,844 persons. Management believes that colleague engagement is strong. None of the Company's employees are subject to collective bargaining agreements, and the Company is not aware of any current efforts to enter into such agreements.

Talent Attraction, Development, and Retention.

Everest is proud to be home to top industry talent, and we make ongoing, strategic investments in our people. Our ability to attract, develop and retain a high caliber of professionals is critical to our continued growth and ability to execute on our strategic priorities.

The continued development of all colleagues is core to who we are and how we maintain our competitive advantage as a global leader in risk management. We are proud to offer corporate mentoring programs, leadership development opportunities, and avenues for engagement with our external partner organizations. We provide opportunities for continued learning and talent development at all levels. Our colleagues are encouraged to take ownership of their development by using the tools that the Company has made available to them including industry training, technical upskilling, mentorships and personal development classes. Everest also actively manages succession planning across our organization and strives to provide growth and advancement opportunities to internal talent, where possible. Our leaders and colleagues engage in ongoing learning that supports both professional and personal development.

Proactive recruitment of skilled, experienced, diverse teams is an important aspect of succession planning at both our Board of Directors (the "Board") level and throughout the organization. Our Human Resources and Senior Leadership Teams, Executive Committee, Global Diversity, Equity and Inclusion Council ("DEI Council") and Colleague Resource Groups ("CRGs") collaborate to attract, retain and develop exceptional, diverse talent, fostering an inclusive workplace that embraces diversity in gender, ethnicity, age, geography, skill sets, experiences and perspectives.

People power our success. We are committed to providing all colleagues with an engaging and supportive environment so they can develop personally and help drive our future growth. That is why Everest is pleased to offer various global initiatives such as leadership coffee hours and fireside chats; charitable community outreach events and volunteer opportunities; networking events; employee recognition awards; and, thought leadership topics with senior leaders. By offering a meaningful and engaging colleague experience, we are focused on inspiring our global teams to underwrite opportunity in everything that they do.

Culture.

Everest's Colleague Value Proposition *Opportunity through Unity* includes the building blocks of the Company's culture: our mission, purpose, and values, as well as a newly defined set of Colleague Behaviors that speak to how we operate as One Everest, regardless of location, level, or function.

- Our Values are the guiding principles that inform our decisions, actions and behaviors. They are an expression of our culture and an integral part of how we work: Talent. Thoughtful Assumption of Risk. Execution. Efficiency. Humility. Leadership. Collaboration. Diversity, Equity and Inclusion.
- Our Colleague Behaviors define how we operate and interact with each other no matter our location, level or function: Respect Everyone. Pursue Better. Lead by Example. Own our Outcomes. Win Together.
- In 2023, the Company began embedding these new behaviors within colleague programs and practices globally. We are taking a systematic approach to integrating them into everything we do, from our talent acquisition and onboarding programs to our performance and compensation plans, recognition initiatives and general employment policies.

Diversity and Inclusion.

People are Everest's greatest asset, and the quality of our teams has been enhanced through the wide range of backgrounds, perspectives and interests our colleagues bring to our community. At Everest, Diversity, Equity and Inclusion ("DEI") expresses our commitment to non-discriminatory access to opportunity, equity in our dealings and cultural inclusivity, and represents a cultural and business imperative that we promote not only within our workplace but also throughout the global communities in which we operate. Our Board is committed to advancing diversity within its structure as well as emphasizing its importance in our senior executive leadership. We believe that diversity in gender, ethnicity, age, geography, skill sets, experiences and perspectives enhances our governance, strategy, corporate responsibility, human rights and risk management.

Everest has a global DEI strategic framework and focus areas that aligns with our corporate global DEI efforts and initiatives. We have four pillars that provide the foundation for our strategic framework as described below.

1. **Alignment & Accountability:** Our integrated global DEI efforts align with our corporate strategy, cultural values and colleague behaviors.
2. **Colleague-Centered:** Our colleagues are the center of the global programs, processes and partnerships we create, and we value and respect their diverse experiences and perspectives.
3. **Culture & Engagement:** Our workplace culture of deep colleague engagement thrives because of our efforts to advance inclusion, allyship and belonging.
4. **Opportunity & Growth:** Our global efforts and ways to underwrite opportunity for all stakeholders are oriented toward growth, and we have the agility to pivot as necessary to support our strategic priorities.

As part of our global DEI efforts, Everest has the DEI Council, which functions globally across our North America and international operations. The DEI Council's mission is to help foster an environment that attracts, retains and develops the best talent; values the diversity of people, their life experiences and perspectives; and serves as a conduit to senior management to promote measurable company-wide engagement on inclusivity. The Council is an important voice and key counselor and supports our leaders in their role to further cultivate DEI at Everest through open dialogue and discussion, training, and best practices. The Council has also been instrumental in supporting our CRGs as they raise awareness and ensure that a diverse and representative group of voices is heard throughout the Company.

We look to seize opportunities to celebrate our diversity and lift one another up. Our global CRGs, as part of our Council, connect regularly through networking events, professional development opportunities and sharing cultural traditions, driving greater awareness and collaboration across offices worldwide. Participation in our CRGs is open to everyone, regardless of background, to enhance career and personal development, exchange ideas and share cultural experiences and backgrounds to contribute to Everest's vision and values. As of December 31, 2023, the Company sponsors nine CRGs.

Business and Underwriting Strategy.

In 2023, the Company changed its name to Everest Group, Ltd. and started trading under a new ticker symbol (NYSE: EG). Everest's new name and stock ticker reflect the evolution of our value proposition, built on five decades of reinsurance leadership and an expanding presence in the global primary insurance market.

The Company writes business on a worldwide basis for many different customers and lines of business, thereby obtaining a broad spread of risk. The Company is not substantially dependent on any single customer, small group of customers, line of business or geographic area. For the year ended December 31, 2023, no single customer (ceding company or insured) generated more than 3.8% of the Company's gross written premiums. The Company believes that a reduction of business from any one customer would not have a material adverse effect on its future financial condition or results of operations.

Approximately 62.4%, 30.7% and 6.9% of the Company's 2023 gross written premiums were written in the broker reinsurance market, the insurance business and the direct reinsurance market, respectively.

The broker reinsurance market consists of several substantial national and international brokers and a number of smaller specialized brokers. Brokers do not have the authority to bind the Company with respect to reinsurance agreements, nor does the Company commit in advance to accept any portion of a broker's submitted business. Reinsurance business from any ceding company, whether new or renewal is subject to acceptance by the Company. Brokerage fees are generally paid by reinsurers. The Reinsurance segment's ten largest brokers accounted for an aggregate of approximately 53.7% of gross written premiums in 2023. The broker with the largest share of the company's business, Marsh and McLennan, accounted for approximately 20.4% of gross written premiums. The broker with the next-largest share, Aon, accounted for approximately 16.1% of gross written premiums. The Company believes that a reduction of business assumed from any one broker would not have a material adverse effect on the Company.

The Company's insurance business mainly writes commercial property and casualty on an admitted and non-admitted basis. The business is written through wholesale and retail brokers, surplus lines brokers and through program administrators. In 2023, no program administrator accounted for more than 10.0% of the Insurance segment's gross written premium in total.

The direct reinsurance market is an important distribution channel for reinsurance business written by the Company. Direct placement of reinsurance enables the Company to access clients who prefer to place their reinsurance directly with reinsurers based upon the reinsurer's in-depth understanding of the ceding company's needs.

It is our long-standing client and broker relationships that help us continue to grow and maintain our global leadership position. The Company continually evaluates each business relationship, including within its distribution channel bearing underwriting expertise and experience, performs analyses to evaluate financial security, monitors performance and adjusts underwriting decisions accordingly.

The Company's business strategy is to sustain its leadership position within targeted reinsurance and insurance markets and provide effective management throughout the property and casualty underwriting cycle, thereby achieving an attractive return for its shareholders. The Company's underwriting strategies seek to capitalize on what we believe are our financial strength and capacity, global franchise, stable and experienced management team, diversified product and distribution offerings, underwriting expertise and disciplined approach, efficient and low-cost operating structure and effective enterprise risk management practices.

The Company's underwriting strategies emphasize disciplined underwriting, prioritizing underwriting profitability over premium volume, and flexibility to adjust and respond to changing market conditions. Key elements of these strategies, as applicable to the Reinsurance segment, include careful risk selection, appropriate pricing through strict underwriting discipline and adjustments to the Company's business mix as market conditions change. We focus on (re)insuring companies that effectively manage their own underwriting cycle through proper analysis and appropriate pricing of underlying risks and whose underwriting guidelines and performance are compatible with their and the Company's objectives. Key elements of the Company's underwriting strategies, as applicable to the Insurance segment, include careful expansion on what we believe to be the Company's existing strengths in the primary insurance market, including its broad underwriting expertise, global presence, strong financial ratings and substantial capital, and facilitating adjustments to its mix of business by geographic region, line of business and type of coverage. These strategies allow Everest to fully participate in market opportunities that provide the greatest potential for underwriting profitability. The Company's insurance and reinsurance operations allow the Company to execute its strategies by providing access to the global business markets. The Company carefully monitors its mix of business across all operations to seek to avoid unacceptable geographic or other risk concentrations.

Segments Overview.

The Company operates through two operating segments, Reinsurance and Insurance, which are managed as autonomous units, and key strategic decisions are based on the aggregate operating results and projections for the two business segments. During the fourth quarter of 2023, the Company revised the classification and presentation of certain products related to its accident and health business within the segment groupings. These products have been realigned from within the Reinsurance segment to the Insurance segment to appropriately reflect how the business segments are now managed due to changes in management beginning in the fourth quarter of 2023. These changes have been reflected retrospectively.

The Reinsurance segment writes worldwide property and casualty reinsurance and specialty lines of business, on both a treaty and facultative basis, through reinsurance brokers, as well as directly with ceding companies. Business is written in

the United States, Bermuda, and Ireland offices, as well as through branches in Canada, Singapore, the United Kingdom (“UK”) and Switzerland. The Insurance segment writes property and casualty insurance directly and through brokers, including for surplus lines, and general agents within the United States, Bermuda, Canada, Europe, Singapore and South America through its offices in the United States, Canada, Chile, Singapore, UK, Ireland and branches in the UK, the Netherlands, France, Germany and Spain.

The two segments are managed independently but conform with corporate guidelines with respect to pricing, risk management, control of aggregate catastrophe exposures, capital, investments and support operations. Management generally monitors and evaluates the financial performance of the two operating segments based upon their underwriting results.

Underwriting results include earned premium less losses and loss adjustment expenses (“LAE”) incurred, commission and brokerage expenses and other underwriting expenses. We measure our underwriting results using ratios, in particular, loss, commission and brokerage and other underwriting expense ratios, which, respectively, divide incurred losses, commissions and brokerage and other underwriting expenses by premiums earned. For selected financial information regarding these segments, see ITEM 8, “Financial Statements and Supplementary Data” - Note 6 of Notes to Consolidated Financial Statements and ITEM 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operation - Segment Results”.

Reinsurance Segment.

Overview

Reinsurance is an arrangement in which an (re)insurance company, the reinsurer, agrees to indemnify another insurance or reinsurance company, the ceding company, against all or a portion of the risks underwritten by the ceding company under one or more insurance and/or reinsurance contracts. Reinsurance can provide a ceding company with several benefits, including a reduction in its net liability on individual risks or classes of risks, catastrophe protection from large and/or multiple losses and/or a reduction in operating leverage as measured by the ratio of net premiums and reserves to capital. Reinsurance also provides a ceding company with additional underwriting capacity by permitting it to accept larger risks and write more business than would be acceptable relative to the ceding company’s financial resources. Reinsurance does not discharge the ceding company from its liability to policyholders; rather, it reimburses the ceding company for covered losses.

There are two basic types of reinsurance arrangements: treaty and facultative. Treaty reinsurance obligates the ceding company to cede and the reinsurer to assume a specified portion of a type or category of risks insured by the ceding company. Treaty reinsurers do not separately evaluate each of the individual risks assumed under their treaties; instead, the reinsurer evaluates portfolio level exposure based on information provided by the ceding company. In facultative reinsurance, the ceding company cedes, and the reinsurer assumes, all or part of the risk under a single insurance contract. Facultative reinsurance is negotiated separately for each insurance contract that is reinsured. Facultative reinsurance, when purchased by ceding companies, usually is intended to cover individual risks not covered by their reinsurance treaties because of the dollar limits involved or because the risk is unusual.

Both treaty and facultative reinsurance can be written on either a pro rata basis or an excess of loss basis. Under pro rata reinsurance, the ceding company and the reinsurer share the premiums as well as the losses and expenses in an agreed proportion. Under excess of loss reinsurance, the reinsurer indemnifies the ceding company against all or a specified portion of losses and expenses in excess of a specified dollar amount, known as the ceding company's retention or reinsurer's attachment point, generally subject to a negotiated reinsurance contract limit.

In pro rata 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 (such as commissions, premium taxes, assessments, and miscellaneous administrative expenses and may contain profit sharing provisions, whereby the ceding commission is adjusted based on loss experience). Premiums paid by the ceding company to a reinsurer for excess of loss reinsurance are not directly proportional to the premiums that the ceding company receives because the reinsurer does not assume a proportionate risk. There is usually no ceding commission on treaty excess of loss reinsurance.

Reinsurers may purchase reinsurance to cover their own risk exposure. Reinsurance of a reinsurer's business is called a retrocession. Reinsurance companies cede risks under retrocessional agreements to other reinsurers, known as

retrocessionaires, for reasons similar to those that cause insurers to purchase reinsurance: to reduce net liability on individual or classes of risks, protect against catastrophic losses, stabilize financial ratios and obtain additional underwriting capacity. All the Company's reinsurance and retrocessional agreements transfer significant reinsurance risk and therefore, are accounted for as reinsurance in accordance with US GAAP guidance.

Reinsurance can be written through intermediaries, generally professional reinsurance brokers, or directly with ceding companies. From a ceding company's perspective, the broker and the direct distribution channels have advantages and disadvantages. A ceding company's decision to select one distribution channel over the other will be influenced by its perception of such advantages and disadvantages relative to the reinsurance coverage being placed.

For the year ended December 31, 2023, the Company's Reinsurance segment wrote \$11.5 billion of gross written premiums. Reinsurance business written directly through the broker reinsurance market represented \$10.3 billion or 89.9% of the segment's premium and \$1.2 billion or 10.1% was written directly with ceding companies. Our Reinsurance segment is comprised of property and casualty reinsurance and specialty lines of business on both a treaty, facultative and large corporate risk basis, including:

- Property Pro Rata business, which accounted for 29.9% of reinsurance gross written premiums, consists predominantly of contracts providing coverage to cedents for property damage and related losses, which may include business interruption and other non-property losses, resulting from natural or man-made perils arising from their underlying portfolio of policies at an agreed upon percentage for both premium and loss.
- Property Non-Catastrophe Excess of Loss ("XOL") business, which accounted for 6.3% of reinsurance gross written premiums, consists predominantly of contracts providing coverage to cedents for a portion of property damage and related losses, which may include business interruption and other non-property losses, resulting from natural or man-made perils in excess of an agreed upon deductible up to a stated limit.
- Property Catastrophe XOL business, which accounted for 14.7% of reinsurance gross written premiums, consists predominantly of contracts providing coverage to cedents for a portion of property damage and related losses, which may include business interruption and other non-property losses, resulting from catastrophic losses, in excess of an agreed upon deductible up to a stated limit. The main perils covered include hurricane, earthquake, flood, convective storm and fire.
- Casualty Pro Rata business, which accounted for 26.9% of reinsurance gross written premiums, consists predominantly of contracts providing coverage to cedents for losses primarily arising from general liability, professional indemnity, product liability, workers' compensation, employer's liability, aviation and auto liability from their underlying portfolio of policies at an agreed upon percentage for both premium and loss.
- Casualty XOL business, which accounted for 13.8% of reinsurance gross written premiums, consists predominantly of contracts providing coverage to cedents for losses primarily arising from general liability, professional indemnity, product liability, workers' compensation, aviation and auto liability from their underlying portfolio of policies in excess of an agreed upon deductible up to a stated limit.
- Financial Lines business, which accounted for 8.3% of reinsurance gross written premiums, consists predominantly of contracts providing coverage to cedents for losses arising from political risk, credit, surety, mortgage and alternative risk lines of business on both a pro rata and excess of loss basis.

Products

Our reinsurance divisions provide treaty and facultative reinsurance on either a pro rata basis or an excess of loss basis to insurance companies across the globe. Our company provides products for the following lines of business:

- Property provides protection for property damage and other related losses covered in the underlying insurance policies. Losses might arise from property loss or property damage, as well as other related risks, such as business interruption and other non-property losses that arise from the covered peril. Perils covered by such policies may be natural or man-made and include hurricane, tornado, hail, windstorm, earthquake, freezes, floods, explosions and fires.

Table of Contents

- Catastrophe is a specific line of property reinsurance that provides protection against catastrophic losses from natural perils such as hurricane, windstorm, earthquake, floods, tornadoes, fires.
- Casualty provides protection for losses covered in liability or casualty insurance policies. Typical lines covered by the underlying insurers can be general liability, workers compensation, automobile liability, umbrella and excess casualty.
- Marine provides protection for property damages, physical loss or liability affecting the marine business, which includes losses relating to cargo ships, hull, recreational craft, inland marine and offshore energy. Perils can be natural or man-made and include storms, sinking/stranding, pollution, fire, explosion and accidents.
- Aviation provides protection cover for aircrafts, airline, aerospace, and other general aviation risks.
- Engineering provides protection for construction and machinery risks including testing, setting up of machinery, operational failures, incidents affecting plant and equipment, business interruption and other mechanical failures. This class also covers property and liability exposures related to construction sites.
- Professional Lines provides protection for losses arising from employment, practices, and coverage of risks, such as director's and officer's liability, employment litigation liability, medical malpractice, professional indemnity, environmental liability, omission of insurance, and cyber liability.
- Credit and Surety provides protection for losses arising from insurance products, offering payments in the event of default from a borrower. Losses may arise from surety bonds issued by insurers as required by regulators or guarantors. For example, mortgage insurance provides coverage for losses related to credit risk.
- Motor provides protection to insurance companies offering motor liability and property damage. Losses may affect the underlying insured party or other claimants.
- Agriculture/Crop provides protection for risks associated with agriculture and production of food. Underlying insurance contracts might offer contracts covering against natural or man-perils, such as hail, storms and floods, and might cover crop yields or price deviation from set amounts.
- Political Violence provides protection against damages resulting from various perils, such as terrorism, sabotage, strikes, riots, insurrection, revolution, coup, and war. Losses might occur due to property damage resulting from such perils, business interruption, cyber/malicious attack, event cancellation or construction delays.

Competition

The global reinsurance market is highly competitive and very mature. Reinsurance companies differentiate themselves based on financial strength, range of products, brand recognition, duration of the relationship with the cedents, distribution channels, claims management, and customer service. Competition for clients might be based on pricing, capacity, coverage terms, conditions, or other factors.

We compete in global and local markets with U.S., Bermuda, European, and other international reinsurers. In addition, competitors might include investment companies, mutual companies, insurance companies, alternative risk providers (such as captives, catastrophe bonds and pools) and others, as alternative products are introduced into the capital market to compete with traditional reinsurance companies.

Insurance Segment.

Overview

Everest's Insurance segment markets and distributes a wide range of insurance products and services through various forms of brokers and agents on a worldwide basis. We serve multinational corporations and mid-size commercial clients across various industries globally.

Our Insurance segment operates through both North America and international markets. These operations are managed to conform with corporate guidelines with respect to pricing, risk management, control of aggregate catastrophe exposures, capital, and investments.

In 2023, the Company's Insurance segment wrote \$5.2 billion of gross written premiums. The Insurance segment lines of business write a broad suite of tailored products and services, including:

- Accident and Health business, which accounted for 10.6% of Insurance gross written premiums, consists predominantly of policies covering Participant Accident, Short-Term Medical, and Medical Stop-Loss protection for employers with self-funded medical plans.
- Specialty Casualty business, which accounted for 33.4% of Insurance gross written premiums, consists predominantly of policies covering General Liability (Premises/Operations and Products), Auto Liability, and Umbrella/Excess Liability.
- Other Specialty business, which accounted for 8.2% of Insurance gross written premiums, consists predominantly of policies covering specialty areas including but not limited to Surety, Trade Credit & Political Risk, Transactional Liability, Energy & Construction, and Aviation.
- Professional Liability business, which accounted for 16.1% of Insurance gross written premiums, consists predominantly of policies covering Directors & Officers Liability, Errors & Omissions, Cyber Liability, and other ancillary financial lines products.
- Property/Short-Tail business, which accounted for 22.3% of Insurance gross written premiums, consists predominantly of policies covering Property, Inland Marine, and other short-tail lines.
- Workers' Compensation business, which accounted for 9.3% of Insurance gross written premiums, consists predominantly of policies covering Workers Compensation, including both guaranteed cost and loss sensitive product offerings.

Products

The Insurance division writes property, casualty, and specialty insurance products, which are aligned with the lines of business described within the Insurance Segment Overview. These products are written directly, as well as through brokers, including for surplus lines, and general agents within the U.S., Bermuda, Canada, Europe, Singapore, and South America through offices in the U.S., Bermuda, Canada, Chile, Singapore, the UK, Ireland, and branches located in the UK, the Netherlands, France, Germany, and Spain.

Competition

The global insurance market is highly competitive. Insurance companies differentiate themselves based on financial strength, range of products, brand recognition, agent and broker relationships, distribution channels, claims management, and customer service. Competition for clients might be based on pricing, capacity, coverage terms, conditions, or other factors.

We compete on a global and regional basis with major U.S., Bermuda, European, and other international insurers. In addition, we also compete with new companies and existing companies that move into the insurance industry. Competitors sell through various distribution channels and business models, across a broad array of product lines, and with a high level of variation regarding geographic, marketing, and customer segmentation.

Claims.

Insurance claims are managed by the Company's professional claims staff (the "Claims staff"), many of whom have insurance and legal professional qualifications. Their responsibilities include reviewing initial loss reports, analyzing coverage issues, evaluating and reserving claims, and paying settlements. When appropriate, the Claims staff engage external professional advisors such as legal counsel, loss adjusters and engineers to support the effective management of claims. Claims are allocated to the Claims staff according to their expertise and experience and most specialize in particular product segments and geographies. Some insurance claims are handled by third party claims service providers

who have limited authority and are subject to oversight by the Claims staff. The Claims staff work closely with senior management in Insurance, as well as underwriting, finance and actuarial.

Reinsurance claims are also managed by the Company's Claims staff whose responsibilities include reviewing initial loss reports and coverage issues, monitoring claims handling activities of ceding companies, establishing and adjusting proper case reserves and approving payment of claims. In addition to claims assessment, processing and payment, the Claims staff selectively conducts comprehensive claim audits of both specific claims and overall claim procedures at the offices of selected ceding companies. Some reinsurance claims are handled by third party claims service providers who have limited authority and are subject to oversight by the Company's Claims staff. The Claims staff works closely with senior management in Reinsurance, as well as underwriting, finance and actuarial.

The Company intensively manages its asbestos and environmental ("A&E") exposures through a dedicated, centrally managed Claims staff with experienced claim and legal professionals who specialize in the handling of such exposures. They actively manage each individual insured and reinsured account, responding to claim developments with evaluations of the involved exposures and adjustment of reserves as appropriate. Specific or general claim developments that may have material implications for the Company are regularly communicated to senior management, actuarial, legal and financial areas. Senior management and claim management personnel meet at least quarterly to review the Company's overall reserve positions and make changes, if appropriate. The Company continually reviews its internal processing, communications and analytics, seeking to enhance the management of its A&E exposures, in particular with respect to changes in asbestos claims and litigation.

Loss Reserves.

Reserves for Unpaid Property and Casualty Losses and LAE.

Significant periods of time may elapse between the occurrence of an insured loss, the reporting of the loss to the insurer and the reinsurer, the payment of that loss by the insurer and subsequent payments to the insurer by the reinsurer. To recognize liabilities for unpaid losses and LAE, insurers and reinsurers establish reserves, which are balance sheet liabilities representing estimates of future amounts needed to pay reported and unreported claims and related expenses for losses that have already occurred. To the extent reserves prove to be insufficient to cover actual losses and LAE after taking into account available reinsurance coverage, the Company would have to recognize such reserve shortfalls and incur a charge to earnings, which could be material in the period such recognition takes place. See ITEM 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Loss and LAE Reserves".

As part of the reserving process, insurers and reinsurers evaluate historical data and trends and make judgments as to the impact of various factors, such as legislative and judicial developments that may affect future claim amounts, changes in social and political attitudes that may increase loss exposures, and inflationary and general economic trends. While the reserving process is difficult and subjective for insurance companies, the inherent uncertainties of estimating such reserves are even greater for the reinsurer, due primarily to the longer time between the date of an occurrence and the reporting of any attendant claims to the reinsurer, the diversity of development patterns among different types of reinsurance treaties or facultative contracts, the necessary reliance on the ceding companies for information regarding reported claims and differing reserving practices among ceding companies. In addition, trends that have affected development of liabilities in the past may not necessarily occur or affect liability development in the same manner or to the same degree in the future. As a result, actual losses and LAE may deviate, perhaps substantially, from estimates of reserves reflected in the Company's consolidated financial statements.

The Company's loss and LAE reserves represent management's best estimate of the Company's ultimate liability. Management's best estimate is developed through collaboration with actuarial, underwriting, claims, legal and finance departments and culminates with the input of reserve committees. Each segment's reserve committee includes the participation of the relevant parties from actuarial, finance, claims and the segment's senior management and has the responsibility for recommending and approving management's best estimate for its respective segment. Reserves are further reviewed by Everest's Chief Reserving Actuary and senior management. The objective of such process is to determine a single best estimate viewed by management to be the best estimate of its ultimate loss liability. While there can be no assurance that these reserves will not need to be increased in the future, management believes that the Company's existing reserves and reserving methodologies reduce the likelihood that any such increases would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Like many other property and casualty insurance and reinsurance companies, the Company has experienced loss development for prior accident years, which has impacted losses and LAE reserves and caused corresponding effects to income (loss) in the periods in which the adjustments were made. There can be no assurance that adverse development from prior years will not occur in the future or that such adverse development will not have a material adverse effect on net income (loss).

Since the Company has operations in many countries, part of the Company's loss and LAE reserves are in foreign currencies and translated to U.S. dollars for each reporting period. Fluctuations in the exchange rates for the currencies, period over period, affect the U.S. dollar amount of outstanding reserves. The translation adjustment eliminates the impact of the exchange fluctuations from the reserve re-estimates. For reconciliation of beginning and ending reserves, see Note 4 of Notes to Consolidated Financial Statements.

Reserves for Asbestos and Environmental Loss and LAE.

As of December 31, 2023, the Company's gross reserves for A&E claims represented 1.0% of its total reserves. The Company's A&E liabilities stem from direct insurance business from Mt. McKinley Insurance Company ("Mt. McKinley") and assumed reinsurance business of Everest Re. Mt. McKinley was a former wholly-owned subsidiary that was sold in 2015 to Clearwater Insurance Company ("Clearwater"), a subsidiary of Fairfax Financial.

Concurrently with the closing of such sale, the Company entered into a retrocession treaty with an affiliate of Clearwater. Per the retrocession treaty, the Company retroceded 100% of the liabilities associated with certain Mt. McKinley policies, which had been reinsured by Bermuda Re. As consideration for entering into the retrocession treaty, Bermuda Re transferred cash of \$140.3 million, an amount equal to the net loss reserves as of the closing date. Of the \$140.3 million of net loss reserves retroceded, \$100.5 million were related to A&E business. The maximum liability retroceded under the retrocession treaty is \$440.3 million, equal to the retrocession payment plus \$300.0 million. Bermuda Re will retain liability for any amounts exceeding the maximum liability retroceded under the retrocession treaty.

On December 20, 2019, the retrocession treaty was amended and included a partial commutation. As a result of this amendment and partial commutation, gross A&E reserves and the corresponding reinsurance receivable were reduced by \$43.4 million. In addition, the maximum liability permitted to be retroceded increased to \$450.3 million.

Additional losses, including those relating to latent injuries and other exposures, which are as yet unrecognized and the type or magnitude of which cannot be foreseen by either the Company or the industry, may emerge in the future. Such future emergence could have material adverse effects on the Company's future financial condition, results of operations and cash flows.

There are significant uncertainties in estimating the amount of the Company's potential losses from A&E claims and ultimate values cannot be estimated using traditional reserving techniques. See ITEM 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Asbestos and Environmental Exposures" and ITEM 8, "Financial Statements and Supplementary Data" - Note 4 of Notes to Consolidated Financial Statements.

Investments.

The board of directors of each of the Company's operating subsidiaries is responsible for establishing investment policy and guidelines and, together with senior management, for overseeing their execution.

The Company's principal investment objectives are to ensure funds are available to meet its insurance and reinsurance obligations and to maximize after-tax investment income while maintaining a high-quality diversified investment portfolio. Considering these objectives, the Company views its investment portfolio as having two components: (1) the investments needed to satisfy outstanding liabilities (i.e., its core fixed maturities portfolio) and (2) investments funded by the Company's shareholders' equity.

For the portion needed to satisfy global outstanding liabilities, the Company generally invests in fixed maturities with strong average credit quality. This global fixed maturity securities portfolio is managed both internally and on an external basis by independent, professional investment managers using portfolio guidelines approved by the Company.

The Company has expanded the allocation of its investments funded by shareholders' equity to include: (1) fixed and floating rate maturities, (2) bank and private loan securities, (3) private equity limited partnership investments and (4)

Table of Contents

corporate-owned life insurance (“COLI”) policies, which are invested in debt and equity securities. The objective of this portfolio diversification is to enhance the risk-adjusted total return of the investment portfolio by allocating a prudent portion of the portfolio to higher return asset classes. The Company limits its allocation to these asset classes because of (i) the potential for volatility in their values and (ii) the impact of these investments on regulatory and rating agency capital adequacy models. The Company uses investment managers experienced in these markets and adjusts its allocation to these investments based upon market conditions.

The duration of an investment is based on the maturity of the security but also reflects the payment of interest and the possibility of early prepayments. The Company’s fixed income investment guidelines include a general duration guideline. This investment duration guideline is established and periodically revised by management, which considers economic and business factors, as well as the Company’s average duration of potential liabilities, which, at December 31, 2023, is estimated at approximately 3.9 years, based on the estimated payouts of underwriting liabilities using standard duration calculations. The average durations of the fixed income portfolio at December 31, 2023 and 2022 were 3.3 years and 3.1 years, respectively.

The Company’s cash and invested assets totaled \$37.1 billion at December 31, 2023, which consisted of 86.6% fixed maturities, short term investments and cash and 13.4% of other invested assets and equity securities. Of the total fixed maturities, 94.8% were investment grade. Additionally, the average maturity of fixed maturity securities was 5.5 years at December 31, 2023, and their overall average duration was 3.3 years.

As of December 31, 2023, the Company did not have any direct investments in commercial real estate, direct commercial mortgages or securities of issuers that are experiencing cash flow difficulty to an extent that the Company’s management believes that the issuer’s ability to meet debt service payments, except where an allowance for credit losses has been recognized, is threatened.

The Company’s investment portfolio includes structured commercial mortgage-backed securities (“CMBS”) with a book value of \$1.1 billion and a fair value of \$1.0 billion. As of the December 31, 2023, 82.2% of CMBS securities are rated AAA by S&P Global Ratings (“S&P”). The remainder of CMBS securities are rated investment grade by S&P.

The following table reflects investment results for the Company for the periods indicated:

(Dollars in millions)	December 31,				
	Average Investments ⁽¹⁾	Pre-tax Investment Income ⁽²⁾	Pre-tax Effective Yield	Pre-tax Realized Net Gains (Losses) On Investments ⁽³⁾	Pre-tax Unrealized Net Gains (Losses) On Investments
2023	\$ 33,935	\$ 1,434	4.22 %	\$ (276)	\$ 1,129
2022	29,788	830	2.79 %	(455)	(2,225)

⁽¹⁾ Average of the beginning and ending carrying values of investments and cash, less net funds held, future policy benefit reserve, and non-interest bearing cash. Fixed maturities - available for sale and equity securities are carried at fair value. Fixed maturities - held to maturity securities are carried at amortized cost net of the expected credit loss allowance.

⁽²⁾ After investment expenses, excluding net gains (losses) on investments.

⁽³⁾ Included in 2023 and 2022 are fair value re-measurements of \$0.5 million and \$460 million, respectively. In addition, 2023 and 2022 include \$7 million and \$(33) million of expected credit losses.

(Some amounts may not reconcile due to rounding.)

Table of Contents

The following table represents the credit quality distribution of the Company's fixed maturities for the periods indicated:

(Dollars in millions)	At December 31,			
	2023		2022	
	Fair Value/ Amortized Cost ⁽¹⁾	Percent of Total	Fair Value/ Amortized Cost ⁽¹⁾	Percent of Total
Rating Agency Credit Quality Distribution:				
AAA	\$ 7,011	24.5 %	\$ 8,432	36.6 %
AA	8,629	30.2 %	2,886	12.5 %
A	7,297	25.5 %	6,268	27.2 %
BBB	4,168	14.6 %	3,768	16.3 %
BB	1,067	3.7 %	1,227	5.3 %
B	132	0.5 %	163	0.7 %
Rated below B	51	0.2 %	49	0.2 %
Other	240	0.8 %	283	1.2 %
Total	\$ 28,595	100.0 %	\$ 23,075	100.0 %

(Some amounts may not reconcile due to rounding.)

⁽¹⁾ Fixed maturities-available for sale are at fair value and fixed maturities-held to maturity are at amortized cost, net of allowances for credit losses.

The following table summarizes fixed maturities by contractual maturity for the periods indicated:

(Dollars in millions)	At December 31,			
	2023		2022	
	Fair Value/ Amortized Cost ⁽¹⁾	Percent of Total	Fair Value/ Amortized Cost ⁽¹⁾	Percent of Total
Fixed maturity securities				
Due in one year or less	\$ 1,266	4.4 %	\$ 1,319	5.7 %
Due after one year through five years	6,916	24.2 %	7,607	33.0 %
Due after five years through ten years	5,448	19.1 %	4,098	17.8 %
Due after ten years	2,585	9.0 %	1,299	5.6 %
Asset-backed securities	6,221	21.8 %	4,705	20.4 %
Mortgage-backed securities	6,159	21.5 %	4,029	17.5 %
Total fixed maturity securities	\$ 28,595	100.0 %	\$ 23,057	100.0 %

(Some amounts may not reconcile due to rounding.)

⁽¹⁾ The amortized cost and fair value of fixed maturity securities are shown by contractual maturity. Mortgage-backed securities are generally more likely to be prepaid than other fixed maturity securities. As the stated maturity of such securities may not be indicative of actual maturities, the totals for mortgage-backed and asset-backed securities are shown separately.

Financial Strength Ratings.

The following table shows the current financial strength ratings of the Company's operating subsidiaries as reported by A.M. Best, S&P and Moody's. These ratings represent an independent opinion of our subsidiaries' financial strength, operating performance, business profile and ability to meet policyholder obligations. The ratings are not intended to be an indication of the degree or lack of risk involved in a direct or indirect equity investment or a recommendation to buy, sell or hold our securities. Additionally, rating organizations may change their rating methodology, which could have a material impact on our financial strength ratings.

All of the below-mentioned ratings are continually monitored and revised, if necessary, by each of the rating agencies. The ratings presented in the following table were in effect as of December 31, 2023.

The Company believes that its ratings are important as they provide the Company's customers and others with an independent assessment of the Company's financial strength using a rating scale that provides for relative comparisons.

Table of Contents

Strong financial ratings are particularly important for reinsurance and insurance companies given that customers rely on a company to pay covered losses well into the future. As a result, a highly rated company is generally preferred.

Operating Subsidiary:	A.M. Best ⁽¹⁾	S&P ⁽²⁾	Moody's ⁽³⁾
Everest Reinsurance Company	A+ (Superior)	A+ (Strong)	A1 (upper-medium)
Everest Reinsurance (Bermuda) Ltd.	A+ (Superior)	A+ (Strong)	A1 (upper-medium)
Everest Reinsurance Company (Ireland) dac	A+ (Superior)	A+ (Strong)	Not Rated
Everest National Insurance Company	A+ (Superior)	A+ (Strong)	Not Rated
Everest Indemnity Insurance Company	A+ (Superior)	A+ (Strong)	Not Rated
Everest Security Insurance Company	A+ (Superior)	A+ (Strong)	Not Rated
Everest International Assurance, Ltd.	A+ (Superior)	A+ (Strong)	Not Rated
Everest Insurance Company of Canada	A+ (Superior)	A+ (Strong)	Not Rated
Everest International Reinsurance, Ltd.	A+ (Superior)	A+ (Strong)	Not Rated
Everest Denali Insurance Company	A+ (Superior)	A+ (Strong)	Not Rated
Everest Premier Insurance Company	A+ (Superior)	A+ (Strong)	Not Rated
Everest Insurance (Ireland), dac	A+ (Superior)	A+ (Strong)	Not Rated

⁽¹⁾ A.M. Best Financial Strength Ratings Scale: D (Poor) to A+ (Superior). Each financial strength rating category from A to C includes a rating notch to reflect a graduation of financial strength within the category. A rating notch is expressed with either a second plus (+) or a minus (-).

⁽²⁾ S&P Financial Strength Ratings Scale: D (Payment Default) to AAA (Extremely Strong). Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

⁽³⁾ Moody's Financial Strength Ratings Scale: C (Low Grade) to Aaa (High Grade). Note that Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; modifier 2 indicates a mid-range ranking; and modifier 3 indicates a ranking in the lower end of that generic rating category.

A.M. Best states that the "A+" ("Superior") rating is assigned to those companies which, in its opinion, have a superior ability to meet their ongoing insurance policies and contract obligations based on A.M. Best's comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile. A.M. Best affirmed these ratings on June 29, 2023. S&P states that the "A+" / "A" ratings are assigned to those insurance companies which, in its opinion, have strong financial security characteristics with respect to their ability to pay under their insurance policies and contracts in accordance with their terms. Following the publishing of the revised Insurer Risk Based Capital Adequacy methodology on November 15, 2023, S&P affirmed all ratings on January 29, 2024. Moody's states that an "A1" rating is assigned to companies that, in their opinion, offer upper-medium grade security and are subject to low credit risk. Moody's affirmed these ratings on June 29, 2023.

Subsidiaries other than Everest Re and Bermuda Re may not be rated by some or any rating agencies given that such ratings are not considered essential by the individual subsidiary's customers because of the limited nature of the subsidiary's operations or because the subsidiaries are newly established and have not yet been rated by the agencies.

Debt Ratings.

The following table shows the debt ratings by A.M. Best, S&P and Moody's of the following series of notes issued by Holdings, all of which are considered investment grade: (1) senior notes due June 1, 2044, (2) senior notes due October 15, 2050, (3) senior notes due October 15, 2052 and (4) long-term notes due May 1, 2067. Debt ratings are the rating agencies' current assessment of the credit worthiness of an obligor with respect to a specific obligation.

Instrument	A.M. Best	S&P ⁽¹⁾	Moody's
Senior Notes due June 1, 2044	a- (Strong)	BBB+ (Strong)	Baa1 (Medium Grade)
Senior Notes due October 15, 2050	a- (Strong)	BBB+ (Strong)	Baa1 (Medium Grade)
Senior Notes due October 15, 2052	Not Rated	BBB+ (Strong)	Baa1 (Medium Grade)
Long-Term Notes due May 1, 2067	bbb (Adequate)	BBB- (Adequate)	Baa2 (Medium Grade)

⁽¹⁾ On January 29, 2024 S&P lowered the ratings of the Company's non-operating holding companies ("NOHCs") and debt (from two notches lower than the operating companies to three notches) to align Everest with the potential high regulatory restrictions on payment distributions from the company's U.S. operating subsidiaries to the NOHCs.

Enterprise Risk Management.

Everest is in the business of underwriting and managing risk for its customers. As a global insurance and reinsurance business, we have an established Enterprise Risk Management (“ERM”) framework that is integrated into the day-to-day management of our businesses and operations. The ERM framework provides a group-wide systemic approach to managing the organization’s key risks and is supported by a Risk Appetites Statement approved by the Board.

Risk governance is a key component of Everest’s ERM framework in order to establish and coordinate risk guidelines that reflect the enterprise’s appetite for risk, facilitate monitoring of risk exposure relative to established guidelines, and ensure effective and timely escalation and communication to management and the Board. Risk management is overseen by Board and senior management risk committees. The risk committees are established at the Group level, as well as within certain Everest entities, to oversee capital and risk positions, approve risk management strategies and limits, and establish appropriate risk standards and policies.

Our Executive Risk Management Committee (“ERC”) reports to and assists the Chief Executive Officer in the oversight and review of Everest’s ERM framework and key risks, including Underwriting, Financial, Operational, and Strategic risks. The ERC is responsible for establishing the Group’s risk management principles, policies, and risk appetite levels. The ERC meets at least quarterly and is comprised of the following senior executives: Chief Executive Officer, Chief Financial Officer, Chief Operations Officer and Head of Reinsurance Division, Chief Executive Officer of the Insurance Division, General Counsel, Chief Transformation Officer, Chief Reserving Actuary, and the Chief Risk Officer.

The ERC is assisted in its activities by Everest’s ERM function and senior management risk committees. The ERC provides strategic risk management direction to the Group, which is then executed by the business units and by Everest’s ERM function. ERM is centrally responsible for implementing the risk management framework and identifying, assessing, monitoring, controlling, and communicating the Company’s risk exposures. Everest’s ERM function is independent of operating units and reports to the Chief Risk Officer. Everest’s senior management risk committees, including the Underwriting Risk Committee, Financial Risk Committee, and Operational Risk Committee supports ERM and the ERC with the compilation and analysis of risk insights with regards to exposure management and execution management.

Our Chief Risk Officer also reports to the Board’s Risk Management Committee (“RMC”), which helps execute the Board’s supervisory responsibility pertaining to ERM. The role of the RMC includes evaluation of the integrity and effectiveness of our ERM procedures, systems, and information; governance on major policy decisions pertaining to risk aggregation and minimization; and, assessment of our major decisions and preparedness levels pertaining to perceived material risks.

Regulatory Matters.

The Company and its insurance subsidiaries are subject to regulation under the insurance statutes of the various jurisdictions in which they conduct business, including all U.S. states, Canada, Singapore, Brazil, the UK, Ireland, Chile and Bermuda. These regulations vary from jurisdiction to jurisdiction and are generally designed to protect ceding insurance companies and policyholders by regulating the Company’s conduct of business, financial integrity and ability to meet its obligations. Many of these regulations require reporting of information designed to allow insurance regulators to closely monitor the Company’s performance.

Climate Risk Management.

As a global insurance and reinsurance organization, we recognize the potential impact of extreme natural perils on our world. We are also acutely aware of the fact that our industry plays a critical role in economic and social recovery after such extreme weather events. It is our policy to remain committed to providing solutions that can help our clients manage their own environmental risks in real and practical ways. We are also dedicated to managing and reducing our own ecological footprint wherever possible and considering environmental factors when making investment decisions.

Much of our business involves protecting clients through insurance and reinsurance from the impact of devastating natural catastrophes. As such, it is our policy to take a proactive approach to incorporating climate and weather-related risk into our underwriting procedure. To meet this challenge, our underwriting, actuarial and catastrophe modelling teams work together in researching and analyzing external raw climate/meteorological data in conjunction with our internal proprietary claims and loss information data to assess the geographical impacts of climate risk and develop predictive analytics models to refine our pricing tolerances and product development. This team approach to assessing

the impact of climate risk on sustainability for Everest as well as our customers ensures that we are most accurately and responsibly providing specialized coverage to our clients for climate and other environment-related risks.

Insurance Holding Company Regulation.

Under applicable U.S. laws and regulations, no person, corporation or other entity may acquire a controlling interest in the Company, unless such person, corporation or entity has obtained prior approval for such acquisition from the insurance commissioners of Delaware and any other state in which the Company's insurance subsidiaries are domiciled or deemed domiciled (as of this date, California). Under these laws, "control" is presumed when any person acquires, directly or indirectly, 10% or more of the voting securities of an insurance company. To obtain the approval of any change in control, the proposed acquirer must file an application with the relevant insurance commissioner disclosing, among other things, the background of the acquirer and that of its directors and officers, the acquirer's financial condition and its proposed changes in the management and operations of the insurance company. U.S. state regulators also require prior notice or regulatory approval of material intercompany and inter-affiliate transactions within the holding company structure.

The Insurance Companies Act of Canada requires prior approval by the Minister of Finance of anyone acquiring a significant interest in an insurance company authorized to do business in Canada. In addition, the Company is subject to regulation by the insurance regulators of other U.S. states and foreign jurisdictions in which it is authorized to do business. Certain of these U.S. states and foreign jurisdictions impose regulations regulating the ability of any person to acquire control of an insurance company authorized to do business in that jurisdiction without appropriate regulatory approval similar to those described above.

Dividends.

Under Bermuda law, Group is prohibited from declaring or paying a dividend if such payment would reduce the realizable value of its assets to an amount less than the aggregate value of its liabilities and its issued share capital and share premium (additional paid-in capital) accounts. Group's ability to pay dividends and its operating expenses is partially dependent upon dividends from its subsidiaries. The payment of dividends by insurance subsidiaries is limited under Bermuda law as well as the laws of the various U.S. states in which Group's insurance and reinsurance subsidiaries are domiciled or deemed domiciled. The limitations are generally based upon net income (loss) and compliance with applicable policyholders' surplus or minimum solvency and liquidity requirements as determined in accordance with the relevant statutory accounting practices. Under Irish corporate and regulatory law, Holdings Ireland, Everest Dublin Insurance Holdings Limited (Ireland) ("Everest Dublin Holdings") and their respective subsidiaries are limited as to the dividends they can pay based on retained earnings and net income (loss) and/or capital and minimum solvency requirements. As Holdings has outstanding debt obligations, it is dependent upon dividends and other permissible payments from its operating subsidiaries to enable it to meet its debt and operating expense obligations and to pay dividends.

Under Bermuda law, Bermuda Re, Everest International and Everest Assurance are unable to declare or make payment of a dividend if they fail to meet their minimum solvency margin or minimum liquidity ratio. As long-term insurers, Bermuda Re and Everest Assurance are also unable to declare or pay a dividend to anyone who is not a policyholder unless, after payment of the dividend, the value of the assets in their long-term business fund, as certified by their approved actuary, exceeds their liabilities for long-term business by at least the \$250,000 minimum solvency margin. Prior approval of the Bermuda Monetary Authority is required if Bermuda Re's, Everest International's or Everest Assurance's dividend payments would exceed 25% of their respective prior year end statutory capital and surplus. At December 31, 2023, Bermuda Re, Everest International and Everest Assurance exceeded their solvency and liquidity requirements.

The payment of dividends to Holdings by Everest Re is subject to limitations imposed by Delaware law. Generally, Everest Re may only pay dividends out of its statutory earned surplus, which was \$7.0 billion at December 31, 2023, and only after it has given 10 days prior notice to the Delaware Insurance Commissioner. During this 10-day period, the Commissioner may, by order, limit or disallow the payment of ordinary dividends if the Commissioner finds the insurer to be presently or potentially in financial distress. Further, the maximum amount of dividends that may be paid without the prior approval of the Delaware Insurance Commissioner in any twelve month period is the greater of (1) 10% of the insurer's statutory surplus as of the end of the prior calendar year and (2) the insurer's statutory net income (loss), not including realized capital gains (losses), for the prior calendar year. Accordingly, as of December 31, 2023, the maximum amount that will be available for the payment of dividends by Everest Re without triggering the requirement for prior approval of regulatory authorities in connection with a dividend is \$877 million.

Insurance Regulation.

Bermuda Re and Everest International are not admitted to do business in any jurisdiction in the United States. These entities conduct their insurance business from their offices in Bermuda, and in the case of Bermuda Re, its branch in the UK. Everest Assurance, by virtue of its one-time election under section 953(d) of the U.S. Internal Revenue Code to be a U.S. income tax paying "Controlled Foreign Corporation", is admitted to do business in the United States and Bermuda. In Bermuda, Bermuda Re, Everest International, Everest Assurance and Mt. Logan Re are regulated by the Insurance Act 1978 (as amended) and related regulations (the "Act"). The Act establishes solvency and liquidity standards and auditing and reporting requirements and subjects Bermuda Re, Everest International, and Everest Assurance to the supervision, investigation and intervention powers of the Bermuda Monetary Authority. Under the Act, each of Bermuda Re and Everest International, as a Class 4 insurer, is required to maintain a principal office in Bermuda, maintain a minimum of \$100 million in statutory capital and surplus, have an independent auditor approved by the Bermuda Monetary Authority conduct an annual audit and report on their respective statutory and U.S. GAAP financial statements and filings, and have an appointed loss reserve specialist (also approved by the Bermuda Monetary Authority) review and report on their respective loss reserves annually. Under the Act, Everest Assurance is licensed as a Class 3A insurer for general business and as a Class C insurer for long-term business.

Bermuda Re is also registered under the Act as a long-term insurer and is thereby authorized to write life and annuity business. As a long-term insurer, Bermuda Re is required to maintain \$250,000 in statutory capital separate from its Class 4 minimum statutory capital and surplus, to maintain long-term business funds, to separately account for this business and to have an approved actuary prepare a certificate concerning its long-term business assets and liabilities to be filed annually. Bermuda Re's operations in the UK are subject to regulation by the Prudential Regulation Authority (the "PRA") and the Financial Conduct Authority (the "FCA"). The PRA imposes solvency, capital adequacy, audit, financial reporting and other regulatory requirements on insurers transacting business in the UK. The FCA regulates the conduct of insurers transacting business in the UK. Bermuda Re presently meets or exceeds all of the PRA's solvency and capital requirements.

U.S. domestic property and casualty insurers, including reinsurers, are subject to regulation by their states of domicile and by those states in which they are licensed. The regulation of reinsurers is typically focused on financial condition, investments, management and operation. The rates and policy terms of reinsurance agreements are generally not subject to direct regulation by any governmental authority.

The operations of Everest Re's foreign branch offices in Canada and Singapore are subject to regulation by the insurance regulatory officials of those jurisdictions. Management believes that the Company is in compliance with applicable laws and regulations pertaining to its business and operations.

Everest National, Everest Security, Everest Denali and Everest Premier are subject to regulations similar to the U.S. regulations applicable to Everest Re. In addition, these companies must comply with substantial regulatory requirements in each state where they conduct business. These additional requirements include, but are not limited to, rate and policy form requirements, as well as requirements on licensing, agent appointments, participation in residual markets and claim handling procedures. These regulations are primarily designed for the protection of policyholders. Everest Indemnity is a Delaware domestic surplus lines insurer and is eligible to write insurance on a surplus lines basis in the U.S.

The operations of Ireland Insurance are regulated by the Central Bank of Ireland. Its branch office in the UK is also regulated by the PRA and FCA. Its branch offices in the Netherlands, Germany, France and Spain are subject to limited local regulation by the insurance regulatory officials of those jurisdictions. Management believes that the Company is in compliance with applicable laws and regulations pertaining to its business and operations in each of these jurisdictions.

The operations of Ireland Re are regulated by the Central Bank of Ireland. Its branch office in Switzerland is regulated by the Swiss Financial Market Supervisory Authority. Management believes that the Company is in compliance with applicable laws and regulations pertaining to its business and operations in each of these jurisdictions.

Licenses.

Everest Re is a licensed property and casualty insurer and/or reinsurer in all states, the District of Columbia, Puerto Rico and Guam. Such licensing enables U.S. domestic ceding company clients to take credit for uncollateralized reinsurance receivables from Everest Re in their statutory financial statements.

Table of Contents

Everest Re is licensed as a property and casualty reinsurer in Canada. It is also authorized to conduct reinsurance business in Singapore and Brazil. Everest Re can also write reinsurance in other foreign countries. Because some jurisdictions require a reinsurer to register in order to be an acceptable market for local insurers, Everest Re is registered as a foreign insurer and/or reinsurer in the following countries: Bolivia, Brazil, Chile, China, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, India, Mexico, Nicaragua, Panama, Paraguay, the Philippines, Singapore and Venezuela.

Everest National is licensed in 50 states, the District of Columbia and Puerto Rico.

Everest Indemnity is a Delaware domestic surplus lines insurer and is eligible to write insurance on a surplus lines basis in all 50 states, the District of Columbia and Puerto Rico.

Everest Security recently converted from a Georgia corporation to a Delaware corporation effective August 1, 2023, and is now licensed to write property and casualty insurance as an admitted insurance carrier in Delaware and Georgia, effective October 24, 2023 and in Alabama, effective December 19, 2023.

Everest Denali is licensed in all 50 states and the District of Columbia. Everest Premier is licensed in all 50 states and the District of Columbia.

Bermuda Re and Everest International are registered as Class 4 insurers in Bermuda, and Bermuda Re is also registered as a long-term insurer in Bermuda. Bermuda Re is also registered as a certified reinsurer in New York and Delaware and is registered as a reciprocal reinsurer in Delaware, Arizona, Arkansas, California, Connecticut, Georgia, Illinois, Iowa, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New York, North Dakota, Ohio, Oregon, Pennsylvania and Texas. Bermuda Re is also an authorized reinsurer in the UK, registered as a reinsurer in China, and also an authorized insurer in Singapore.

Everest Assurance is registered as a Class 3A general business insurer in Bermuda and a Class C long-term insurer in Bermuda. By virtue of its one-time election under section 953(d) of the U.S. Internal Revenue Code to be a U.S. income tax paying "Controlled Foreign Corporation," Everest Assurance may operate in both the U.S. and Bermuda. Everest Assurance is also considered an approved/eligible alien surplus lines insurer in all 50 states and the District of Columbia. In addition, Everest Assurance can also write reinsurance in other foreign countries. Because some jurisdictions require a reinsurer to register in order to be an acceptable market for local insurers, Everest Assurance is registered as a foreign insurer and/or reinsurer in the following countries: Bolivia, Colombia, Chile, Ecuador, Guatemala, Mexico and Paraguay.

Ireland Re is licensed to write non-life reinsurance for the European Union, European Economic Area and Swiss markets.

Ireland Insurance is licensed to write insurance for the European Union, European Economic Area and UK markets. Ireland Insurance is also considered an approved/eligible alien surplus lines insurer in all 50 states and the District of Columbia. In addition, Ireland Insurance is registered as a foreign insurer in the following countries: Panama, Columbia, Chile, and India.

Everest Canada is licensed to write property and casualty insurance in Canada.

Everest Compañía de Seguros Generales Chile S.A. is an insurance corporation authorized by the general laws of Chile.

Periodic Examinations.

Led by their states of domicile, U.S. insurance companies are subject to periodic financial examination of their affairs, usually every three to five years. U.S. insurance companies are also subject to examinations by the various state insurance departments where they are licensed concerning compliance with applicable conduct of business regulations. In addition, non-U.S. insurance companies and branches are subject to examination and review by regulators in their respective jurisdictions. In 2023, there were no reports of these examinations or reviews issued that contained any material findings or recommendations.

NAIC Risk-Based Capital Requirements.

The U.S. National Association of Insurance Commissioners ("NAIC") has developed a formula to measure the statutory minimum amount of capital required for a property and casualty insurance company to support its overall business

operations in light of its size and risk profile. The major categories of a company's risk profile are its asset risk, credit risk, and underwriting risk. The standard is an effort to anticipate insolvencies. This allows regulators to take actions that could limit the impact of these insolvencies on policyholders.

Under the approved formula, a company's adjusted statutory surplus (end of period surplus adjusted for items not currently applicable to the Everest companies) is compared to the Risk-Based Capital Model ("RBC") developed by the NAIC. If this ratio is above a minimum threshold, no action is necessary. Below this threshold are four distinct action levels at which an insurer's domiciliary state regulator can intervene with increasing degrees of authority over an insurer as the ratio of adjusted surplus to RBC decreases. The mildest intervention requires an insurer to submit a plan of appropriate corrective actions. The most severe action requires an insurer to be rehabilitated or liquidated.

Based on their financial positions, as of December 31, 2023, Everest Re, Everest National, Everest Indemnity, Everest Security, Everest Denali and Everest Premier exceed the minimum RBC thresholds.

Tax Matters.

The following summary of the taxation of the Company is based on current law. There can be no assurance that legislative, judicial, or administrative changes will not be enacted that might materially affect this summary.

Bermuda.

With the assent of the governor on December 27, 2023, the Bermuda Corporate Income Tax Act of 2023 ("The 2023 Act") became law. Beginning in 2025, a 15% corporate income tax will be applicable to Bermuda businesses that are part of multinational enterprise groups with annual revenue of €750M or more. Group's Bermuda entities will be subject to the new corporate income tax. The Company has evaluated The 2023 Act and has recorded \$578 million of net deferred income tax benefits in 2023 related to it. The net deferred income tax benefits relate primarily to a default provision in the law which allows for what is called an "Economic Transition Adjustment" ("ETA"). The ETA allows companies to establish deferred tax assets or liabilities related to the revaluation of intangible assets, excluding goodwill, and their other assets and liabilities, based on fair value as of September 30, 2023. The deferred tax assets or liabilities are then amortized in accordance with The 2023 Act.

Under current Bermuda law through 2024, no income, withholding or capital gains taxes are imposed upon Group and its Bermuda subsidiaries. Non-Bermuda branches of Bermuda subsidiaries are subject to local taxes in the jurisdictions in which they operate.

United States.

Group's U.S. subsidiaries conduct business and are subject to taxation in the United States. Non-U.S. branches of U.S. subsidiaries are subject to both local taxation in the jurisdictions in which they operate and U.S. corporate income tax but are generally relieved from double taxation through the application of foreign tax credits against their U.S. income tax liability. Should the U.S. subsidiaries distribute current or accumulated earnings and profits in the form of dividends or otherwise, the Company would be subject to withholding taxes. The cumulative amount that would be subject to U.S. withholding tax, if distributed, is not practicable to compute. Group and its Bermuda subsidiaries believe that they have operated and will continue to operate their businesses in a manner that will not cause them to generate income treated as effectively connected with the conduct of a trade or business within the U.S. On this basis, Group does not expect that it or its Bermuda subsidiaries will be required to pay U.S. corporate income taxes other than withholding taxes on certain investment income and premium excise taxes. If Group or its Bermuda subsidiaries were to become subject to U.S. income tax, there could be a material adverse effect on the Company's financial condition, results of operations and cash flows.

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA") was enacted. We have evaluated the tax provisions of the IRA, the most significant of which are the corporate alternative minimum tax and the share repurchase excise tax and do not expect the legislation to have a material impact on our results of operations.

Other Countries.

The Company does business in the following locations where it is subject to the taxation by the local authorities: Australia, Belgium, Canada, Chile, Columbia, France, Germany, Ireland, Mexico, Netherlands, United Kingdom, Singapore, Spain, and Switzerland.

Available Information.

The Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and amendments to those reports are available free of charge through the Company's internet website at <http://www.everestglobal.com> as soon as reasonably practicable after such reports are electronically filed with the Securities and Exchange Commission (the "SEC").

ITEM 1A. RISK FACTORS

Our business, results of operations and financial conditions are subject to numerous risks and uncertainties. While we seek to identify, manage and mitigate risks to our business, risk and uncertainty cannot be eliminated or necessarily predicted. In connection with any investment decision with respect to our securities, you should carefully consider the following risk factors, as well as the other information contained in this report and our other filings with the SEC. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. Should any of these risks materialize, actual results could differ materially from the disclosed information, the trading value of our securities could be negatively impacted and our business, financial condition, and results of operations could be materially and adversely affected.

UNDERWRITING

Our results could be adversely affected by catastrophic events.

We are exposed to unpredictable catastrophic events, including weather-related and other natural catastrophes, as well as acts of terrorism and wars. The frequency and/or severity of catastrophic events may be impacted in the future by the continued effects of climate change. Climate change and resulting changes in global temperatures, weather patterns, and sea levels may both increase the frequency and severity of natural catastrophes and the resulting losses in the future and impact our risk modeling assumptions. We cannot predict the impact that changing climate conditions, if any, may have on our results of operations or our financial condition. Additionally, we cannot predict how legal, regulatory and/or social responses to concerns around global climate change and the resulting impact on various sectors of the economy may impact our business. Any material reduction in our operating results caused by the occurrence of one or more catastrophes could inhibit our ability to pay dividends or to meet our interest and principal payment obligations. By way of illustration, during the past five calendar years, pre-tax catastrophe losses, net of reinsurance, were as follows:

Calendar year:	Pre-tax net catastrophe losses
(Dollars in millions)	
2023	\$ 470
2022	1,055
2021	1,135
2020	425
2019	576

Our losses from future catastrophic events could exceed our projections.

We use projections of possible losses from future catastrophic events of varying types and magnitudes as a strategic underwriting tool. We use these loss projections to estimate our potential catastrophe losses in certain geographic areas and decide on the placement of retrocessional coverage or other actions to limit the extent of potential losses in a given geographic area. These loss projections are approximations, reliant on a mix of quantitative and qualitative processes, and actual losses may exceed the projections by a material amount.

If our loss reserves are inadequate to meet our actual losses, our net income would be reduced or we could incur a loss.

We are required to maintain reserves to cover our estimated ultimate liability of losses and LAE for both reported and unreported claims incurred. These reserves are only estimates of what we believe the settlement and administration of claims will cost based on facts and circumstances known to us. In setting reserves for our reinsurance liabilities, we rely

on claims data supplied by our ceding companies and brokers, and we employ actuarial and statistical projections. The information received from our ceding companies is not always timely or accurate, which can contribute to inaccuracies in our loss projections. Because of the uncertainties that surround our estimates of loss and LAE reserves, we cannot be certain that ultimate losses and LAE payments will not exceed our estimates. If our reserves are deficient, we would be required to increase loss reserves in the period in which such deficiencies are identified which would cause a charge to our earnings and a reduction of capital. During the past five calendar years, the reserve re-estimation process resulted in an increase to our pre-tax net income in 2023, 2022, 2021 and 2019 and resulted in a decrease to our pre-tax net income in 2020:

Calendar year:	Effect on pre-tax net income		
(Dollars in millions)			
2023	\$	5	increase
2022		1	increase
2021		9	increase
2020		401	decrease
2019		64	increase

The difficulty in estimating our reserves is significantly more challenging as it relates to reserving for potential A&E liabilities. As of December 31, 2023, 1.0% of our gross reserves were comprised of A&E reserves. A&E liabilities are especially hard to estimate for many reasons, including the long delays between exposure and manifestation of any bodily injury or property damage, difficulty in identifying the source of the asbestos or environmental contamination, long reporting delays and difficulty in properly allocating liability for the asbestos or environmental damage. Legal tactics and judicial and legislative developments affecting the scope of insurers' liability, which can be difficult to predict, also contribute to uncertainties in estimating reserves for A&E liabilities.

The failure to accurately assess underwriting risk and establish adequate premium rates could reduce our net income or result in a net loss.

Our success depends on our ability to accurately assess the risks associated with the businesses on which the risk is retained. If we fail to accurately assess the risks we retain, we may fail to establish adequate premium rates to cover our losses and LAE. This could reduce our net income and even result in a net loss.

In addition, losses may arise from events or exposures that are not anticipated when the coverage is priced. In addition to such unanticipated events, we also face the unanticipated expansion of our exposures, particularly in long-tail liability lines. An example of this is the expansion over time of the scope of insurers' legal liability within the mass tort cases, particularly for A&E exposures discussed above.

Decreases in pricing for property and casualty reinsurance and insurance could reduce our net income.

The worldwide reinsurance and insurance businesses are highly competitive, as well as cyclical by product and market. These cycles, as well as other factors that influence aggregate supply and demand for property and casualty insurance and reinsurance products, are outside of our control. The supply of (re)insurance is driven by prevailing prices and levels of capacity that may fluctuate in response to a number of factors, including large catastrophic losses and investment returns being realized in the insurance industry. Demand for (re)insurance is influenced by underwriting results of insurers and insureds, including catastrophe losses, and prevailing general economic conditions. If any of these factors were to result in a decline in the demand for (re)insurance or an overall increase in (re)insurance capacity, our net income could decrease.

If we are unable or choose not to purchase reinsurance and transfer risk to the reinsurance markets, our net income could be reduced or we could incur a net loss in the event of unusual loss experience.

We are generally less reliant on the purchase of reinsurance than many of our competitors, in part because of our strategic emphasis on underwriting discipline and management of the cycles inherent in our business. We try to separate our risk-taking process from our risk mitigation process to avoid developing too great a reliance on reinsurance. With the expansion of the capital markets into insurance linked financial instruments, we increased our use of capital market products for catastrophe reinsurance. In addition, we have increased some of our quota share contracts with larger

retrocessionaires. The percentage of business that we reinsure may vary considerably from year to year, depending on our view of the relationship between cost and expected benefit for the contract period.

	2023	2022	2021	2020	2019
Percentage of ceded written premiums to gross written premiums	11.5 %	11.5 %	12.3 %	13.0 %	14.3 %

FINANCIAL

A decline in our financial strength ratings could adversely affect our standing among cedents and broker partners and our ability to grow premiums and earnings.

Our active insurance company subsidiaries currently hold financial strength ratings assigned by third-party rating agencies which assess and rate the claims paying ability and financial strength of insurers and reinsurers. Financial strength ratings are used by cedents, agents and brokers to assess the financial strength and credit quality of reinsurers and insurers. A downgrade or withdrawal of any of these ratings could adversely affect our ability to market our reinsurance and insurance products, our ability to compete with other reinsurers and insurers and our ability to write new business, which in turn could impact our profitability and results.

Consistent with market practice, much of our treaty reinsurance business allows the ceding company to terminate the contract or seek collateralization of our obligations in the event of a rating downgrade below a certain threshold. The termination provision would generally be triggered if a rating fell below A.M. Best's A- rating level. To a lesser extent, Everest Re also has modest exposure to reinsurance contracts that contain provisions for obligatory funding of outstanding liabilities in the event of a rating agency downgrade. Those provisions would also generally be triggered if Everest Re's rating fell below A.M. Best's A- rating level.

See also ITEM 1, "Financial Strength Ratings".

A decline in our debt ratings could increase our borrowing costs and adversely affect our ability to access capital markets at attractive rates.

If our debt ratings are downgraded, we could incur higher borrowing costs, higher cost of capital, and our ability to access the capital markets at attractive rates could be impacted. We are unable to provide any guarantees on whether or not our ratings may be downgraded by any of our rating agencies in the future.

See also ITEM 1, "Debt Ratings".

The failure of our insureds, intermediaries and reinsurers to satisfy their obligations to us could reduce our income.

In accordance with industry practice, we have uncollateralized receivables from insureds, agents and brokers and/or rely on agents and brokers to process our payments. We may not be able to collect amounts due from insureds, agents and brokers, resulting in a reduction to net income.

We are subject to credit risk of reinsurers in connection with retrocessional arrangements because the transfer of risk to a reinsurer does not relieve us of our liability to the insured. In addition, reinsurers may be unwilling to pay us even though they are able to do so. The failure of one or more of our reinsurers to honor their obligations to us in a timely fashion would impact our cash flow and reduce our net income and could cause us to incur a significant loss.

Our investment values and investment income could decline due to changed conditions in the financial markets.

A significant portion of our investment portfolio consists of fixed income securities and smaller portions consist of equity securities and other investments. The fair value of our invested assets and associated investment income may fluctuate depending on various factors including the effects of economic events and conditions, governmental policies, changes in interest rates and credit spreads, and market volatility.

Interest Rate Risk.

Most of our fixed income securities are classified as available for sale, and temporary changes in the fair value of these investments due to interest rate fluctuations are reflected as changes to our shareholders' equity. Additionally, net investment income from fixed income investments that carry prepayment risk, such as mortgage-backed and other asset-backed securities, can differ from the income anticipated from those securities at the time of purchase.

Credit Risk.

Our investment portfolio is subject to the risk of loss due to default or deterioration in credit quality. As a part of our ongoing analysis of our investment portfolio, we are required to assess current expected credit losses for all held-to-maturity securities and evaluate expected credit losses for available-for-sale securities when fair value is below amortized cost, which considers reasonable and supportable forecasts of future economic conditions in addition to information about past events and current conditions. If issuers of individual investments are unable to meet their obligations, investment income will be reduced and realized capital losses may arise.

Equity Risk.

We have invested a portion of our investment portfolio in equity securities. The value of these assets fluctuates with changes in the markets. In times of economic weakness, the fair value of these assets may decline, and may negatively impact net income. We also invest in non-traditional investments which have different risk characteristics than traditional fixed income and equity securities. These alternative investments are comprised primarily of private equity limited partnerships. The changes in value and investment income/(loss) for these partnerships may be more volatile than over-the-counter securities.

The failure to maintain access to enough cash, readily salable or unencumbered financial assets to meet near-term financial obligations.

Liquidity risk is a manifestation of events that are driven by other risk types (insurance, investment, operational). A liquidity shortfall may arise in the event of insufficient access to internal and external funding sources to meet an immediate and significant need for cash or collateral. Additionally, a rapid increase in interest rates can create a short-term pressure on regulatory capital models.

The Company's liquidity could be affected by a broad market illiquidity event, default by significant market participant, inability to sell assets, inability to access bank accounts, inability to access capital and credit markets, concentration of CAT events, or unforeseen capital needs. A failure to have sufficient cashflow to meet obligations may adversely affect business relations and the creditworthiness of the Company.

Because of our holding company structure, our ability to pay dividends, interest and principal is dependent on receiving dividends, loan payments and other funds from our subsidiaries.

Each of Group and Holdings is a holding company whose most significant asset is the stock of its operating subsidiaries. As a result, each of Group's and Holdings' ability to pay dividends, interest or other payments on its securities in the future will depend on the earnings and cash flows of its respective operating subsidiaries and the ability of the subsidiaries to pay dividends or to advance or repay funds to it. This ability is subject to general economic, financial, competitive, regulatory and other factors beyond our control. Payment of dividends and advances and repayments from some of the operating subsidiaries are regulated by U.S. states and foreign insurance laws and regulatory restrictions, including minimum solvency and liquidity thresholds. Accordingly, the operating subsidiaries may not be able to pay dividends or advance or repay funds to Group and Holdings in the future, which could prevent us from paying dividends or interest or making other payments on our securities.

We may experience foreign currency exchange losses that reduce our net income and capital levels.

We conduct business in a variety of non-U.S. currencies, principally the Euro, the British pound, and the Canadian dollar. Assets, liabilities, revenues and expenses denominated in foreign currencies are exposed to changes in currency exchange rates. Our reporting currency is the U.S. dollar, and exchange rate fluctuations, especially relative to the U.S. dollar, may materially impact our results and financial position. In 2023, we wrote approximately 27.8% of our coverages in non-U.S.

currencies; as of December 31, 2023, we maintained approximately 20.9% of our investment portfolio in investments denominated in non-U.S. currencies.

Our business is sensitive to unanticipated levels of inflation.

While consideration is given to the levels of inflation and how that may impact premiums and claims, the impacts of inflation may be different than anticipated. Premiums are established before actual losses are known, which may result in some underpricing if inflation rises more rapidly than expected, ultimately creating a deficiency that may impact our financial position.

Measures taken by domestic or foreign governments could have effects on our business.

The potential political, economic, military, and social risks that can emerge from a nation's involvement in international affairs can manifest into elevated geopolitical risk. For financial institutions, there are direct and indirect effects that can result from these events, including effects to the growth of business, return in foreign investments, claims patterns and local operations.

OPERATIONAL

We are dependent on our key personnel.

Our success has been, and will continue to be, dependent on our ability to retain the services of our existing key executives and other key employees, and to attract and retain additional qualified personnel in the future. The loss of the services of any key executive officer or the inability to hire and retain other highly qualified personnel in the future, particularly those experienced in the property and casualty industry, could adversely affect our ability to conduct business.

Special considerations apply to our Bermuda operations. Under Bermuda law, non-Bermudians, other than spouses of Bermudians and individuals holding permanent or working resident certificates, are not permitted to engage in any gainful occupation in Bermuda without a work permit issued by the Bermuda government. A work permit is only granted or extended if the employer can show that, after a proper public advertisement, no Bermudian, spouse of a Bermudian or individual holding a permanent or working resident certificate is available who meets the minimum standards reasonably required for the position. The Bermuda government places a six-year term limit on individuals with work permits, subject to specified exemptions for persons deemed to be key employees of businesses with a significant physical presence in Bermuda. Currently, all our Bermuda-based professional employees who require work permits have been granted permits by the Bermuda government that expire at various times between April 2024 and October 2028.

We are subject to cybersecurity risks that could negatively impact our business operations.

We are dependent upon our information technology platform, including our processing systems, data and electronic transmissions in our business operations. Security breaches and other cyber threats could expose us to the loss or misuse of our technology systems or information, litigation and potential liability. In addition, cyber incidents that impact the availability, reliability, speed, accuracy or other proper functioning of these systems could have a significant negative impact on our operations and possibly our results. An incident could also result in a violation of applicable privacy and other laws, damage our reputation, cause a loss of customers or give rise to monetary fines and other penalties, which could be significant. We are not aware of a cybersecurity incident that materially affected the Company, including its business strategy, results of operations or financial condition.

We are dependent on brokers and agents for business developments.

We rely on brokers and agents. Our relationship with this distribution network is based on quality of underwriting, claim services, financial strength and other factors, which could weaken.

Analytical models used in decision making could vary materially from actual results.

As a financial services company, we are exposed to model risk. We utilize financial models to derive metrics and drive analysis to assist in decision making across key areas, such as pricing, underwriting, reserving, investment management,

ceding business, capital allocation and risk management. These models may not operate properly, may contain incorrect information and errors and may rely on assumptions and projections that are inherently uncertain.

Our operations are subject to business continuation risk.

Across our global business centers, there is risk that our operations, systems or data, or those of third parties on whom we rely, may be disrupted. We may experience a disruption in business continuity as a result of pandemic and public health crises, geopolitical risks including armed conflict and civil unrest, terrorist events, natural disasters, cyber-attacks affecting internet and cloud services. All ultimately result in workforce unavailability among others.

STRATEGIC

Our industry is highly competitive, and we may not be able to compete successfully in the future.

Our industry is highly competitive and subject to pricing cycles that can be pronounced. We compete globally in the United States, Bermuda and international reinsurance and insurance markets with numerous competitors. Our competitors include independent reinsurance and insurance companies, subsidiaries or affiliates of established worldwide insurance companies, reinsurance departments of certain insurance companies and domestic and international underwriting operations, including underwriting syndicates at Lloyd's of London.

According to S&P, Everest ranks among the top ten global property and casualty reinsurance groups, where more than two-thirds of the market share is concentrated. The worldwide net premium written by the Top 40 global reinsurance groups for both life and non-life business was estimated to be \$306 billion in 2022 according to data compiled by S&P. In addition to existing competitors, the entry of alternative capital market products and new company formations provide additional sources of reinsurance and insurance capacity, which could reduce our market share.

SHAREHOLDERS, LEGAL & REGULATION

Applicable insurance laws may have an anti-takeover effect.

Before a person can acquire control of a U.S. insurance company, prior written approval must be obtained from the insurance commissioner of the state where that insurance company is domiciled or deemed commercially domiciled. Prior to granting approval of an application to acquire control of a domestic insurance company, a state insurance commissioner will consider such factors as the financial strength of the applicant, the integrity and competence of the applicant's board of directors and executive officers, the acquiror's plans for the future operations of the insurance company and any anti-competitive results that may arise from the consummation of the acquisition of control. Because any person who acquired control of Group would thereby acquire indirect control of its insurance company subsidiaries in the United States, the insurance change of control laws of Delaware and California would apply to such a transaction. This could have the effect of delaying or even preventing such a change of control.

The ownership of common shares of Group by Everest Re Advisors, Ltd., a direct subsidiary of Group, may have an impact on securing approval of shareholder proposals that Group's management supports.

As of December 31, 2023, Everest Re Advisors, Ltd. (Bermuda) owned 9,719,971 or 18.3% of the outstanding common shares of Group. Under Group's bye-laws, the total voting power of any shareholder owning more than 9.9% of the common shares is reduced to 9.9% of the total voting power of the common shares. Nevertheless, Everest Re Advisors, Ltd., which is controlled by Group, has the ability to vote 9.9% of the total voting power of Group's common shares.

Provisions in Group's bye-laws could have an anti-takeover effect, which could diminish the value of its common shares.

Group's bye-laws contain provisions that could delay or prevent a change of control that a shareholder might consider favorable. The effect of these provisions could be to prevent a shareholder from receiving the benefit from any premium over the market price of our common shares offered by a bidder in a potential takeover. Even in the absence of an attempt to effect a change in management or a takeover attempt, these provisions may adversely affect the prevailing market price of our common shares if they are viewed as discouraging takeover attempts in the future.

For example, Group's bye-laws contain the following provisions that could have an anti-takeover effect:

- the total voting power of any shareholder owning more than 9.9% of the common shares will be reduced to 9.9% of the total voting power of the common shares;
- the board of directors may decline to register any transfer of common shares if it has reason to believe that the transfer would result in:
 - i.) any person that is not an investment company beneficially owning more than 5.0% of any class of the issued and outstanding share capital of Group,
 - ii.) any person holding controlled shares in excess of 9.9% of any class of the issued and outstanding share capital of Group, or
 - iii.) any adverse tax, regulatory or legal consequences to Group, any of its subsidiaries or any of its shareholders;
- Group also has the option to redeem or purchase all or part of a shareholder's common shares to the extent the board of directors determines it is necessary or advisable to avoid or cure any adverse or potential adverse consequences if:
 - i.) any person that is not an investment company beneficially owns more than 5.0% of any class of the issued and outstanding share capital of Group,
 - ii.) any person holds controlled shares in excess of 9.9% of any class of the issued and outstanding share capital of Group, or
 - iii.) share ownership by any person may result in adverse tax, regulatory or legal consequences to Group, any of its subsidiaries or any other shareholder.

The Board has indicated that it will apply these bye-law provisions in such manner that "passive institutional investors" will be treated similarly to investment companies. For this purpose, "passive institutional investors" include all persons who are eligible, pursuant to Rule 13d-1(b)(1) under the U.S. Securities Exchange Act of 1934, ("the Exchange Act") to file a short-form statement on Schedule 13G, other than an insurance company or any parent holding company or control person of an insurance company.

Investors in Group may have more difficulty in protecting their interests than investors in a U.S. corporation.

The Companies Act 1981 of Bermuda (the "Companies Act"), differs in material respects from the laws applicable to U.S. corporations and their shareholders. The following is a summary of material differences between the Companies Act, as modified in some instances by provisions of Group's bye-laws, and Delaware corporate law that could make it more difficult for investors in Group to protect their interests than investors in a U.S. corporation. Because the following statements are summaries, they do not address all aspects of Bermuda law that may be relevant to Group and its shareholders.

Alternate Directors.

Group's bye-laws provide, as permitted by Bermuda law, that each director may appoint an alternate director, who shall have the power to attend and vote at any meeting of the Board or committee at which that director is not personally present and to sign written consents in place of that director. Delaware law permits a director to appoint another director as an alternate to attend any board committee meeting. However, Delaware law does not provide for the designation of alternate directors with authority to attend or vote at a meeting of the Board.

Committees of the Board of Directors.

Group's bye-laws provide, as permitted by Bermuda law, that the Board may delegate any of its powers to committees that the board appoints, and those committees may consist partly or entirely of non-directors. Delaware law allows the

board of directors of a corporation to delegate many of its powers to committees, but those committees may consist only of directors.

Interested Directors.

Bermuda law and Group's bye-laws provide that if a director has a personal interest in a transaction to which the company is also a party and if the director discloses the nature of this personal interest at the first opportunity, either at a meeting of directors or in writing to the directors, then the company will not be able to declare the transaction void solely due to the existence of that personal interest and the director will not be liable to the company for any profit realized from the transaction. In addition, after a director has made the declaration of interest referred to above, he or she is allowed to be counted for purposes of determining whether a quorum is present and to vote on a transaction in which he or she has an interest, unless disqualified from doing so by the chairman of the relevant board meeting. Under Delaware law, an interested director could be held liable for a transaction in which that director derived an improper personal benefit. Additionally, under Delaware law, a corporation may be able to declare a transaction with an interested director to be void unless one of the following conditions is fulfilled:

- the material facts as to the interested director's relationship or interests are disclosed or are known to the board of directors and the board in good faith authorizes the transaction by the affirmative vote of a majority of the disinterested directors;
- the material facts are disclosed or are known to the shareholders entitled to vote on the transaction and the transaction is specifically approved in good faith by the holders of a majority of the voting shares; or
- the transaction is fair to the corporation as of the time it is authorized, approved or ratified.

Transactions with Significant Shareholders.

As a Bermuda company, Group may enter into business transactions with its significant shareholders, including asset sales, in which a significant shareholder receives, or could receive, a financial benefit that is greater than that received, or to be received, by other shareholders with prior approval from Group's board of directors but without obtaining prior approval from the shareholders. In the case of an amalgamation, in which two or more companies join together and continue as a single company, a resolution of shareholders approved by a majority of at least 75% of the votes cast is required in addition to the approval of the board of directors, except in the case of an amalgamation with and between wholly-owned subsidiaries. If Group was a Delaware corporation, any business combination with an interested shareholder (which, for this purpose, would include mergers and asset sales of greater than 10% of Group's assets that would otherwise be considered transactions in the ordinary course of business) within a period of three years from the time the person became an interested shareholder would require prior approval from shareholders holding at least 66 2/3% of Group's outstanding common shares not owned by the interested shareholder, unless the transaction qualified for one of the exemptions in the relevant Delaware statute or Group opted out of the statute. For purposes of the Delaware statute, an "interested shareholder" is generally defined as a person who together with that person's affiliates and associates owns, or within the previous three years did own, 15% or more of a corporation's outstanding voting shares.

Takeovers.

Under Bermuda law, if an acquiror makes an offer for shares of a company and, within four months of the offer, the holders of not less than 90% of the shares that are the subject of the offer tender their shares, the acquiror may give the nontendering shareholders notice requiring them to transfer their shares on the terms of the offer. Within one month of receiving the notice, dissenting shareholders may apply to the court objecting to the transfer. The burden is on the dissenting shareholders to show that the court should exercise its discretion to enjoin the transfer. The court will be unlikely to do this unless there is evidence of fraud or bad faith or collusion between the acquiror and the tendering shareholders aimed at unfairly forcing out minority shareholders. Under another provision of Bermuda law, the holders of 95% of the shares of a company (the "acquiring shareholders") may give notice to the remaining shareholders requiring them to sell their shares on the terms described in the notice. Within one month of receiving the notice, dissenting shareholders may apply to the court for an appraisal of their shares. Within one month of the court's appraisal, the acquiring shareholders are entitled either to acquire all shares involved at the price fixed by the court or cancel the notice given to the remaining shareholders. If shares were acquired under the notice at a price below the court's appraisal price, the acquiring shareholders must either pay the difference in price or cancel the notice and return

the shares thus acquired to the shareholder, who must then refund the purchase price. There are no comparable provisions under Delaware law.

Inspection of Corporate Records.

Members of the general public have the right to inspect the public documents of Group available at the office of the Registrar of Companies and Group's registered office, both in Bermuda. These documents include the memorandum of association, which describes Group's permitted purposes and powers, any amendments to the memorandum of association and documents relating to any increase or reduction in Group's authorized share capital. Shareholders of Group have the additional right to inspect Group's bye-laws, minutes of general meetings of shareholders and audited financial statements that must be presented to the annual general meeting of shareholders. The register of shareholders of Group also is open to inspection by shareholders and to members of the public without charge. Group is required to maintain its share register at its registered office in Bermuda. Group also maintains a branch register in the offices of its transfer agent in the United States, which is open for public inspection as required under the Companies Act. Group is required to keep at its registered office a register of its directors and officers that is open for inspection by members of the public without charge. However, Bermuda law does not provide a general right for shareholders to inspect or obtain copies of any other corporate records. Under Delaware law, any shareholder may inspect or obtain copies of a corporation's shareholder list and its other books and records for any purpose reasonably related to that person's interest as a shareholder.

Shareholders' Suits.

The rights of shareholders under Bermuda law are not as extensive as the rights of shareholders under legislation or judicial precedent in many U.S. jurisdictions. Class actions and derivative actions are generally not available to shareholders under the laws of Bermuda. However, the Bermuda courts ordinarily would be expected to follow English case law precedent, which would permit a shareholder to bring an action in the name of Group to remedy a wrong done to Group where the act complained of is alleged to be beyond the corporate power of Group or illegal or would result in the violation of Group's memorandum of association or bye-laws. Furthermore, the court would give consideration to acts that are alleged to constitute a fraud against the minority shareholders or where an act requires the approval of a greater percentage of Group's shareholders than actually approved it. The winning party in an action of this type generally would be able to recover a portion of attorneys' fees incurred in connection with the action. Under Delaware law, class actions and derivative actions generally are available to stockholders for breach of fiduciary duty, corporate waste and actions not taken in accordance with applicable law. In these types of actions, the court has discretion to permit the winning party to recover its attorneys' fees.

Limitation of Liability of Directors and Officers.

Group's bye-laws provide that Group and its shareholders waive all claims or rights of action that they might have, individually or in the right of the Company, against any director or officer for any act or failure to act in the performance of that director's or officer's duties. However, this waiver does not apply to claims or rights of action that arise out of fraud or dishonesty. This waiver may have the effect of barring claims arising under U.S. federal securities laws. Under Delaware law, a corporation may include in its certificate of incorporation provisions limiting the personal liability of its directors to the corporation or its stockholders for monetary damages for many types of breach of fiduciary duty. However, these provisions may not limit liability for any breach of the duty of loyalty, acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, the authorization of unlawful dividends, stock repurchases or stock redemptions, or any transaction from which a director derived an improper personal benefit. Moreover, Delaware provisions would not be likely to bar claims arising under U.S. federal securities laws.

Indemnification of Directors and Officers.

Group's bye-laws provide that Group shall indemnify its directors or officers to the full extent permitted by law against all actions, costs, charges, liabilities, loss, damage or expense incurred or suffered by them by reason of any act done, concurred in or omitted in the conduct of Group's business or in the discharge of their duties. Under Bermuda law, this indemnification may not extend to any matter involving fraud or dishonesty of which a director or officer may be guilty in relation to the company, as determined in a final judgment or decree not subject to appeal. Under Delaware law, a corporation may indemnify a director or officer who becomes a party to an action, suit or proceeding because of his position as a director or officer if (1) the director or officer acted in good faith and in a manner he reasonably believed to

be in or not opposed to the best interests of the corporation and (2) if the action or proceeding involves a criminal offense, the director or officer had no reasonable cause to believe his or her conduct was unlawful.

Enforcement of Civil Liabilities.

Group is organized under the laws of Bermuda. Some of its directors and officers may reside outside the U.S. A substantial portion of our assets are or may be located in jurisdictions outside the United States. As a result, a person may not be able to affect service of process within the United States on directors and officers of Group and those experts who reside outside the United States. A person also may not be able to recover against them or Group on judgments of U.S. courts or to obtain original judgments against them or Group in Bermuda courts, including judgments predicated upon civil liability provisions of the U.S. federal securities laws.

Dividends.

Bermuda law does not allow a company to declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that the company, after the payment is made, would be unable to pay its liabilities as they become due, or that the realizable value of the company's assets would be less, as a result of the payment, than the aggregate of its liabilities and its issued share capital and share premium accounts. The share capital account represents the aggregate par value of issued shares, and the share premium account represents the aggregate amount paid for issued shares over and above their par value. Under Delaware law, subject to any restrictions contained in a company's certificate of incorporation, a company may pay dividends out of the surplus or, if there is no surplus, out of net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Surplus is the amount by which the net assets of a corporation exceed its stated capital. Delaware law also provides that dividends may not be paid out of net profits at any time when stated capital is less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets.

Insurance laws and regulations restrict our ability to operate and any failure to comply with those laws and regulations could have a material adverse effect on our business.

We are subject to extensive and increasing regulation under U.S., state and foreign insurance laws. These laws limit the amount of dividends that can be paid to us by our operating subsidiaries, impose restrictions on the amount and type of investments that we can hold, prescribe solvency, accounting and internal control standards that must be met and maintained and require us to maintain reserves. These laws also require disclosure of material inter-affiliate transactions and require prior approval of "extraordinary" transactions. Such "extraordinary" transactions include declaring dividends from operating subsidiaries that exceed statutory thresholds. These laws also generally require approval of changes of control of insurance companies. The application of these laws could affect our liquidity and ability to pay dividends, interest and other payments on securities, as applicable, and could restrict our ability to expand our business operations through acquisitions of new insurance subsidiaries. We may not have or maintain all required licenses and approvals or fully comply with the wide variety of applicable laws and regulations or the relevant authority's interpretation of the laws and regulations. If we do not have the requisite licenses and approvals or do not comply with applicable regulatory requirements, the insurance regulatory authorities could preclude or temporarily suspend us from carrying on some or all of our activities or fine us. These types of actions could have a material adverse effect on our business. To date, no material fine, penalty or restriction has been imposed on us for failure to comply with any insurance law or regulation.

As a result of the previous dislocation of the financial markets, Congress and the previous administration in the United States implemented changes in the way the financial services industry is regulated. Some of these changes are also impacting the insurance industry. For example, the U.S. Treasury established the Federal Insurance Office with the authority to monitor all aspects of the insurance sector, monitor the extent to which traditionally underserved communities and consumers have access to affordable non-health insurance products, to represent the United States on prudential aspects of international insurance matters, to assist with administration of the Terrorism Risk Insurance Program and to advise on important national and international insurance matters. In addition, several European regulatory bodies are in process of updating existing regulations or developing new capital adequacy directives for insurers and reinsurers. The future impact of such initiatives or new initiatives from the current governmental authorities, if any, on our operation, net income (loss) or financial condition cannot be determined at this time.

Regulatory challenges in the United States could adversely affect the ability of Bermuda Re to conduct business.

Bermuda Re does not intend to be licensed or admitted as an insurer or reinsurer in any U.S. jurisdiction. Under current law, Bermuda Re generally will be permitted to reinsure U.S. risks from its office in Bermuda without obtaining those licenses. However, the insurance and reinsurance regulatory framework is subject to periodic legislative review and revision. In the past, there have been congressional and other initiatives in the United States regarding increased supervision and regulation of the insurance industry, including proposals to supervise and regulate reinsurers domiciled outside the United States. If Bermuda Re were to become subject to any insurance laws of the United States or any U.S. state at any time in the future, it might be required to post deposits or maintain minimum surplus levels and might be prohibited from engaging in lines of business or from writing some types of policies. Complying with those laws could have a material adverse effect on our ability to conduct business in Bermuda and international markets.

Bermuda Re may need to be licensed or admitted in additional jurisdictions to develop its business.

As Bermuda Re's business develops, it will monitor the need to obtain licenses in jurisdictions other than Bermuda and the UK, where it has an authorized branch, in order to comply with applicable law or to be able to engage in additional insurance-related activities. In addition, Bermuda Re may be at a competitive disadvantage in jurisdictions where it is not licensed or does not enjoy an exemption from licensing relative to competitors that are so licensed or exempt from licensing. Bermuda Re may not be able to obtain any additional licenses that it determines are necessary or desirable. Furthermore, the process of obtaining those licenses is often costly and may take a long time.

Bermuda Re's ability to write reinsurance may be severely limited if it is unable to arrange for security to back its reinsurance.

Many jurisdictions do not permit insurance companies to take credit for reinsurance obtained from unlicensed or non-admitted insurers on their statutory financial statements without appropriate security. Bermuda Re's reinsurance clients typically require it to post a letter of credit or enter into other security arrangements. If Bermuda Re is unable to obtain or maintain a letter of credit facility on commercially acceptable terms or is unable to arrange for other types of security, its ability to operate its business may be severely limited. If Bermuda Re defaults on any letter of credit that it obtains, it may be required to prematurely liquidate a substantial portion of its investment portfolio and other assets pledged as collateral.

Regulatory and legislative developments related to cybersecurity could have an adverse impact on our business.

In October 2017, the NAIC adopted the Insurance Data Security Model Law, which was intended to establish the standards for data security and for the investigation and notification of data breaches applicable to insurance licensees in states adopting such law, requiring insurers, and other entities required to be licensed under state insurance laws to comply with certain requirements, such as developing and maintaining a written information security program, conducting risk assessments and overseeing the data security practices of third-party vendors. The Insurance Data Security Model Law has now adopted in 23 states. In addition, certain state insurance regulators are developing or have developed their own regulations that may impose additional regulatory requirements relating to cybersecurity on insurance and reinsurance companies. For example, the New York State Department of Financial Services has an applicable regulation pertaining to cybersecurity for all banking and insurance entities under its jurisdiction, effective as of March 1, 2017 and amended on November 1, 2023. The SEC has also adopted new rules effective September 5, 2023 to enhance and standardize disclosures regarding cybersecurity risk management, strategy, governance and incidents. We cannot predict the impact these laws and regulations will have on our business, financial condition or results of operations, but our insurance and reinsurance companies could incur additional costs resulting from compliance with such laws and regulations.

If international tax laws change, our net income may be impacted.

The Organization for Economic Co-operation and Development ("OECD") and its member countries which includes the United States, have been focusing for an extended period on issues related to the taxation of multinational corporations, such as the comprehensive plan set forth by the OECD to create an agreed set of international tax rules for preventing base erosion and profit shifting. Recently they agreed upon a broad framework for overhauling the taxation of multinational corporations that includes, among other things, profit reallocation rules and a 15% global minimum corporate income tax rate. These proposals, if implemented, could have an impact on net income and effective tax rate. The Company may be subject to additional income taxes, which would reduce our net income.

Group and/or various Group companies may be subject to additional income taxes, which would reduce our net income.

If U.S. tax law changes, our net income may be impacted.

The 2017 TCJA addressed what some members of Congress had expressed concern about for several years, which was U.S. corporations moving their place of incorporation to low-tax jurisdictions to obtain a competitive advantage over domestic corporations that are subject to the U.S. corporate income tax rate of 21%. Specifically, it addressed their concern over a perceived competitive advantage that foreign-controlled insurers and reinsurers may have had over U.S. controlled insurers and reinsurers resulting from the purchase of reinsurance by U.S. insurers from affiliates operating in some foreign jurisdictions, including Bermuda. Such affiliated reinsurance transactions may subject the U.S. ceding companies to a Base Erosion and Anti-abuse Tax (“BEAT”) of 10% from 2019 to 2025 and 12.5% thereafter which may exceed its regular income tax. In addition, new legislation as well as proposed and final regulations may further limit the ability of the Company to execute alternative capital balancing transactions with unrelated parties. This would further impact our net income and effective tax rate.

On August 16, 2022, the Inflation Reduction Act (“IRA”) was enacted. We have evaluated the tax provisions of the IRA, the most significant of which are the corporate alternative minimum tax and the share repurchase excise tax and do not expect the legislation to have a material impact on our results of operations.

On December 27, 2023, the Government of Bermuda enacted the Corporate Income Tax Act 2023, which will apply a 15% corporate income tax to certain Bermuda businesses in fiscal years beginning on or after January 1, 2025. The act includes a provision referred to as “The Economic Transition Adjustment”, which is intended to provide a fair and equitable transition into the tax regime, and results in a deferred tax benefit for the Company.

Group and/or Bermuda Re may be subject to U.S. corporate income tax, which would reduce our net income.

Bermuda Re. The income of Bermuda Re is a sizable portion of our worldwide income from operations. We have established guidelines for the conduct of our operations that are designed to ensure that Bermuda Re is not engaged in the conduct of a trade or business in the U.S. Based on its compliance with those guidelines, we believe that Bermuda Re should not be required to pay U.S. corporate income tax, other than withholding tax on U.S. source dividend income. However, if the IRS were to successfully assert that Bermuda Re was engaged in a U.S. trade or business, Bermuda Re would be required to pay U.S. corporate income tax on all its income and possibly also the U.S. branch profits tax. However, if the IRS were to successfully assert that Bermuda Re was engaged in a U.S. trade or business, we believe the U.S.-Bermuda tax treaty would preclude the IRS from taxing Bermuda Re’s income except to the extent that its income was attributable to a U.S. permanent establishment maintained by Bermuda Re. We do not believe that Bermuda Re has a permanent establishment in the U.S. If the IRS were to successfully assert that Bermuda Re did have income attributable to a permanent establishment in the U.S., Bermuda Re would be subject to U.S. tax only on that income. This would reduce our net income.

Group. We conduct our operations in a manner designed to minimize our U.S. tax exposures. Based on our compliance with guidelines designed to ensure that we generate only immaterial amounts, if any, of income that is subject to the U.S. taxing jurisdiction, we believe that we should be required to pay only immaterial amounts, if any, of U.S. corporate income tax, other than withholding tax on U.S. source dividend income. However, if the IRS successfully asserted that we had material amounts of income that was subject to the U.S. taxing jurisdiction, we would be required to pay U.S. corporate income tax on that income, and possibly the U.S. branch profits tax. The imposition of such tax would reduce our net income.

Bermuda Re and Group. If Bermuda Re became subject to U.S. income tax on its income, or if Group became subject to income tax, our income could also be subject to U.S. branch profits tax. In that event, Group and Bermuda Re would be subject to taxation at a higher combined effective rate than if they were organized as U.S. corporations. The combined effect of the 21% U.S. corporate income tax rate and the 30% branch profits tax rate is a net tax rate of 44.7%. The imposition of these taxes would reduce our net income.

Our net income will be reduced if U.S. excise and withholding taxes are increased.

Group and/or Bermuda Re may become subject to Bermuda tax, which would reduce our net income.

Reinsurance and insurance premiums paid to Bermuda Re with respect to risks located in the United States are subject to a U.S. federal excise tax of one percent. In addition, Bermuda Re is subject to federal excise tax on reinsurance and insurance premiums with respect to risks located in the United States. In addition, Bermuda Re is subject to withholding tax on dividend income from U.S. sources. These taxes could increase, and other taxes could be imposed in the future on Bermuda Re's business, which would reduce our net income.

If U.S. tax law changes, our U.S. shareholders net income may be impacted.

In January 2022, Treasury and the IRS released proposed regulations regarding the determination and inclusion of related-person insurance income ("RPII"). The regulations, if finalized without modifications, could cause RPII to be attributable to the Company's U.S. shareholders prospectively and therefore would incur additional income tax. The imposition of such tax could reduce our U.S. shareholders return on investment in the Company. Our U.S. shareholders pre-tax income and tax liabilities might be increased, reducing their net income.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

Everest has aligned and operationalized its cybersecurity program and controls to the National Institute of Standards and Technology ("NIST") Cybersecurity Incident Response Framework to provide preventative, detective and responsive measures that are timely, comprehensive, systematic, and in alignment with industry standards, regulatory requirements, and the Company's risk management framework. As part of the Company's cybersecurity program, Everest has established cross-functional teams with roles and responsibilities for cybersecurity incident response. The Company has a formal incident response escalation process, which involves a dedicated Security Operation Center ("SOC") as well as a cybersecurity incident response team ("CSIRT"), to further escalate to senior management and the Board, as appropriate. While the actual methods of incident response employed may differ based on the type and nature of the incident, our approach uses a combination of internal teams, external advisors and vendors with specialized skills to support the response and recovery efforts, including a process for escalating issues as needed to senior management and providing timely notification of cybersecurity incidents to law enforcement and regulatory bodies, as appropriate.

Everest uses a multi-layered process for assessing, identifying and managing material risks from cybersecurity threats and manages its systems and processes both internally and with the assistance of specialized third-party service providers. The Company obtains timely cyber-threat intelligence from various sources and maintains intrusion detection, network firewall protections, advanced threat protection, endpoint detection and response, email filtering, DDoS and other protections to secure the company's critical infrastructure. The SOC provides enhanced early detection of threat intelligence services, actively manages security tools, and monitors and responds to security alerts. The SOC also initiates incident response protocols, including escalating threats as needed to the CSIRT, including the Chief Information Security Officer ("CISO"), who can further escalate to other members of senior management and the Board, as may be appropriate. Various processes, including compiling security metrics, vulnerability scans, regular patching of software and hardware vulnerabilities, external penetration testing, internal phishing tests, red team exercises, and cyber incident response exercises are used to test the effectiveness of the overall cybersecurity control environment. In addition to periodic self-assessment of various cybersecurity controls, the Company conducts annual independent NIST assessments to review its cybersecurity posture and to identify opportunities to enhance its cybersecurity controls and mitigate cybersecurity risk.

Everest outsources certain business, technological and administrative functions and relies on third-party vendors to perform certain functions or provide certain services on its behalf. The Company negotiates contractual provisions to address identified cybersecurity risk(s) with third-party vendors. Third party security assessments of these vendors are also performed as part of the Company's third-party vendor management processes. The Company also maintains processes to oversee and manage material risks from cybersecurity threats associated with its use of third-party service providers.

Everest provides resources and learning opportunities to educate all of our colleagues on how to identify, report, and be vigilant against cybersecurity threats in the workplace. In addition, we conduct cybersecurity incident simulation exercises with business, information technology, management, and other key stakeholders to practice and test response processes. Furthermore, the Company collaborates with industry associations, government and regulatory authorities, peer companies and external advisors to monitor the threat environment and to inform its cybersecurity practices.

For the year ended December 31, 2023, Everest has not experienced any cybersecurity incident that materially affected the Company, including its business strategy, results of operations or financial conditions.

Governance

Cybersecurity threats present a persistent and dynamic threat to our entire industry. The Company views cybersecurity risk as an enterprise-wide concern that involves people, processes and technology. Accordingly, the Company's Board, through the RMC, referenced above in ITEM 1 "Business" - Enterprise Risk Management, has ultimate responsibility for risk oversight, as described more fully in our Proxy Statement, while management is tasked with the day-to-day management of the Company's cybersecurity risks. The Company's Board has a practical understanding of information systems and technology use in our business operations and processes, as well as a recognition of the risk management aspects of cyber risks and cybersecurity. The RMC, which oversees controls for the Company's major risk exposures, has principal responsibility for oversight of cybersecurity risk.

The Company also appointed a certified Chief Information Security Officer ("CISO") with significant public and private cybersecurity experience. The CISO is dedicated to assessing the Company's data security risk, monitoring cyber threat intelligence and taking the steps necessary to implement pertinent safeguards and protocols to manage the risk. In addition, the Executive Risk Committee or ERC, referenced above in ITEM 1 "Business" - Enterprise Risk Management, annually reviews the Company's cyber exposure across all lines of business and security safeguards for privacy-protected data held by the Company. The ERC, through its sub-committees, including the Operational Risk Committee and the Global IT and Cyber Risk Management Committee, works in conjunction with the Company's CISO to assess the Company's vulnerabilities to cybersecurity threats, including the operational risk of such threats to our business, as continuous dialogue throughout the year is essential in assessing the operational risk to our business of cybersecurity threats. The Operational Risk Committee and the Global IT and Cyber Risk Management Committee sub-committees meet quarterly in advance of the quarterly ERC meetings to, among other things, report on material cybersecurity risks.

From a governance perspective, in addition to the CISO, senior members of Information Technology provide briefs on cybersecurity matters, the overall cyber resiliency posture of the Company, and the effectiveness of the Company's cybersecurity program to the RMC. The topics covered by these updates include the Company's activities, policies and procedures to prevent, detect and respond to cybersecurity incidents, as well as lessons learned from cybersecurity incidents and internal and external testing of our cyber defenses.

ITEM 2. PROPERTIES

Everest Re's corporate offices are located in approximately 321,500 square feet of leased office space in Warren, New Jersey. Bermuda Re's corporate offices are located in approximately 12,300 total square feet of leased office space in Hamilton, Bermuda. The Company's 29 other locations occupy a total of approximately 329,100 square feet, all of which are leased.

ITEM 3. LEGAL PROCEEDINGS

In the ordinary course of business, the Company is involved in lawsuits, arbitrations and other formal and informal dispute resolution procedures, the outcomes of which will determine the Company's rights and obligations under insurance and reinsurance agreements. In some disputes, the Company seeks to enforce its rights under an agreement or to collect funds owing to it. In other matters, the Company is resisting attempts by others to collect funds or enforce alleged rights. These disputes arise from time to time and are ultimately resolved through both informal and formal means, including negotiated resolution, arbitration and litigation. In all such matters, the Company believes that its positions are legally and commercially reasonable. The Company considers the statuses of these proceedings when determining its reserves for unpaid loss and loss adjustment expenses.

Aside from litigation and arbitrations related to these insurance and reinsurance agreements, the Company is not a party to any other material litigation or arbitration.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information.

The common shares of Group trade on the New York Stock Exchange under the symbol, “EG”. The quarterly high and low closing market prices of Group’s common shares for the periods indicated were:

	2023		2022	
	High	Low	High	Low
First Quarter	\$ 390.84	\$ 333.38	\$ 304.72	\$ 267.35
Second Quarter	387.10	332.87	307.10	265.00
Third Quarter	392.47	339.63	285.67	245.79
Fourth Quarter	414.59	350.69	337.94	260.84

Number of Holders of Common Shares.

The number of record holders of common shares as of February 1, 2024 was 863. That number does not include the beneficial owners of shares held in “street” name or held through participants in depositories, such as The Depository Trust Company.

Dividend History and Restrictions.

The Company’s Board has an established policy of declaring regular quarterly cash dividends and has paid a regular quarterly dividend in each quarter since the fourth quarter of 1995. The Company declared and paid its quarterly cash dividend of \$1.55 per share for the first quarter of 2022, declared and paid its quarterly cash dividend of \$1.65 per share for the second quarter of 2022 through the second quarter of 2023, and declared and paid its quarterly cash dividend of \$1.75 per share for the remaining two quarters of 2023.

The declaration and payment of future dividends, if any, by the Company will be at the discretion of the Board and will depend upon many factors, including the Company’s earnings, financial condition, business needs and growth objectives, capital and surplus requirements of its operating subsidiaries, regulatory restrictions, rating agency considerations and other factors. As an insurance holding company, the Company is partially dependent on dividends and other permitted payments from its subsidiaries to pay cash dividends to its shareholders. The payment of dividends to Group by Holdings and to Holdings by Everest Re is subject to Delaware regulatory restrictions and the payment of dividends to Group by Bermuda Re is subject to Bermuda insurance regulatory restrictions. See “Regulatory Matters - Dividends” and ITEM 8, “Financial Statements and Supplementary Data”- Note 17 of Notes to Consolidated Financial Statements.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Issuer Purchases of Equity Securities				
	(a)	(b)	(c)	(d)
<i>Period</i>	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (1)
January 1 - 31, 2023	0	\$ —	0	1,228,908
February 1 - 28, 2023	44,937	\$ 382.9829	0	1,228,908
March 1 - 31, 2023	6,273	\$ 340.8460	0	1,228,908
April 1 - 30, 2023	78	\$ 374.9276	0	1,228,908
May 1 - 31, 2023	619	\$ 372.0318	0	1,228,908
June 1 - 30, 2023	205	\$ 341.5675	0	1,228,908
July 1 - 31, 2023	69	\$ 349.7200	0	1,228,908
August 1 - 31, 2023	0	\$ —	0	1,228,908
September 1 - 30, 2023	6,934	\$ 377.3661	0	1,228,908
October 1 - 31, 2023	0	\$ —	0	1,228,908
November 1 - 30, 2023	3,750	\$ 397.1126	0	1,228,908
December 1 - 31, 2023	84	\$ 352.7550	0	1,228,908
Total	62,949	\$ —	0	1,228,908

(1) On May 22, 2020, the Company's executive committee of the Board approved an amendment to the share repurchase program authorizing the Company and/or its subsidiary Holdings, to purchase up to a current aggregate of 32.0 million of the Company's shares (recognizing that the number of shares authorized for repurchase has been reduced by those shares that have already been purchased) in open market transactions, privately negotiated transactions or both. As of December 31, 2023, the Company and/or its subsidiary Holdings have repurchased 30.8 million of the Company's shares.

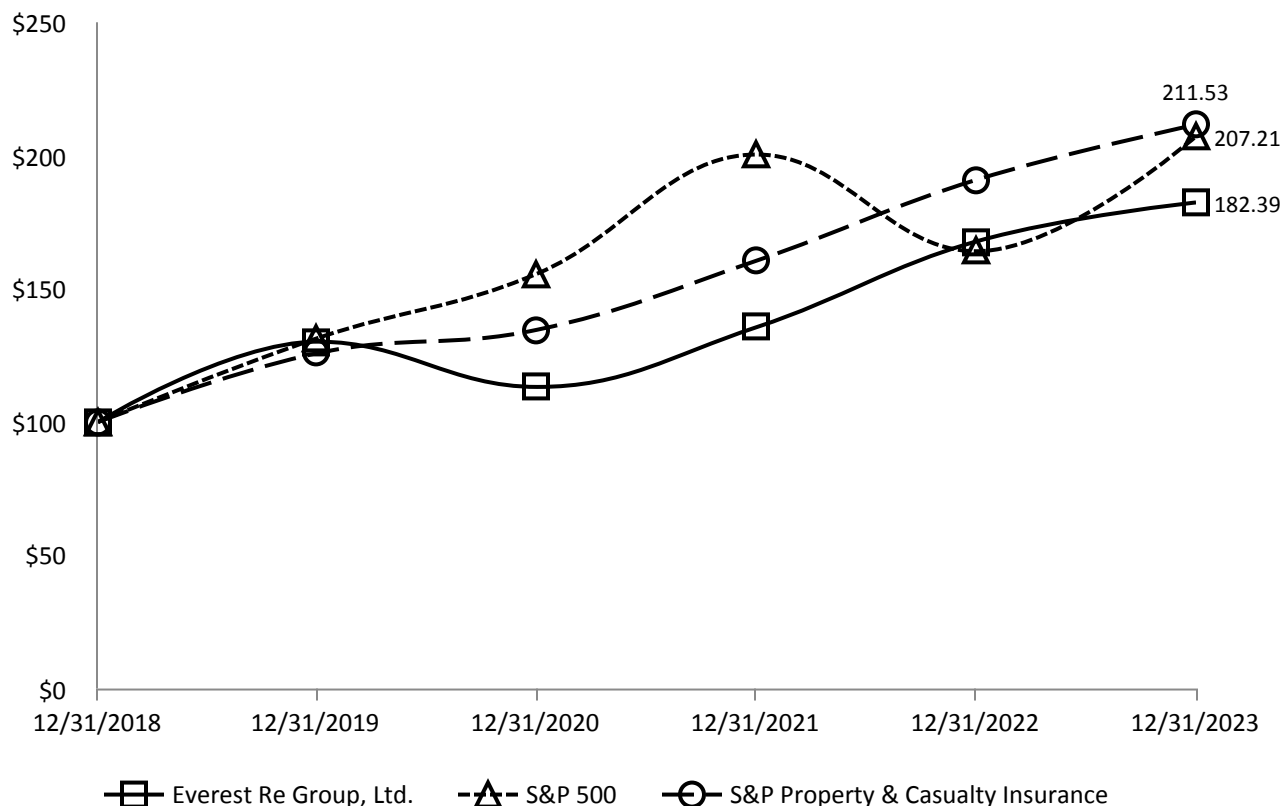
Recent Sales of Unregistered Securities.

None.

Performance Graph.

The following Performance Graph compares cumulative total shareholder returns on the Common Shares (assuming reinvestment of dividends) from December 31, 2018 through December 31, 2023, with the cumulative total return of the Standard & Poor’s 500 Index and the Standard & Poor’s Insurance (Property and Casualty) Index.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Everest Group, Ltd., the S&P 500 Index
and the S&P Property & Casualty Insurance Index



	12/18	12/19	12/20	12/21	12/22	12/23
Everest Group, Ltd.	100.00	130.16	113.17	135.62	167.77	182.39
S&P 500	100.00	131.49	155.68	200.37	164.08	207.21
S&P Property & Casualty Insurance	100.00	125.87	134.63	160.58	190.89	211.53

*\$100 invested on 12/31/18 in stock or index, including reinvestment of dividends.
 Fiscal year ending December 31.

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ITEM 6. [RESERVED]

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

The following is a discussion and analysis of our results of operations and financial condition for the years ended December 31, 2023 and 2022. This discussion should be read in conjunction with the Consolidated Financial Statements and related Notes, under ITEM 8 of this Form 10-K. Pursuant to the FAST Act Modernization and Simplification of Regulation S-K, comparisons between 2022 and 2021 have been omitted from this Form 10-K but can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Form 10-K for the year ended December 31, 2022.

All comparisons in this discussion are to the corresponding prior year unless otherwise indicated.

Industry Conditions.

The worldwide insurance and reinsurance businesses are highly competitive, as well as cyclical by product and market. As a result, financial results tend to fluctuate with periods of constrained availability, higher rates and stronger profits followed by periods of abundant capacity, lower rates and constrained profitability. Competition in the types of insurance and reinsurance business that we underwrite is based on many factors, including the perceived overall financial strength of the reinsurer or insurer, ratings of the reinsurer or insurer by A.M. Best and/or Standard & Poor's, underwriting expertise, the jurisdictions where the reinsurer or insurer is licensed or otherwise authorized, capacity and coverages offered, premiums charged, other terms and conditions of the insurance and reinsurance business offered, services offered, speed of claims payment and reputation and experience in lines written. Furthermore, the market impact from these competitive factors related to insurance and reinsurance is generally not consistent across lines of business, domestic and international geographical areas and distribution channels.

Financial instruments such as side cars, catastrophe bonds and collateralized reinsurance funds, provided capital markets with access to insurance and reinsurance risk exposure. The capital markets demand for these products is primarily driven by the desire to achieve greater risk diversification and potentially higher returns on their investments. This competition generally has a negative impact on rates, terms and conditions; however, the impact varies widely by market and coverage. Based on recent competitive behaviors in the insurance and reinsurance industry, natural catastrophe events and the macroeconomic backdrop, there has been dislocation in the market which has had a positive impact on rates and terms and conditions, generally, though specifics in local markets can vary.

Specifically, recent market conditions in property, particularly catastrophe excess of loss, have resulted in rate increases. As a result of the rate increases, most of the lines within property have been affected. Other casualty lines have been experiencing modest rate increases, while some lines such as workers' compensation and directors and officers liability have been experiencing softer market conditions. The impact on pricing conditions is likely to change depending on the line of business and geography.

Our capital position remains a source of strength, with high quality invested assets, significant liquidity and a low operating expense ratio. Our diversified global platform with its broad mix of products, distribution and geography is resilient.

The recent emergence of the Middle East war and the ongoing war in the Ukraine are evolving events. Economic and legal sanctions have been levied against Russia, specific named individuals and entities connected to the Russian government, as well as businesses located in the Russian Federation and/or owned by Russian nationals in numerous countries, including the United States. The significant political and economic uncertainty surrounding these wars and associated sanctions have impacted economic and investment markets both within Russia, Ukraine, the Middle East region, and around the world.

Financial Summary.

We monitor and evaluate our overall performance based upon financial results. The following table displays a summary of the consolidated net income (loss), ratios and shareholders' equity for the periods indicated:

(Dollars in millions)	Years Ended December 31,			Percentage Increase/(Decrease)	
	2023	2022	2021	2023/2022	2022/2021
Gross written premiums	\$ 16,637	\$ 13,952	\$ 13,050	19.2 %	6.9 %
Net written premiums	14,730	12,344	11,446	19.3 %	7.9 %
REVENUES:					
Premiums earned	\$ 13,443	\$ 11,787	\$ 10,406	14.0 %	13.3 %
Net investment income	1,434	830	1,165	72.7 %	(28.8)%
Net gains (losses) on investments	(276)	(455)	258	(39.3)%	NM
Other income (expense)	(14)	(102)	37	(86.3)%	NM
Total revenues	14,587	12,060	11,866	20.9 %	1.6 %
CLAIMS AND EXPENSES:					
Incurred losses and loss adjustment expenses	8,427	8,100	7,391	4.0 %	9.6 %
Commission, brokerage, taxes and fees	2,952	2,528	2,209	16.7 %	14.5 %
Other underwriting expenses	846	682	583	24.1 %	17.0 %
Corporate expenses	73	61	68	19.9 %	(10.1)%
Interest, fees and bond issue cost amortization expense	134	101	70	33.2 %	43.9 %
Total claims and expenses	12,432	11,472	10,321	8.4 %	11.2 %
INCOME (LOSS) BEFORE TAXES	2,154	588	1,546	NM	(62.0)%
Income tax expense (benefit)	(363)	(9)	167	NM	NM
NET INCOME (LOSS)	\$ 2,517	\$ 597	\$ 1,379	NM	(56.7)%
RATIOS:					
				Point Change	
Loss ratio	62.7 %	68.7 %	71.0 %	(6.0)	(2.3)
Commission and brokerage ratio	22.0 %	21.4 %	21.2 %	0.6	0.2
Other underwriting expense ratio	6.3 %	5.8 %	5.6 %	0.5	0.2
Combined ratio	90.9 %	96.0 %	97.8 %	(5.1)	(1.8)
At December 31,					
(Dollars in millions, except per share amounts)	2023	2022	2021	Percentage Increase/(Decrease)	
				2023/2022	2022/2021
Balance sheet data:					
Total investments and cash	\$ 37,142	\$ 29,872	\$ 29,673	24.3 %	0.7 %
Total assets	49,399	39,966	38,185	23.6 %	4.7 %
Loss and loss adjustment expense reserves	24,604	22,065	19,009	11.5 %	16.1 %
Total debt	3,385	3,084	3,089	9.8 %	(0.2)%
Total liabilities	36,197	31,525	28,046	14.8 %	12.4 %
Shareholders' equity	13,202	8,441	10,139	56.4 %	(16.8)%
Book value per share	304.29	215.54	258.21	41.2 %	(16.5)%

(NM - not meaningful)

(Some amounts may not reconcile due to rounding.)

Revenues.

Premiums. Gross written premiums increased by 19.2% to \$16.6 billion in 2023, compared to \$14.0 billion in 2022, reflecting a \$2.2 billion, or 23.9% increase in our reinsurance business and a \$473 million, or 10.0%, increase in our insurance business. The increase in reinsurance premiums reflects growth across all lines of business, particularly property pro rata, and property excess of loss business. The increase in insurance premiums reflects growth across multiple lines of business, particularly specialty casualty business, property/short tail business and other specialty business, driven by positive rate and exposure increases, new business and strong renewal retention. Net written premiums increased by 19.3% to \$14.7 billion in 2023, compared to \$12.3 billion in 2022. Premiums earned increased by 14.0% to \$13.4 billion in 2023, compared to \$11.8 billion in 2022, which is consistent with the percentage changes in gross written premiums. The change in premiums earned relative to net written premiums was primarily the result of

timing; premiums are earned ratably over the coverage period whereas written premiums are generally recorded at the initiation of the coverage period.

Other Income (Expense). We recorded other expense of \$14 million and other expense of \$102 million in 2023 and 2022, respectively. The change was primarily the result of fluctuations in foreign currency exchange rates. We recognized foreign currency exchange expense of \$24 million in 2023, partially offset by \$8 million of income from Everest Group's share of investment in the Mt. Logan segregated cells. We recognized foreign currency exchange expense of \$103 million in 2022.

Claims and Expenses.

Incurred Losses and Loss Adjustment Expenses. The following table presents our incurred losses and loss adjustment expenses ("LAE") for the periods indicated:

(Dollars in millions)	Years Ended December 31,					
	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2023						
Attritional	\$ 7,963	59.2 %	\$ (5)	— %	\$ 7,958	59.2 %
Catastrophes	470	3.5 %	—	— %	470	3.5 %
Total segment	\$ 8,432	62.7 %	\$ (5)	— %	\$ 8,427	62.7 %
2022						
Attritional	\$ 7,047	59.8 %	\$ (2)	— %	\$ 7,045	59.8 %
Catastrophes	1,055	9.0 %	—	— %	1,055	9.0 %
Total segment	\$ 8,102	68.8 %	\$ (2)	— %	\$ 8,100	68.7 %
2021						
Attritional	\$ 6,265	60.2 %	\$ (9)	(0.1) %	\$ 6,256	60.1 %
Catastrophes	1,135	10.9 %	—	— %	1,135	10.9 %
Total segment	\$ 7,400	71.1 %	\$ (9)	(0.1) %	\$ 7,391	71.0 %
Variance 2023/2022						
Attritional	\$ 916	(0.5) pts	\$ (3)	— pts	\$ 912	(0.6) pts
Catastrophes	(585)	(5.5) pts	—	— pts	(585)	(5.5) pts
Total segment	\$ 331	(6.0) pts	\$ (3)	— pts	\$ 327	(6.0) pts
Variance 2022/2021						
Attritional	\$ 782	(0.4) pts	\$ 7	0.1 pts	\$ 789	(0.3) pts
Catastrophes	(80)	(1.9) pts	—	— pts	(80)	(1.9) pts
Total segment	\$ 702	(2.3) pts	\$ 7	0.1 pts	\$ 709	(2.2) pts

(Some amounts may not reconcile due to rounding.)

Incurred losses and LAE increased by 4.0% to \$8.4 billion in 2023, compared to \$8.1 billion in 2022, primarily due to an increase of \$916 million in current year attritional losses, partially offset by a decrease of \$585 million in current year catastrophe losses. The increase in current year attritional losses was mainly due to the impact of the increase in premiums earned and changes in the mix of business. The current year catastrophe losses of \$470 million in 2023 related primarily to the 2023 Turkey earthquakes (\$103 million), Hurricane Otis (\$100 million), the 2023 Italy convective storm (\$57 million), the 2023 New Zealand storms (\$45 million), the 2023 Morocco earthquake (\$40 million), the 2023 Hawaii wildfire (\$32 million), and Hurricane Idalia (\$23 million), with the remaining losses resulting from various storm events. The \$1.1 billion of current year catastrophe losses in 2022 related primarily to Hurricane Ian (\$699 million), the 2022 Australia floods (\$88 million), the 2022 Western Europe hailstorms (\$69 million), the 2022 South Africa flood (\$50 million), the 2022 and the Western Europe Convective Storm (\$35 million), with the remaining losses resulting from various storm events.

Catastrophe losses and loss expenses typically have a material effect on our incurred losses and loss adjustment expense results and can vary significantly from period to period. Losses from natural catastrophes contributed 3.5 percentage points to the combined ratio in 2023, compared with 9.0 percentage points in 2022. The Company has up to \$350 million of catastrophe bond protection ("CAT Bond") that attaches at a \$48.1 billion Property Claims Services ("PCS") Industry

loss threshold. This recovery would be recognized on a pro-rata basis up to a \$63.8 billion PCS Industry loss level. As a result of Hurricane Ian, PCS's current industry estimate of \$48.2 billion issued in February 2024 exceeds the attachment point. The potential recovery under the CAT Bond is not expected to be material. As a result, no portion of the potential CAT bond recovery has been included in the Company's current financial results.

Commission, Brokerage, Taxes and Fees. Commission, brokerage, taxes and fees increased by 16.7% to \$3.0 billion for the year ended December 31, 2023 compared to \$2.5 billion for the year ended December 31, 2022. The increase was primarily due to the impact of the increase in premiums earned, changes in the mix of business and \$94 million of profit commission expense incurred in 2023 related to prior year loss reserves releases recorded within the Reinsurance segment.

Other Underwriting Expenses. Other underwriting expenses were \$846 million and \$682 million in 2023 and 2022, respectively. The increase in other underwriting expenses was mainly due to the impact of the increase in premiums earned as well as the continued build out of our insurance operations, including an expansion of the international insurance platform.

Corporate Expenses. Corporate expenses, which are general operating expenses that are not allocated to segments, were \$73 million and \$61 million for the years ended December 31, 2023 and 2022, respectively. The increase in 2023 compared to 2022 was mainly due to higher variable incentive compensation.

Interest, Fees and Bond Issue Cost Amortization Expense. Interest, fees and other bond amortization expense was \$134 million and \$101 million in 2023 and 2022, respectively. The increase was primarily due to movements in the floating interest rate related to the long-term subordinated notes, which is reset quarterly per the note agreement. The floating rate was 8.03% as of December 31, 2023 compared to 6.99% as of December 31, 2022.

Income Tax Expense (Benefit). Everest had an income tax benefit of \$363 million and income tax benefit of \$9 million in 2023 and 2022, respectively. An income tax benefit is primarily a function of the geographic location of the Company's pre-tax income and the statutory tax rates in those jurisdictions. The effective tax rate ("ETR") is primarily affected by tax-exempt investment income, foreign tax credits and dividends. Variations in the ETR generally result from changes in the relative levels of pre-tax income, including the impact of catastrophe losses and net capital gains (losses), among jurisdictions with different tax rates.

With the assent of the governor on December 27, 2023, the Bermuda Corporate Income Tax Act of 2023 ("The 2023 Act") became law. Beginning in 2025, a 15% corporate income tax will be applicable to Bermuda businesses that are part of multinational enterprise groups with annual revenue of €750 million or more. Group's Bermuda entities will be subject to the new corporate income tax. The Company has evaluated The 2023 Act and has recorded \$578 million of net deferred income tax benefits in 2023 related to it. The net deferred income tax benefits relate primarily to a default provision in the law which allows for what is called an "Economic Transition Adjustment" ("ETA"). The ETA allows companies to establish deferred tax assets or liabilities related to the revaluation of intangible assets, excluding goodwill, and their other assets and liabilities, based on fair value as of September 30, 2023. The deferred tax assets or liabilities are then amortized in accordance with The 2023 Act.

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA") was enacted. We have evaluated the tax provisions of the IRA, the most significant of which are the corporate alternative minimum tax and the share repurchase excise tax and do not expect the legislation to have a material impact on our results of operations.

Net Income (Loss).

Our net income was \$2.5 billion and \$597 million in 2023 and 2022, respectively. The change was primarily driven by underwriting income of \$1.2 billion and net investment income of \$1.4 billion, partially offset by realized loss on investments of \$276 million. Additionally, there was an income tax benefit of \$363 million primarily driven by the 2023 Act further discussed within Income Tax Expense (Benefit) section above.

Ratios.

Our combined ratio decreased by 5.1 points to 90.9% in 2023, compared to 96.0% in 2022. The loss ratio component decreased by 6.0 points in 2023 over the same period last year mainly due to a decline of \$585 million in catastrophe losses. The commission and brokerage ratio components increased to 22.0% in 2023 compared to 21.4% in 2022. The

increase was mainly due to changes in the mix of business and profit commission expense related to prior year loss reserve releases within the Reinsurance segment. The profit commission increased the 2023 commission ratio by 70 basis points. The other underwriting expense ratio increased to 6.3% in 2023 compared to 5.8% in 2022. The increase was mainly due to higher insurance operations costs.

Shareholders' Equity.

Shareholders' equity increased by \$4.8 billion to \$13.2 billion at December 31, 2023 from \$8.4 billion at December 31, 2022, principally as a result of \$2.5 billion of net income, \$1.4 billion from a public equity offering of shares, \$1.0 billion of unrealized appreciation on available for sale fixed maturity portfolio net of tax and \$59 million of net foreign currency translation adjustments, partially offset by \$288 million of shareholder dividends.

Consolidated Investment Results

Net Investment Income.

Net investment income increased by 72.7% to \$1.4 billion in 2023 compared with net investment income of \$830 million in 2022. The increase was primarily the result of an additional \$523 million of income from fixed maturity and short-term investments and an increase of \$47 million in limited partnership income. The limited partnership income primarily reflects changes in their reported net asset values. As such, until these asset values are monetized and the resultant income is distributed, they are subject to future increases or decreases in the asset value, and the results may be volatile.

The following table shows the components of net investment income for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Fixed maturities	\$ 1,153	\$ 742	\$ 561
Equity securities	3	16	17
Short-term investments and cash	140	28	1
Other invested assets			
Limited partnerships	122	75	565
Other	59	29	63
Gross investment income before adjustments	1,477	890	1,208
Funds held interest income (expense)	10	2	12
Future policy benefit reserve income (expense)	(1)	—	(1)
Gross investment income	1,486	892	1,219
Investment expenses	53	62	54
Net investment income	\$ 1,434	\$ 830	\$ 1,165

(Some amounts may not reconcile due to rounding.)

The following tables show a comparison of various investment yields for the periods indicated:

	2023	2022	2021
Annualized pre-tax yield on average cash and invested assets	4.1 %	2.7 %	4.4 %
Annualized after-tax yield on average cash and invested assets	3.6 %	2.3 %	3.8 %
Annualized return on invested assets	3.3 %	1.2 %	5.3 %

	2023	2022	2021
Fixed income portfolio total return	6.8 %	(5.9)%	0.5 %
Bloomberg's Capital - U.S. aggregate index	5.5 %	(13.0)%	(1.5)%
Common equity portfolio total return	17.6 %	(18.5)%	19.0 %
S&P 500 index	26.3 %	(18.1)%	28.7 %
Other invested asset portfolio total return	4.3 %	4.5 %	36.5 %

Table of Contents

The pre-tax equivalent total return for the bond portfolio was approximately 6.8% and (5.9)%, respectively, in 2023 and 2022. The pre-tax equivalent return adjusts the yield on tax-exempt bonds to the fully taxable equivalent.

Net Gains (Losses) on Investments.

The following table presents the composition of our net gains (losses) on investments for the periods indicated:

(Dollars in millions)	Years Ended December 31,			2023/2022	2022/2021
	2023	2022	2021	Variance	Variance
Realized gains (losses) from dispositions:					
Fixed maturity securities - available for sale					
Gains	\$ 35	\$ 40	\$ 72	\$ (5)	\$ (32)
Losses	(327)	(127)	(55)	(200)	(72)
Total	(292)	(87)	17	(205)	(104)
Equity securities					
Gains	8	165	42	(156)	123
Losses	—	(53)	(15)	53	(38)
Total	8	112	28	(104)	85
Other Invested Assets					
Gains	—	18	10	(18)	8
Losses	—	(5)	(4)	5	(1)
Total	—	13	6	(13)	7
Short Term Investments					
Gains	1	—	—	1	—
Losses	—	—	—	—	—
Total	—	—	—	—	—
Total net realized gains (losses) from dispositions					
Gains	44	223	124	(179)	99
Losses	(327)	(185)	(74)	(142)	(111)
Total	(283)	38	50	(322)	(12)
Allowance for credit losses	7	(33)	(28)	40	(5)
Gains (losses) from fair value adjustments					
Fixed maturities	—	—	—	—	—
Equity securities	—	(460)	236	461	(696)
Total	—	(460)	236	461	(696)
Total net gains (losses) on investments	\$ (276)	\$ (455)	\$ 258	\$ 179	\$ (713)

(Some amounts may not reconcile due to rounding.)

Net gains (losses) on investments in 2023 primarily consist of \$283 million of losses due to the disposition of investments, partially offset by a decrease to the allowance for credit losses of \$7 million. The realized losses from dispositions of investments mainly related to the execution of a Company strategy to sell lower yielding investments in order to reinvest the proceeds at higher interest rates.

Segment Results.

The Company operates through two operating segments. The Reinsurance operation writes worldwide property and casualty reinsurance and specialty lines of business, on both a treaty and facultative basis, through reinsurance brokers, as well as directly with ceding companies. Business is written in the U.S., Bermuda, and Ireland offices, as well as, through branches in Canada, Singapore, the UK and Switzerland. The Insurance operation writes property and casualty

insurance directly and through brokers, including for surplus lines, and general agents within the U.S., Bermuda, Canada, Europe, Singapore and South America through its offices in the U.S., Bermuda, Canada, Chile, Singapore, the UK, Ireland, and branches located in the UK, the Netherlands, France, Germany and Spain. The two segments are managed independently, but conform with corporate guidelines with respect to pricing, risk management, control of aggregate catastrophe exposures, capital, investments and support operations.

Our two operating segments each have executive leadership who are responsible for the overall performance of their respective segments and who are directly accountable to our chief operating decision maker (“CODM”), the Chief Executive Officer of Everest Group, Ltd., who is ultimately responsible for reviewing the business to assess performance, make operating decisions and allocate resources. We report the results of our operations consistent with the manner in which our CODM reviews the business.

During the fourth quarter of 2023, the Company revised the classification and presentation of certain products related to its accident and health business within the segment groupings. These products have been realigned from within the Reinsurance segment to the Insurance segment to appropriately reflect how the business segments are managed. These changes have been reflected retrospectively.

The Company does not review and evaluate the financial results of its operating segments based upon balance sheet data. Management generally monitors and evaluates the financial performance of these operating segments based upon their underwriting results. Underwriting results include earned premium less losses and loss adjustment expenses (“LAE”) incurred, commission and brokerage expenses and other underwriting expenses. The Company measures its underwriting results using ratios, in particular, loss, commission and brokerage and other underwriting expense ratios, which, respectively, divide incurred losses, commissions and brokerage and other underwriting expenses by premiums earned. Management has determined that these measures are appropriate and align with how the business is managed. We continue to evaluate our segments as our business evolves and may further refine our segments and financial performance measures.

The following discusses the underwriting results for each of our segments for the periods indicated.

Reinsurance.

The following table presents the underwriting results and ratios for the Reinsurance segment for the periods indicated:

(Dollars in millions)	Years Ended December 31,			2023/2022		2022/2021	
	2023	2022	2021	Variance	% Change	Variance	% Change
Gross written premiums	\$ 11,460	\$ 9,248	\$ 9,018	\$ 2,213	23.9 %	\$ 230	2.6 %
Net written premiums	10,802	8,919	8,488	1,883	21.1 %	431	5.1 %
Premiums earned	\$ 9,799	\$ 8,598	\$ 7,708	\$ 1,201	14.0 %	\$ 890	11.5 %
Incurred losses and LAE	5,696	5,966	5,543	(270)	(4.5)%	423	7.6 %
Commission and brokerage	2,520	2,116	1,833	404	19.1 %	283	15.4 %
Other underwriting expenses	255	217	198	38	17.4 %	19	9.9 %
Underwriting gain (loss)	\$ 1,328	\$ 300	\$ 135	\$ 1,029	NM	\$ 165	NM
					Point Chg		Point Chg
Loss ratio	58.1 %	69.4 %	71.9 %		(11.3)		(2.5)
Commission and brokerage ratio	25.7 %	24.6 %	23.8 %		1.1		0.8
Other underwriting expense ratio	2.6 %	2.5 %	2.6 %		0.1		(0.1)
Combined ratio	86.4 %	96.5 %	98.3 %		(10.1)		(1.8)

(NM, not meaningful)

(Some amounts may not reconcile due to rounding.)

Premiums. Gross written premiums increased by 23.9% to \$11.5 billion in 2023 from \$9.2 billion in 2022. The increase in gross written premiums reflects growth across all lines of business, particularly property pro rata, and property excess of loss business. Net written premiums increased by 21.1% to \$10.8 billion in 2023 compared to \$8.9 billion in 2022. Premiums earned increased by 14.0% to \$9.8 billion in 2023, compared to \$8.6 billion in 2022. The change in premiums earned relative to net written premiums is primarily the result of timing; premiums are earned ratably over the coverage period whereas written premiums are generally recorded at the initiation of the coverage period.

Table of Contents

During 2023, the Company refined its premium estimation methodology for its risk attaching reinsurance contracts within its Reinsurance Segment to continue to recognize gross written premium over the term of the treaty, albeit over a different pattern than what was previously used. The refined estimate resulted in an increase of gross written premium for the twelve months ended December 31, 2023 period and has further aligned the estimation methodology across the reinsurance division globally. This change had no impact on the total written premium to be recognized over the term of the treaty. There was no impact on net earned premium and therefore, no impact on income from continuing operations, net income, or any related per-share amounts.

Incurred Losses and LAE. The following table presents the incurred losses and LAE for the Reinsurance segment for the periods indicated:

(Dollars in millions)	Years Ended December 31,					
	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2023						
Attritional	\$ 5,644	57.6 %	\$ (397)	(4.1) %	5,246	53.5 %
Catastrophes	449	4.6 %	—	— %	449	4.6 %
Total segment	\$ 6,093	62.2 %	\$ (397)	(4.1) %	\$ 5,696	58.1 %
2022						
Attritional	\$ 5,031	58.5 %	\$ 5	0.1 %	\$ 5,036	58.6 %
Catastrophes	930	10.8 %	—	— %	930	10.8 %
Total segment	\$ 5,961	69.3 %	\$ 5	0.1 %	\$ 5,966	69.4 %
2021						
Attritional	\$ 4,556	59.1 %	\$ 5	0.1 %	\$ 4,560	59.2 %
Catastrophes	983	12.7 %	—	— %	983	12.7 %
Total segment	\$ 5,538	71.8 %	\$ 5	0.1 %	\$ 5,543	71.9 %
Variance 2023/2022						
Attritional	\$ 613	(0.9) pts	\$ (402)	(4.1) pts	\$ 211	(5.0) pts
Catastrophes	(481)	(6.2) pts	—	— pts	(481)	(6.2) pts
Total segment	\$ 132	(7.1) pts	\$ (402)	(4.1) pts	\$ (270)	(11.3) pts
Variance 2022/2021						
Attritional	\$ 475	(0.6) pts	\$ —	— pts	\$ 475	(0.6) pts
Catastrophes	(53)	(1.9) pts	—	— pts	(53)	(1.9) pts
Total segment	\$ 423	(2.5) pts	\$ —	— pts	\$ 423	(2.5) pts

(Some amounts may not reconcile due to rounding.)

Incurred losses decreased by 4.5% to \$5.7 billion in 2023, compared to \$6.0 billion in 2022. The decrease was primarily due to \$397 million of favorable development on prior year attritional losses in 2023 and a decrease of \$481 million in current year catastrophe losses, partially offset by an increase of \$613 million in current year attritional losses. The favorable development mainly related to a combination of well seasoned mortgage and short-tail business. The increase in current year attritional losses was mainly related to the impact of the increase in premiums earned. The current year catastrophe losses of \$449 million in 2023 related primarily to the 2023 Turkey earthquakes (\$103 million), Hurricane Otis (\$100 million), the 2023 Italy convective storm (\$57 million), the 2023 New Zealand storms (\$43 million), the 2023 Morocco earthquake (\$40 million), the 2023 Hawaii wildfire (\$27 million), and Hurricane Idalia (\$23 million), with the remaining losses resulting from various storm events. The \$930 million of current year catastrophe losses in 2022 related primarily to Hurricane Ian (\$599 million), the 2022 Australia floods (\$88 million), the Western Europe hailstorms (\$69 million), the 2022 South Africa flood (\$50 million), and the 2022 Western Europe Convective storm (\$29 million), with the remaining losses resulting from various storm events.

Segment Expenses. Commission and brokerage expense increased by 19.1% to \$2.5 billion in 2023 compared to \$2.1 billion in 2022. The increase was mainly due to the impact of the increase in premiums earned and changes in the mix of business. 2023 commissions include approximately \$94 million of profit commission expense related to the release of prior year reserves. Segment other underwriting expenses increased to \$255 million in 2023 from \$217 million in 2022. The increase was in line with the increase in written premium attributable to the planned expansion of the business.

Insurance.

The following table presents the underwriting results and ratios for the Insurance segment for the periods indicated:

(Dollars in millions)	Years Ended December 31,			2023/2022		2022/2021	
	2023	2022	2021	Variance	% Change	Variance	% Change
Gross written premiums	\$ 5,177	\$ 4,704	\$ 4,032	\$ 473	10.0 %	\$ 672	16.7 %
Net written premiums	3,929	3,426	2,958	503	14.7 %	468	15.8 %
Premiums earned	\$ 3,644	\$ 3,189	\$ 2,698	\$ 455	14.3 %	\$ 491	18.2 %
Incurred losses and LAE	2,732	2,134	1,848	597	28.0 %	286	15.5 %
Commission and brokerage	432	413	376	19	4.6 %	37	9.8 %
Other underwriting expenses	591	464	385	126	27.1 %	80	20.7 %
Underwriting gain (loss)	\$ (109)	\$ 178	\$ 89	\$ (287)	NM	\$ 89	99.4 %
					Point Chg		Point Chg
Loss ratio	75.0 %	66.9 %	68.5 %		8.1		(1.6)
Commission and brokerage ratio	11.8 %	12.9 %	13.9 %		(1.1)		(1.0)
Other underwriting expense ratio	16.2 %	14.6 %	14.3 %		1.6		0.3
Combined ratio	103.0 %	94.4 %	96.7 %		8.6		(2.3)

(Some amounts may not reconcile due to rounding.)

Premiums. Gross written premiums increased by 10.0% to \$5.2 billion in 2023 compared to \$4.7 billion in 2022. The increase in insurance premiums reflects growth across multiple lines of business, particularly specialty casualty, property/short tail business and other specialty business, driven by positive rate and exposure increases, new business and strong renewal retention. Net written premiums increased by 14.7% to \$3.9 billion in 2023 compared to \$3.4 billion in 2022. The higher percentage increase in net written premiums compared to gross written premiums was mainly due to higher net retention resulting from changes in the mix of business. Premiums earned increased 14.3% to \$3.6 billion in 2023 compared to \$3.2 billion in 2022. The change in premiums earned relative to net written premiums is primarily the result of timing; premiums are earned ratably over the coverage period whereas written premiums are generally recorded at the initiation of the coverage period.

Table of Contents

Incurred Losses and LAE. The following table presents the incurred losses and LAE for the Insurance segment for the periods indicated:

(Dollars in millions)	Years Ended December 31,					
	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2023						
Attrititional	\$ 2,319	63.6 %	\$ 392	10.8 %	\$ 2,711	74.4 %
Catastrophes	20	0.6 %	—	— %	20	0.6 %
Total segment	\$ 2,339	64.2 %	\$ 392	10.8 %	\$ 2,732	75.0 %
2022						
Attrititional	\$ 2,016	63.2 %	\$ (7)	(0.2) %	\$ 2,009	63.0 %
Catastrophes	125	3.9 %	—	— %	125	3.9 %
Total segment	\$ 2,141	67.1 %	\$ (7)	(0.2) %	\$ 2,134	66.9 %
2021						
Attrititional	\$ 1,710	63.4 %	\$ (14)	(0.5) %	\$ 1,696	62.8 %
Catastrophes	153	5.7 %	—	— %	153	5.7 %
Total segment	\$ 1,862	69.0 %	\$ (14)	(0.5) %	\$ 1,848	68.5 %
Variance 2023/2022						
Attrititional	\$ 303	0.4 pts	\$ 399	11.0 pts	\$ 702	11.4 pts
Catastrophes	(105)	(3.4) pts	—	— pts	(105)	(3.4) pts
Total segment	\$ 198	(2.9) pts	\$ 399	11.0 pts	\$ 597	8.0 pts
Variance 2022/2021						
Attrititional	\$ 306	(0.2) pts	\$ 7	0.3 pts	\$ 314	0.2 pts
Catastrophes	(28)	(1.7) pts	—	— pts	(28)	(1.7) pts
Total segment	\$ 279	(1.9) pts	\$ 7	0.3 pts	\$ 286	(1.6) pts

(Some amounts may not reconcile due to rounding.)

Incurred losses and LAE increased by 28.0% to \$2.7 billion in 2023 compared to \$2.1 billion in 2022. The increase was mainly due to unfavorable development on prior years attrititional losses of \$392 million in 2023, mainly related to casualty lines in accident years 2016 through 2019 that were impacted by social inflation and an increase of \$303 million in current year attrititional losses, partially offset by a decrease in current year catastrophe losses of \$105 million. The increase in current year attrititional losses was primarily due to the impact of the increase in premiums earned. The current year catastrophe losses of \$20 million primarily related to the 2023 third quarter U.S. storms (\$5 million), the 2023 Hawaii wildfire (\$5 million) and the 2023 December U.S. East Coast flooding (\$5 million), with the remaining losses resulting from various storm events. The \$125 million of current year catastrophe losses in 2022 primarily related to Hurricane Ian (\$99 million), with the remaining losses resulting from various storm events.

Segment Expenses. Commission and brokerage increased by 4.6% to \$432 million in 2023 compared to \$413 million in 2022. Segment other underwriting expenses increased to \$591 million in 2023 compared to \$464 million in 2022. These increases were mainly due to the impact of the increase in premiums earned and increased expenses related to the continued build out of the insurance business, including an expansion of the international insurance platform.

Critical Accounting Estimates

The following is a summary of the critical accounting estimates related to accounting estimates that (1) require management to make assumptions about highly uncertain matters and (2) could materially impact the consolidated financial statements if management made different assumptions.

Loss and LAE Reserves. Our most critical accounting estimate is the determination of our loss and LAE reserves. We maintain reserves equal to our estimated ultimate liability for losses and LAE for reported and unreported claims for our insurance and reinsurance businesses. Because reserves are based on estimates of ultimate losses and LAE by underwriting or accident year, we use a variety of statistical and actuarial techniques to monitor reserve adequacy over time, evaluate new information as it becomes known and adjust reserves whenever an adjustment appears warranted. We consider many factors when setting reserves including: (1) our exposure base and projected ultimate premiums

earned; (2) our expected loss ratios by product and class of business, which are developed collaboratively by underwriters and actuaries; (3) actuarial methodologies and assumptions which analyze our loss reporting and payment experience, reports from ceding companies and historical trends, such as reserving patterns, loss payments and product mix; (4) current legal interpretations of coverage and liability; and (5) economic conditions. Our insurance and reinsurance loss and LAE reserves represent management's best estimate of our ultimate liability. Actual losses and LAE ultimately paid may deviate, perhaps substantially, from such reserves. Our net income (loss) will be impacted in a period in which the change in estimated ultimate losses and LAE is recorded. See also ITEM 8, "Financial Statements and Supplementary Data" - Note 1 of Notes to the Consolidated Financial Statements.

It is more difficult to accurately estimate loss reserves for reinsurance liabilities than for insurance liabilities. At December 31, 2023, we had reinsurance loss reserves of \$17.4 billion, of which \$246 million were loss reserves for A&E liabilities, and insurance loss reserves of \$7.0 billion. A detailed discussion of additional considerations related to A&E exposures follows later in this section.

The detailed data required to evaluate ultimate losses for our insurance business is accumulated from our underwriting and claim systems. Reserving for reinsurance requires evaluation of loss information received from ceding companies. Ceding companies report losses to us in many ways depending on the type of contract and the agreed or contractual reporting requirements. Generally, proportional/quota share contracts require the submission of a monthly/quarterly account, which includes premium and loss activity for the period with corresponding reserves as established by the ceding company. This information is recorded into our records. For certain proportional contracts, we may require a detailed loss report for claims that exceed a certain dollar threshold or relate to a particular type of loss. Excess of loss and facultative contracts generally require individual loss reporting with precautionary notices provided when a loss reaches a significant percentage of the attachment point of the contract or when certain causes of loss or types of injury occur. Our experienced Claims staff handles individual loss reports and supporting claim information. Based on our evaluation of a claim, we may establish additional case reserves (ACRs) in addition to the case reserves reported by the ceding company. To ensure ceding companies are submitting required and accurate data, the Underwriting, Claim, Reinsurance Accounting and Internal Audit departments of the Company perform various reviews of our ceding companies, particularly larger ceding companies, including on-site audits of domestic ceding companies.

We sort both our reinsurance and insurance reserves into exposure groupings for actuarial analysis. We assign our business to exposure groupings so that the underlying exposures have reasonably homogeneous loss development characteristics and are large enough to facilitate credible estimation of ultimate losses. We periodically review our exposure groupings, and we may change our groupings over time as our business changes. We currently use over 200 exposure groupings to develop our reserve estimates. One of the key selection characteristics for the exposure groupings is the historical duration of the claims settlement process. Business in which claims are reported and settled relatively quickly are commonly referred to as short tail lines, principally property lines. Casualty claims tend to take longer to be reported and settled and casualty lines are generally referred to as long tail lines. Our estimates of ultimate losses for shorter tail lines, with the exception of loss estimates for large catastrophic events, generally exhibit less volatility than those for the longer tail lines.

We use similar actuarial methodologies, such as expected loss ratio, chain ladder reserving methods and Bornhuetter-Ferguson, supplemented by judgment where appropriate, to estimate our ultimate losses and LAE for each exposure group. Although we use similar actuarial methodologies for both short tail and long tail lines, the faster reporting of experience for the short tail lines allows us to have greater confidence in our estimates of ultimate losses for short tail lines at an earlier stage than for long tail lines. As a result, we utilize, as well, exposure-based methods to estimate our ultimate losses for longer tail lines, especially for immature accident years. For both short and long tail lines, we supplement these general approaches with analytically based judgments. We cannot estimate losses from widespread catastrophic events, such as hurricanes and earthquakes, using traditional actuarial methods. We estimate losses for these types of events based on information derived from catastrophe models, quantitative and qualitative exposure analyses, reports and communications from ceding companies and development patterns for historically similar events. Due to the inherent uncertainty in estimating such losses, these estimates are subject to variability, which increases with the severity and complexity of the underlying event.

Our key actuarial assumptions contain no explicit provisions for reserve uncertainty, nor do we supplement the actuarially determined reserves for uncertainty.

Our carried reserves at each reporting date are management's best estimate of ultimate unpaid losses and LAE at that date. We complete detailed reserve studies for each exposure group annually for our reinsurance and insurance

operations. The completed annual reinsurance reserve studies are “rolled forward” for each accounting period until the subsequent reserve study is completed. Analyzing the roll-forward process involves comparing actual reported losses to expected losses based on the most recent reserve study. We analyze significant variances between actual and expected losses and also consider recent market, underwriting and management criteria to determine management’s best estimate of ultimate unpaid losses and LAE. Management’s best estimate is developed through collaboration with actuarial, underwriting, claims, legal and finance departments and culminates with the input of reserve committees. Each segment reserve committee includes the participation of the relevant parties from actuarial, finance, claims and segment senior management and has the responsibility for recommending and approving management’s best estimate. Reserves are further reviewed by Everest’s Chief Reserving Actuary and senior management. The objective of such process is to determine a single best estimate viewed by management to be the best estimate of its ultimate loss liability. As a result of these additional factors, in some instances the selected reserve level may be higher or lower than the actuarial indicated estimate.

Given the inherent variability in our loss reserves, we have developed an estimated range of possible gross reserve levels. A table of ranges by segment, accompanied by commentary on potential and historical variability, is included in “Financial Condition - Loss and LAE Reserves”. The ranges are developed using the exposure groups used in the published global loss triangles. For each exposure group, our actuaries calculate a range of possible ultimate losses for each accident year. These ranges are calculated by applying a variety of different acceptable actuarial methods, and varying the parameter selections withing a reasonable set of possibilities. Our estimates of our reserve variability may not be comparable to those of other companies because there are no consistently applied actuarial or accounting standards governing such presentations. Our recorded reserves reflect our best point estimate of our liabilities and our actuarial methodologies focus on developing such point estimates. We calculate the ranges subsequently, based on the historical variability of such reserves.

Asbestos and Environmental Exposures. We continue to receive claims under expired insurance and reinsurance contracts asserting injuries and/or damages relating to or resulting from environmental pollution and hazardous substances, including asbestos. Environmental claims typically assert liability for (a) the mitigation or remediation of environmental contamination or (b) bodily injury or property damage caused by the release of hazardous substances into the land, air or water. Asbestos claims typically assert liability for bodily injury from exposure to asbestos or for property damage resulting from asbestos or products containing asbestos.

Our reserves include an estimate of our ultimate liability for A&E claims. There are significant uncertainties surrounding our estimates of our potential losses from A&E claims. Among the uncertainties are: (a) potentially long waiting periods between exposure and manifestation of any bodily injury or property damage; (b) difficulty in identifying sources of asbestos or environmental contamination; (c) difficulty in properly allocating responsibility and/or liability for asbestos or environmental damage; (d) changes in underlying laws and judicial interpretation of those laws; (e) the potential for an asbestos or environmental claim to involve many insurance providers over many policy periods; (f) questions concerning interpretation and application of insurance and reinsurance coverage; and (g) uncertainty regarding the number and identity of insureds with potential asbestos or environmental exposure.

Due to the uncertainties discussed above, the ultimate losses attributable to A&E, and particularly asbestos, may be subject to more variability than are non-A&E reserves and such variation could have a material adverse effect on our financial condition, results of operations and/or cash flows. See also ITEM 8, “Financial Statements and Supplementary Data” - Notes 1 and 4 of Notes to the Consolidated Financial Statements.

Reinsurance Recoverables. We have purchased reinsurance to reduce our exposure to adverse claim experience, large claims and catastrophic loss occurrences. Our ceded reinsurance provides for recovery from reinsurers of a portion of losses and loss expenses under certain circumstances. Such reinsurance does not relieve us of our obligation to our policyholders. In the event our reinsurers are unable to meet their obligations under these agreements or are able to successfully challenge losses ceded by us under the contracts, we will not be able to realize the full value of the reinsurance recoverable balance. In some cases, we may hold full or partial collateral for the receivable, including letters of credit, trust assets and cash. Additionally, creditworthy foreign reinsurers of business written in the U.S., as well as capital markets’ reinsurance mechanisms, are generally required to secure their obligations. We have established reserves for uncollectible balances based on our assessment of the collectability of the outstanding balances. The allowance for uncollectible reinsurance reflects management’s best estimate of reinsurance cessions that may be uncollectible in the future due to reinsurers’ unwillingness or inability to pay. The allowance for uncollectible reinsurance comprises an allowance and an allowance for disputed balances. Based on this analysis, the Company may adjust the allowance for uncollectible reinsurance or charge off reinsurer balances that are determined to be uncollectible.

Table of Contents

Due to the inherent uncertainties as to collection and the length of time before reinsurance recoverable become due, it is possible that future adjustments to the Company's reinsurance recoverable, net of the allowance, could be required, which could have a material adverse effect on the Company's consolidated results of operations or cash flows in a particular quarter or annual period.

The allowance is estimated as the amount of reinsurance recoverable exposed to loss multiplied by estimated factors for the probability of default. The reinsurance recoverable exposed is the amount of reinsurance recoverable net of collateral and other offsets, considering the nature of the collateral, potential future changes in collateral values, and historical loss information for the type of collateral obtained. The probability of default factors are historical insurer and reinsurer defaults for liabilities with similar durations to the reinsured liabilities as estimated through multiple economic cycles. Credit ratings are forward-looking and consider a variety of economic outcomes. The Company's evaluation of the required allowance for reinsurance recoverable considers the current economic environment as well as macroeconomic scenarios.

The Company records credit loss expenses related to reinsurance recoverable in Incurred losses and loss adjustment expenses in the Company's consolidated statements of operations and comprehensive income (loss). Write-offs of reinsurance recoverable and any related allowance are recorded in the period in which the balance is deemed uncollectible.

Premiums Written and Earned. Premiums written by us are earned ratably over the coverage periods of the related insurance and reinsurance contracts. We establish unearned premium reserves to cover the unexpired portion of each contract. Such reserves, for assumed reinsurance, are computed using pro rata methods based on statistical data received from ceding companies. Premiums earned, and the related costs, which have not yet been reported to us, are estimated and accrued. Because of the inherent lag in the reporting of written and earned premiums by our ceding companies, we use standard accepted actuarial methodologies to estimate earned but not reported premium at each financial reporting date. These earned but not reported premiums are combined with reported earned premiums to comprise our total premiums earned for determination of our incurred losses and loss and LAE reserves. Commission expense and incurred losses related to the change in earned but not reported premium are included in current period company and segment financial results. See also ITEM 8, "Financial Statements and Supplementary Data" - Note 1 of Notes to the Consolidated Financial Statements.

The following table displays the estimated components of net earned but not reported premiums by segment for the periods indicated:

(Dollars in millions)	At December 31,		
	2023	2022	2021
Reinsurance	\$ 2,610	\$ 2,255	\$ 2,055
Insurance	—	—	—
Total	\$ 2,610	\$ 2,255	\$ 2,055

(Some amounts may not reconcile due to rounding.)

Investment Valuation. Our fixed income investments are classified for accounting purposes as either available for sale or held to maturity. The available for sale fixed maturity securities are carried at fair value and the held to maturity fixed maturity portfolio is carried at amortized cost, net of current expected credit allowance on our consolidated balance sheets. Our equity securities are all carried at fair value. Most securities we own are traded on national exchanges where market values are readily available. Some of our CMBS are valued using cash flow models and risk-adjusted discount rates. We hold some privately placed securities, less than 10% of the portfolio, which are either valued by investment advisors or the Company. In some instances, values provided by an investment advisor are supported with opinions from qualified independent third parties. The Company has procedures in place to review the values received from its investment advisors. At December 31, 2023 and 2022, our investment portfolio included a total of \$4.5 billion and \$3.8 billion of limited partnership investments, whose values are reported pursuant to the equity method of accounting, and Company Owned Life Insurance ("COLI") policies, whose values are reported at cash surrender value. We carry the limited partnership investments at values provided by the managements of the limited partnerships and due to inherent reporting lags, the carrying values are based on values with "as of" dates from one month to one quarter prior to our financial statement date.

At December 31, 2023, we had net unrealized losses on our available for sale fixed maturity securities, net of tax, of \$723 million compared to net unrealized losses on our available for sale fixed maturity securities, net of tax, of \$1.7 billion at

December 31, 2022. Gains (losses) from market fluctuations on available for sale fixed maturity securities at fair value are reflected as accumulated other comprehensive income (loss) in the consolidated balance sheets. Market value declines for available for sale fixed income portfolio, which are considered credit related, are reflected in our consolidated statements of operations and comprehensive income (loss), as realized capital losses. We consider many factors when determining whether a market value decline is credit related, including: (1) we have no intent to sell and, more likely than not, will not be required to sell prior to recovery, (2) the credit strength of the issuer, (3) the issuer's market sector, (4) the length of time to maturity and (5) for asset-backed securities, changes in prepayments, credit enhancements and underlying default rates. If management's assessments change in the future, we may ultimately record a realized loss after management originally concluded that the decline in value was not attributed to credit related factors.

Fixed maturity securities designated as held to maturity consist of debt securities for which the Company has both the positive intent and ability to hold to maturity or redemption and are reported at amortized cost, net of the current expected credit loss allowance. Interest income for fixed maturity securities held to maturity is determined in the same manner as interest income for fixed maturity securities available for sale. The Company evaluates fixed maturity securities classified as held to maturity for current expected credit losses utilizing risk characteristics of each security, including credit rating, remaining time to maturity, adjusted for prepayment considerations, and subordination level, and applying default and recovery rates, which include the incorporation of historical credit loss experience and macroeconomic forecasts, to develop an estimate of current expected credit losses.

Tax. With the assent of the governor on December 27, 2023, the Bermuda Corporate Income Tax Act of 2023 ("The 2023 Act") became law. Beginning in 2025, a 15% corporate income tax will be applicable to Bermuda businesses that are part of multinational enterprise groups with annual revenue of €750 million or more. Group's Bermuda entities will be subject to the new corporate income tax. The Company has evaluated The 2023 Act and has recorded \$578 million of net deferred income tax benefits in 2023 related to it. The net deferred income tax benefits relate primarily to a default provision in the law which allows for what is called an "Economic Transition Adjustment" ("ETA"). The ETA allows companies to establish deferred tax assets or liabilities related to the revaluation of intangible assets, excluding goodwill, and their other assets and liabilities, based on fair value as of September 30, 2023. The deferred tax assets or liabilities are then amortized in accordance with The 2023 Act.

The net deferred tax assets principally relate to the identifiable intangible assets. We estimated the fair value of the identifiable intangible assets using discounted future cash flow models. The significant assumptions utilized in the discounted future cash flow models include the forecasted revenues and expected profits to be generated by the identifiable intangible assets and discount rates.

See also ITEM 8, "Financial Statements and Supplementary Data" - Note 1 of Notes to the Consolidated Financial Statements.

FINANCIAL CONDITION

Investments. Total investments were \$35.7 billion at December 31, 2023, an increase of \$7.2 billion compared to \$28.5 billion at December 31, 2022. The rise in investments was primarily related to an increase in fixed maturity securities, short-term investments and other invested assets. The increases in fixed maturity securities and short-term investments were primarily driven by reinvestment of the Company's operating cash flow of \$4.6 billion in 2023.

The Company's limited partnership investments are comprised of limited partnerships that invest in private equity, private credit and private real estate. Generally, the limited partnerships are reported on a month or quarter lag. We receive annual audited financial statements for all of the limited partnerships which are mostly prepared using fair value accounting in accordance with US GAAP guidance. For the quarterly reports, the Company reviews the financial reports for any unusual changes in carrying value. If the Company becomes aware of a significant decline in value during the lag reporting period, the loss will be recorded in the period in which the Company identifies the decline.

The table below summarizes the composition and characteristics of our investment portfolio as of the dates indicated:

	At December 31,	
	2023	2022
Fixed income portfolio duration (years)	3.3	3.1
Fixed income composite credit quality	AA-	A+

Table of Contents

Reinsurance Recoverables. Reinsurance recoverables for both paid and unpaid losses totaled \$2.3 billion at December 31, 2023 and \$2.2 billion at December 31, 2022. At December 31, 2023, \$413 million, or 18.3%, was recoverable from Mt. Logan Re collateralized segregated accounts; \$266 million, or 11.8%, was recoverable from Munich Reinsurance America, Inc.; \$185 million, or 8.2%, was recoverable from Associated Electric and Gas Insurance Services Limited; \$163 million, or 7.2%, was recoverable from Endurance Assurance Corporation of America and \$120 million or 5.3% was recoverable from Hannover Rueckversicherung Se. No other retrocessionaire accounted for more than 5% of our recoverables.

Loss and LAE Reserves. Gross loss and LAE reserves totaled \$24.6 billion and \$22.1 billion at December 31, 2023 and 2022, respectively.

The following tables summarize gross outstanding loss and LAE reserves by segment, classified by case reserves and IBNR reserves, for the periods indicated:

	At December 31, 2023			
	Case Reserves	IBNR Reserves	Total Reserves	% of Total
(Dollars in millions)				
Reinsurance	\$ 6,355	\$ 11,051	\$ 17,406	70.7 %
Insurance	2,027	4,924	6,952	28.3 %
Total Excluding A&E	8,383	15,975	24,357	99.0 %
A&E	159	88	246	1.0 %
Total including A&E	\$ 8,541	\$ 16,063	\$ 24,604	100.0 %

(Some amounts may not reconcile due to rounding.)

	At December 31, 2022			
	Case Reserves	IBNR Reserves	Total Reserves	% of Total
(Dollars in millions)				
Reinsurance	\$ 6,044	\$ 9,789	\$ 15,834	71.9 %
Insurance	1,863	4,090	5,954	26.9 %
Total Excluding A&E	7,908	13,880	21,787	98.7 %
A&E	138	140	278	1.3 %
Total including A&E	\$ 8,046	\$ 14,019	\$ 22,065	100.0 %

(Some amounts may not reconcile due to rounding.)

Changes in premiums earned and business mix, reserve re-estimations, catastrophe losses and changes in catastrophe loss reserves and claim settlement activity all impact loss and LAE reserves by segment and in total.

Our carried loss and LAE reserves represent management's best estimate of our ultimate liability for unpaid claims. We continuously re-evaluate our reserves, including re-estimates of prior period reserves, taking into consideration all available information and, in particular, newly reported loss and claim experience. Changes in reserves resulting from such re-evaluations are reflected in incurred losses in the period when the re-evaluation is made. Our analytical methods and processes operate at multiple levels including individual contracts, groupings of like contracts, classes and lines of business, internal business units, segments, accident years, legal entities, and in the aggregate. In order to set appropriate reserves, we make qualitative and quantitative analyses and judgments at these various levels. We utilize actuarial science, business expertise and management judgment in a manner intended to ensure the accuracy and consistency of our reserving practices. Management's best estimate is developed through collaboration with actuarial, underwriting, claims, legal and finance departments and culminates with the input of reserve committees. Each segment reserve committee includes the participation of the relevant parties from actuarial, finance, claims and segment senior management and has the responsibility for recommending and approving management's best estimate. Reserves are further reviewed by Everest's Chief Reserving Actuary and senior management. The objective of such process is to determine a single best estimate viewed by management to be the best estimate of its ultimate loss liability. Nevertheless, our reserves are estimates, which are subject to variation, which may be significant.

There can be no assurance that reserves for, and losses from, claim obligations will not increase in the future, possibly by a material amount. However, we believe that our existing reserves and reserving methodologies lessen the probability that any such increase would have a material adverse effect on our financial condition, results of operations or cash flows.

Table of Contents

We have included ranges for loss reserve estimates determined by our actuaries, which have been developed through a combination of objective and subjective criteria. Our presentation of this information may not be directly comparable to similar presentations of other companies as there are no consistently applied actuarial or accounting standards governing such presentations. Our recorded reserves are an aggregation of our best point estimates for approximately 200 reserve groups and reflect our best point estimate of our liabilities. Our actuarial methodologies develop point estimates rather than ranges and the ranges are developed subsequently based upon historical and prospective variability measures.

The following table below represents the reserve levels and ranges for each of our business segments for the period indicated:

(Dollars in millions)	Outstanding Reserves and Ranges By Segment ⁽¹⁾				
	At December 31, 2023				
	As Reported	Low Range %	Low Range	High Range %	High Range
Gross Reserves By Segment					
Reinsurance	\$ 17,406	-9.0%	\$ 15,841	9.0%	\$ 18,971
Insurance	6,952	-13.6%	6,004	13.6%	7,899
Total Gross Reserves (excluding A&E)	24,357	-10.3%	21,845	10.3%	26,870
A&E (All segments)	246	-22.9%	190	22.7%	302
Total Gross Reserves	\$ 24,604	-10.4%	22,035	10.4%	27,173

(Some amounts may not reconcile due to rounding.)

⁽¹⁾ There can be no assurance that reserves will not ultimately exceed the indicated ranges requiring additional income (loss) statement expense.

Depending on the specific segment, the range derived for the loss reserves, excluding reserves for A&E exposures, ranges from minus 9.0% to minus 13.6% for the low range and from plus 9.0% to plus 13.6% for the high range. Both the higher and lower ranges are associated with the Insurance segment. The size of the range is dependent upon the level of confidence associated with the reserve estimates. Within each range, management's best estimate of loss reserves is based upon the point estimate derived by our actuaries in detailed reserve studies. Such ranges are necessarily subjective due to the lack of generally accepted actuarial standards with respect to their development. There can be no assurance that our claim obligations will not vary outside of these ranges.

Additional losses, including those relating to latent injuries, and other exposures, which are as yet unrecognized, the type or magnitude of which cannot be foreseen by us or the reinsurance and insurance industry generally, may emerge in the future. Such future emergence, to the extent not covered by existing retrocessional contracts, could have material adverse effects on our future financial condition, results of operations and cash flows.

Asbestos and Environmental Exposures. A&E exposures represent a separate exposure group for monitoring and evaluating reserve adequacy.

With respect to asbestos only, at December 31, 2023, we had net asbestos loss reserves of \$209 million, or 90.4%, of total net A&E reserves, all of which was for assumed business.

See Note 4 of Notes to Consolidated Financial Statements for a summary of Asbestos and Environmental Exposures.

Ultimate loss projections for A&E liabilities cannot be accomplished using standard actuarial techniques. We believe that our A&E reserves represent management's best estimate of the ultimate liability; however, there can be no assurance that ultimate loss payments will not exceed such reserves, perhaps by a significant amount.

Industry analysts use the "survival ratio" to compare the A&E reserves among companies with such liabilities. The survival ratio is typically calculated by dividing a company's current net reserves by the three year average of annual paid losses. Hence, the survival ratio equals the number of years that it would take to exhaust the current reserves if future loss payments were to continue at historical levels. Using this measurement, our net three year asbestos survival ratio was 6.5 years at December 31, 2023. These metrics can be skewed by individual large settlements occurring in the prior three years and therefore, may not be indicative of the timing of future payments.

LIQUIDITY AND CAPITAL RESOURCES

Capital. Shareholders' equity at December 31, 2023 and December 31, 2022 was \$13.2 billion and \$8.4 billion, respectively. Management's objective in managing capital is to ensure its overall capital level, as well as the capital levels of its operating subsidiaries, exceed the amounts required by regulators, the amount needed to support our current financial strength ratings from rating agencies and our own economic capital models. The Company's capital has historically exceeded these benchmark levels.

Our two main operating companies Bermuda Re and Everest Re are regulated by the Bermuda Monetary Authority ("BMA") and the State of Delaware, Department of Insurance, respectively. Both regulatory bodies have their own capital adequacy models based on statutory capital as opposed to GAAP basis equity. Bermuda Re is subject to the Bermuda Solvency Capital Requirement ("BSCR") administered by the BMA and Everest Re is subject to the RBC developed by the The U.S. National Association of Insurance Commissioners ("NAIC"). Failure to meet the required statutory capital levels could result in various regulatory restrictions, including with respect to business activity and the payment of dividends to their parent companies.

The regulatory targeted capital and the actual statutory capital for Bermuda Re and Everest Re were as follows:

(Dollars in millions)	Bermuda Re ⁽¹⁾		Everest Re ⁽²⁾	
	At December 31,		At December 31,	
	2023 ⁽³⁾	2022	2023	2022
Regulatory targeted capital	\$ —	\$ 2,217	\$ 4,242	\$ 3,353
Actual capital	\$ 3,722	\$ 2,759	\$ 6,963	\$ 5,553

⁽¹⁾ Regulatory targeted capital represents the target capital level from the applicable year's BSCR calculation.

⁽²⁾ Regulatory targeted capital represents 200% of the RBC authorized control level calculation for the applicable year.

⁽³⁾ The 2023 BSCR calculation is not yet due to be completed; however, the Company anticipates that Bermuda Re's December 31, 2023 actual capital will exceed the targeted capital level. In accordance with guidance issued by the BMA in February 2024, Bermuda Re has not reflected the impacts of the Economic Transition Adjustment recognized in response to the Bermuda Corporate Income Tax Act of 2023 ("the 2023 Act") in its 2023 regulatory targeted capital or actual capital. The BMA expects to complete its assessment before the 2023 Act becomes effective and to issue directives within a timeline that will be compatible with the 2023 Act coming into effect.

Our financial strength ratings as determined by A.M. Best, Moody's and Standard & Poor's are important as they provide our customers and investors with an independent assessment of our financial strength using a rating scale that provides for relative comparisons. We continue to possess significant financial flexibility and access to debt and equity markets as a result of our financial strength, as evidenced by the financial strength ratings as assigned by independent rating agencies. See also ITEM 1, Business - "Financial Strength Ratings".

We maintain our own economic capital models to monitor and project our overall capital as well as the capital at our operating subsidiaries. A key input to the economic models is projected income and this input is continually compared to actual results, which may require a change in the capital strategy.

In 2023, we repurchased no shares in the open market and paid \$288 million in dividends. During 2022, we repurchased 241,273 shares for \$61 million in the open market and paid \$255 million in dividends. We may at times enter into a Rule 10b5-1 repurchase plan agreement to facilitate the repurchase of shares. On May 22, 2020, our existing Board authorization to purchase up to 30 million of our shares was amended to authorize the purchase of up to 32 million shares. As of December 31, 2023, we had repurchased 30.8 million shares under this authorization.

On May 19, 2023, the Company completed the public offering of 4,140,000 common shares, which includes full exercise of the underwriters' option to purchase an additional 540,000 common shares, at a public offering price of \$360.00 per share. Total net proceeds from the public offering were \$1,445 million, after underwriting discount and expenses. The Company intends to use the net proceeds from this offering for long-term reinsurance opportunities and continuing build out of the global insurance business.

We repurchased \$6 million of our long-term subordinated notes during the third quarter of 2022 and recognized a gain of \$1 million on the repurchase. We may continue, from time to time, to seek to retire portions of our outstanding debt securities through cash repurchases, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will be subject to and depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved in any such transactions, individually or in the aggregate, may be material.

On October 4, 2021, we issued an additional \$1.0 billion of 31 year senior notes with an interest coupon rate of 3.125%. These senior notes will mature on October 15, 2052 and will pay interest semi-annually.

Liquidity. Our liquidity requirements are generally met from positive cash flow from operations. Positive cash flow results from reinsurance and insurance premiums being collected prior to disbursements for claims with disbursements generally taking place over an extended period after the collection of premiums, sometimes a period of many years. Collected premiums are generally invested, prior to their use in such disbursements, and investment income provides additional funding for loss payments. Our net cash flows from operating activities were \$4.6 billion and \$3.7 billion for the years ended December 31, 2023 and 2022, respectively. Additionally, these cash flows reflected net catastrophe loss payments of \$858 million and \$677 million for the years ended December 31, 2023 and 2022, respectively and net tax payments of \$196 million and \$171 million for the years ended December 31, 2023 and 2022, respectively.

If disbursements for losses and LAE, policy acquisition costs and other operating expenses were to exceed premium inflows, cash flow from reinsurance and insurance operations would be negative. The effect on cash flow from insurance operations would be partially offset by cash flow from investment income. Additionally, cash inflows from investment maturities - both short-term investments and longer-term maturities are available to supplement other operating cash flows. We do not expect to supplement negative insurance operations cash flows from investment dispositions.

As the timing of payments for losses and LAE cannot be predicted with certainty, we maintain portfolios of long term invested assets with varying maturities, along with short-term investments that provide additional liquidity for payment of claims. At December 31, 2023 and December 31, 2022, we held cash and short-term investments of \$3.6 billion and \$2.4 billion, respectively. Our short-term investments are generally readily marketable and can be converted to cash. In addition to these cash and short-term investments, at December 31, 2023, we had \$1.3 billion of available for sale fixed maturity securities maturing within one year or less, \$6.9 billion maturing within one to five years and \$7.9 billion maturing after five years. We believe that these fixed maturity securities, in conjunction with the short-term investments and positive cash flow from operations, provide ample sources of liquidity for the expected payment of losses and LAE in the near future. We do not anticipate selling a significant amount of securities. Sales of securities might result in realized gains or losses. At December 31, 2023 we had \$780 million of net pre-tax unrealized depreciation related to fixed maturity - available for sale securities, comprised of \$1.1 billion of pre-tax unrealized depreciation and \$358 million of pre-tax unrealized appreciation.

Management generally expects annual positive cash flow from operations, which reflects the strength of overall pricing as well as the growth in business written. However, given catastrophic events observed in recent periods, cash flow from operations may decline and could become negative in the near term as significant claim payments are made related to the catastrophes. However, as indicated above, the Company has ample liquidity to settle its catastrophe claims and/or any payments due for its catastrophe bond program.

In addition to our cash flows from operations and liquid investments, we also have multiple active credit facilities that provide commitments of up to \$1.7 billion of collateralized standby letters of credit to support business written by our Bermuda operating subsidiaries. In addition, the Company has the ability to request access to an additional \$240 million of uncommitted credit facilities, which would require approval from the applicable lender. There is no guarantee the uncommitted capacity will be available to us on a future date. See Note 7 - Credit Facilities for further details.

Exposure to Catastrophes. Like other insurance and reinsurance companies, we are exposed to multiple insured losses arising out of a single occurrence, whether a natural event, such as a hurricane or an earthquake, or other catastrophe, such as an explosion at a major factory. A large catastrophic event can be expected to generate insured losses to multiple reinsurance treaties, facultative certificates and direct insurance policies across various lines of business.

We focus on potential losses that could result from any single event, or series of events as part of our evaluation and monitoring of our aggregate exposures to catastrophic events. Accordingly, we employ various techniques to estimate the amount of loss we could sustain from any single catastrophic event or series of events in various geographic areas. These techniques range from deterministic approaches, such as tracking aggregate limits exposed in catastrophe-prone zones and applying reasonable damage factors, to modeled approaches that attempt to scientifically measure catastrophe loss exposure using sophisticated Monte Carlo simulation techniques that forecast frequency and severity of potential losses on a probabilistic basis.

No single computer model or group of models is currently capable of projecting the amount and probability of loss in all global geographic regions in which we conduct business. In addition, the form, quality and granularity of underwriting

exposure data furnished by (re)insureds is not uniformly compatible with the data requirements for our licensed models, which adds to the inherent imprecision in the potential loss projections. Further, the results from multiple models and analytical methods must be combined to estimate potential losses by and across business units. Also, while most models have been updated to incorporate claims information from recent catastrophic events, catastrophe model projections are still inherently imprecise. In addition, uncertainties with respect to future climatic patterns and cycles could add further uncertainty to loss projections from models based on historical data.

Nevertheless, when combined with traditional risk management techniques and sound underwriting judgment, catastrophe models are a useful tool for underwriters to price catastrophe exposed risks and for providing management with quantitative analyses with which to monitor and manage catastrophic risk exposures by zone and across zones for individual and multiple events.

Projected catastrophe losses are generally summarized in terms of the probable maximum loss (“PML”). We define PML as our anticipated loss, taking into account contract terms and limits, caused by a single catastrophe affecting a broad contiguous geographic area, such as that caused by a hurricane or earthquake. The PML will vary depending upon the modeled simulated losses and the make-up of the in-force book of business. The projected severity levels are described in terms of “return periods”, such as “100-year events” and “250-year events”. For example, a 100-year PML is the estimated loss to the current in-force portfolio from a single event which has a 1% probability of being exceeded in a twelve month period. In other words, it corresponds to a 99% probability that the loss from a single event will fall below the indicated PML. It is important to note that PMLs are estimates. Modeled events are hypothetical events produced by a stochastic model. As a result, there can be no assurance that any actual event will align with the modeled event or that actual losses from events similar to the modeled events will not vary materially from the modeled event PML.

From an enterprise risk management perspective, management sets limits on the levels of catastrophe loss exposure we may underwrite. The limits are revised periodically based on a variety of factors, including but not limited to our financial resources and expected earnings and risk/reward analyses of the business being underwritten.

Management estimates that the projected net economic loss from its largest 100-year event in a given zone is to an Earthquake event affecting California which represents approximately 7.8% of its December 31, 2023 shareholders’ equity. Economic loss is the PML exposure, net of third party reinsurance including catastrophe industry loss warranty cover, reduced by estimated reinstatement premiums to renew coverage and estimated income taxes. The impact of income taxes on the PML depends on the distribution of the losses by corporate entity, which is also affected by inter-affiliate reinsurance. Management also monitors and controls its largest PMLs at multiple points along the loss distribution curve, such as loss amounts at the 20, 50, 100, 250, and 500 year return periods. This process enables management to identify and control exposure accumulations and to integrate such exposures into enterprise risk, underwriting and capital management decisions.

Our catastrophe loss projections, segmented by risk zones, are updated quarterly and reviewed as part of a formal risk management review process. Each segment and business unit manages its underwriting risk in accordance with established guidelines. These guidelines place dollar limits on the amount of business that can be written based on a variety of factors, including (re)insured company profile, line of business, geographic location and risk hazards. In each case, the guidelines permit limited exceptions, which must be authorized by the Company’s senior management. Management regularly reviews and revises these guidelines in response to changes in business unit product offerings, market conditions, risk versus reward analyses and our enterprise and underwriting risk management processes.

Our operating results and financial condition can be adversely affected by catastrophe and other large losses. We manage our exposure to catastrophes and other large losses by:

- selective underwriting practices;
- diversifying our risk portfolio by geographic area and by types and classes of business;
- limiting our aggregate catastrophe loss exposure in any particular geographic zone and contiguous zones;
- purchasing reinsurance and/or retrocessional protection to the extent that such coverage can be secured cost-effectively. See “Reinsurance and Retrocession Arrangements”.

Table of Contents

We believe that our methods of monitoring, analyzing and managing catastrophe exposures provide a credible risk management framework, which is integrated with our enterprise risk management, underwriting and capital management plans. However, there is much uncertainty and imprecision inherent in the catastrophe models and the catastrophe loss estimation process generally. As a result, there can be no assurance that we will not experience losses from individual events that exceed the PML or other return period projections, perhaps by a material amount. Nor can there be assurance that we will not experience events impacting multiple zones, or multiple severe events that could, in the aggregate, exceed our PML expectations by a significant amount.

The table below reflects our PML exposure, net of third-party reinsurance including catastrophe industry loss warranty cover, at various return periods for our top four zones/perils (as ranked by the largest 1 in 100 year economic loss) based on loss projection data as of January 1, 2024:

Return Periods (in years)		1 in 20	1 in 50	1 in 100	1 in 250	1 in 500
Exceeding Probability		5.0%	2.0%	1.0%	0.4%	0.2%
(Dollars in millions)						
Zone	Peril					
California	Earthquake	\$ 198	\$ 930	\$ 1,452	\$ 2,047	\$ 2,559
Southeast U.S.	Wind	608	965	1,363	1,877	2,050
Europe	Wind	210	489	716	1,056	1,213
Texas	Wind	178	460	746	1,297	1,816

The projected net economic losses, defined as PML exposures, net of third-party reinsurance including catastrophe industry loss warranty cover, reinstatement premiums and estimated income taxes, for the top four zones/perils scheduled above are as follows:

Return Periods (in years)		1 in 20	1 in 50	1 in 100	1 in 250	1 in 500
Exceeding Probability		5.0%	2.0%	1.0%	0.4%	0.2%
(Dollars in millions)						
Zone	Peril					
California	Earthquake	\$ 156	\$ 660	\$ 1,031	\$ 1,447	\$ 1,853
Southeast U.S.	Wind	419	651	899	1,250	1,421
Europe	Wind	169	371	532	779	906
Texas	Wind	132	334	525	866	1,245

We believe that our greatest worldwide 1 in 100 year exposure to a single catastrophic event is to an earthquake event affecting California, where we estimate we have a PML exposure, net of third party reinsurance including catastrophe industry loss warranty cover, of \$1.5 billion.

If such a single catastrophe loss were to occur, management estimates that the net economic loss to us would be approximately \$1.0 billion. The estimate involves multiple variables, including which Everest entity would experience the loss, and as a result there can be no assurance that this amount would not be exceeded.

We may purchase reinsurance to cover specific business written or the potential accumulation or aggregation of exposures across some or all of our operations. Reinsurance purchasing decisions consider both the potential coverage and market conditions including the pricing, terms, conditions, availability and collectability of coverage, with the aim of securing cost effective protection from financially secure counterparts. The amount of reinsurance purchased has varied over time, reflecting our view of our exposures and the cost of reinsurance. In recent years, we have increased our use of reinsurance offered through capital market facilities.

We participate in "common account" retrocessional arrangements for certain reinsurance treaties whereby a ceding company purchases reinsurance for the benefit of itself and its reinsurers under one or more of its reinsurance treaties. Common account retrocessional arrangements reduce the effect of individual or aggregate losses to all participating companies, including the ceding company, with respect to the involved treaties.

Information Technology. Everest’s information technology is a key component of its business operations. Information technology systems and services are hosted at public and private cloud service providers across multiple data centers with processing performed at the office locations of our operating subsidiaries and branches. We have implemented security procedures, and regularly assess and enhance our security protocols, to ensure that our key business systems are protected, secured and backed up at off-site locations so that they can be restored promptly if necessary. We have business continuity plans and disaster recovery plans along with periodic testing of those plans to ensure we are capable of providing uninterrupted technology services in the event of major systems outages with alternative secure data centers available in case of broader outages.

Our business operations depend on the proper functioning and availability of our information technology platform, which includes data processing and related electronic communications. We communicate electronically internally and externally with our brokers, program managers, clients, third-party vendors, regulators, and others. These communications and the data we handle may include personal, confidential or proprietary information. We ensure that all our systems, data and electronic transmissions are appropriately protected with the latest technology safeguards and meet regulatory standards.

Despite these safeguards, a significant cyber incident, including system failure, security breach and disruption by malware or other damage could interrupt or delay our operations and possibly our results. This type of incident may result in a violation of applicable data security, privacy, or other laws, damage our reputation, cause a loss of customers or give rise to regulatory scrutiny as well as monetary fines and other penalties. Management is not aware of a cybersecurity incident that has had a material impact on our operations.

Expected Cash Outflows. The following table shows our significant expected cash outflows for the period indicated.

(Dollars in millions)	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Senior notes	\$ 2,400	\$ —	\$ —	\$ —	\$ 2,400
Long term notes	219	—	—	—	219
Federal Home Loan Bank of New York	819	819	—	—	—
Interest expense ⁽¹⁾	3,016	103	207	207	2,499
Operating lease agreements	178	24	40	32	83
Gross reserve for losses and LAE ⁽²⁾	24,604	2,345	8,528	5,633	8,098
Total	\$ 31,236	\$ 3,292	\$ 8,774	\$ 5,871	\$ 13,299

(Some amounts may not reconcile due to rounding.)

⁽¹⁾ Interest expense on long-term notes is calculated at the variable floating rate of 8.03% as of December 31, 2023.

⁽²⁾ Loss and LAE reserves represent management’s best estimate of losses from claim and related settlement costs. Both the amounts and timing of such payments are estimates, and the inherent variability of resolving claims as well as changes in market conditions make the timing of cash flows uncertain. Therefore, the ultimate amount and timing of loss and LAE payments could differ from our estimates.

The cash outflows for senior notes and long-term notes are the responsibility of Holdings. We strive to ensure that we have sufficient cash flow, liquidity, investments and access to capital markets to satisfy these obligations. Holdings generally depends upon dividends from Everest Re, its operating insurance subsidiary for its funding, capital contributions from Group or access to the capital markets. Our various operating insurance and reinsurance subsidiaries have sufficient cash flow, liquidity and investments to settle outstanding reserves for losses and LAE. Management believes that we, and each of our entities, have sufficient financial resources or ready access thereto, to meet all obligations.

Dividends.

During 2023 and 2022, we declared and paid common shareholder dividends of \$288 million and \$255 million, respectively. As an insurance holding company, we are partially dependent on dividends and other permitted payments from our subsidiaries to pay cash dividends to our shareholders. The payment of dividends to Group by Holdings Ireland and Everest Dublin Holdings is subject to Irish corporate and regulatory restrictions; the payment of dividends to Holdings Ireland by Holdings and to Holdings by Everest Re is subject to Delaware regulatory restrictions; and the payment of dividends to Group by Bermuda Re, Everest International, Everest Preferred International Holdings (“Preferred Holdings”), Everest Re Advisors Ltd. (“Advisors Re”) or Mt. Logan Re is subject to Bermuda insurance regulatory restrictions. Management expects that, absent extraordinary catastrophe losses, such restrictions should not affect Everest Re’s ability to declare and pay dividends sufficient to support Holdings’ general corporate needs and that

Holdings Ireland, Everest Dublin Holdings, Bermuda Re and Everest International will have the ability to declare and pay dividends sufficient to support Group's general corporate needs. For the years ended December 31, 2023 and 2022, Everest Re paid \$0 million and \$250 million of cash dividends to Holdings. For the years ended December 31, 2023 and 2022, Bermuda Re paid cash dividends to Group of \$235 million and \$430 million, respectively; Everest International paid no cash dividends to Group; Preferred Holdings paid cash dividends to Group of \$48 million and \$46 million, respectively; Advisors Re paid cash dividends to Group of \$67 million and \$0 million, respectively; and Mt. Logan Re paid cash dividends to Group of \$15 million and \$0 million, respectively. See ITEM 1, "Business - Regulatory Matters - Dividends" and ITEM 8, "Financial Statements and Supplementary Data" - Note 17 of Notes to Consolidated Financial Statements.

Market Sensitive Instruments.

The SEC's Financial Reporting Release #48 requires registrants to clarify and expand upon the existing financial statement disclosure requirements for derivative financial instruments, derivative commodity instruments and other financial instruments (collectively, "market sensitive instruments"). We do not generally enter into market sensitive instruments for trading purposes.

Our current investment strategy seeks to maximize after-tax income through a high quality, diversified, fixed maturity portfolio, while maintaining an adequate level of liquidity. Our mix of investments is adjusted periodically, consistent with our current and projected operating results and market conditions. The fixed maturity securities in the investment portfolio are comprised of non-trading securities. Additionally, we have invested in equity securities.

The overall investment strategy considers the scope of present and anticipated Company operations. In particular, estimates of the financial impact resulting from non-investment asset and liability transactions, together with our capital structure and other factors, are used to develop a net liability analysis. This analysis includes estimated payout characteristics for which our investments provide liquidity. This analysis is considered in the development of specific investment strategies for asset allocation, duration and credit quality. The change in overall market sensitive risk exposure principally reflects the asset changes that took place during the period.

Interest Rate Risk. Our \$37.1 billion investment portfolio at December 31, 2023, is principally comprised of fixed maturity securities, which are generally subject to interest rate risk and some foreign currency exchange rate risk, and some equity securities, which are subject to price fluctuations and some foreign exchange rate risk. The overall economic impact of the foreign exchange risks on the investment portfolio is partially mitigated by changes in the dollar value of foreign currency denominated liabilities and their associated income statement impact.

Interest rate risk is the potential change in value of the fixed maturity securities portfolio from a change in market interest rates. In a declining interest rate environment, it includes prepayment risk on the \$6.2 billion of mortgage-backed securities in the \$28.6 billion fixed maturity portfolio. Prepayment risk results from potential accelerated principal payments that shorten the average life and thus the expected yield of the security.

The tables below display the potential impact of market value fluctuations and after-tax unrealized appreciation on our fixed maturity portfolio (including \$2.1 billion of short-term investments) for the period indicated based on upward and downward parallel shifts of 100 and 200 basis points in interest rates. The market value change under the various interest rate changes scenarios was estimated taking duration into account with modeling done at the individual security level.

	-200	-100	0	100	200
(Dollars in millions)					
Total Fair Value	\$ 32,813	\$ 31,768	\$ 30,722	\$ 29,677	\$ 28,631
Fair Value Change from Base (%)	6.8 %	3.4 %	— %	(3.4)%	(6.8)%
Change in Unrealized Appreciation					
After-tax from Base (\$)	\$ 1,811	\$ 905	\$ —	\$ (905)	\$ (1,811)

Table of Contents

	Impact of Interest Rate Shift in Basis Points				
	At December 31, 2022				
	-200	-100	0	100	200
(Dollars in millions)					
Total Fair Value	\$ 25,618	\$ 24,863	\$ 24,107	\$ 23,352	\$ 22,596
Fair Value Change from Base (%)	6.3 %	3.1 %	— %	(3.1)%	(6.3)%
Change in Unrealized Appreciation					
After-tax from Base (\$)	\$ 1,316	\$ 658	\$ —	\$ (658)	\$ (1,316)

We had \$24.6 billion and \$22.1 billion of gross reserves for losses and LAE as of December 31, 2023 and 2022, respectively. These amounts are recorded at their nominal value, as opposed to present value, which would reflect a discount adjustment to reflect the time value of money. Since losses are paid out over a period of time, the present value of the reserves is less than the nominal value. As interest rates rise, the present value of the reserves decreases and, conversely, as interest rates decline, the present value increases. These movements are the opposite of the interest rate impacts on the fair value of investments. While the difference between present value and nominal value is not reflected in our financial statements, our financial results will include investment income over time from the investment portfolio until the claims are paid. Our loss and loss reserve obligations have an expected duration of approximately 3.9 years, which is reasonably consistent with our fixed income portfolio. If we were to discount our loss and LAE reserves, net of ceded reserves, the discount would be approximately \$4.3 billion resulting in a discounted reserve balance of approximately \$18.3 billion, representing approximately 59.3% of the value of the fixed maturity investment portfolio funds.

Foreign Currency Risk. Foreign currency risk is the potential change in value, income and cash flow arising from adverse changes in foreign currency exchange rates. Each of our non-U.S./Bermuda operations maintains capital in the currency of the country of its geographic location consistent with local regulatory guidelines. Each non-U.S. operation may conduct business in its local currency, as well as the currency of other countries in which it operates. The primary foreign currency exposures for these non-U.S. operations are the Canadian Dollar, the Singapore Dollar, the British Pound Sterling and the Euro. We mitigate foreign exchange exposure by generally matching the currency and duration of our assets to our corresponding operating liabilities. In accordance with US GAAP guidance, the impact on the fair value of available for sale fixed maturities due to changes in foreign currency exchange rates, in relation to functional currency, is reflected as part of other comprehensive income. Conversely, the impact of changes in foreign currency exchange rates, in relation to functional currency, on other assets and liabilities is reflected through net income as a component of other income (expense). In addition, we translate the assets, liabilities and income of non-U.S. dollar functional currency legal entities to the U.S. dollar. This translation amount is reported as a component of other comprehensive income.

The tables below display the potential impact of a parallel and immediate 10% and 20% increase and decrease in foreign exchange rates on the valuation of invested assets subject to foreign currency exposure for the periods indicated. This analysis includes the after-tax impact of translation from transactional currency to functional currency as well as the after-tax impact of translation from functional currency to the U.S. dollar reporting currency.

	Change in Foreign Exchange Rates in Percent				
	At December 31, 2023				
	-20%	-10%	0%	10%	20%
(Dollars in millions)					
Total After-tax Foreign Exchange Exposure	\$ (1,022)	\$ (511)	\$ —	\$ 511	\$ 1,022

	Change in Foreign Exchange Rates in Percent				
	At December 31, 2022				
	-20%	-10%	0%	10%	20%
(Dollars in millions)					
Total After-tax Foreign Exchange Exposure	\$ (814)	\$ (407)	\$ —	\$ 407	\$ 814

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See “Market Sensitive Instruments” in ITEM 7.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and schedules listed in the accompanying Index to Financial Statements and Schedules on page F-1 are filed as part of this report.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures.

As required by Rule 13a-15(b) of the Exchange Act, our management, including our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this annual report.

Management's Report on Internal Control Over Financial Reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (2013)*. Based on our assessment we concluded that, as of December 31, 2023, our internal control over financial reporting is effective based on those criteria.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2023, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which appears herein.

Changes in Internal Control over Financial Reporting.

As required by Rule 13a-15(d) of the Exchange Act, our management, including our Chief Executive Officer and Chief Financial Officer, has evaluated our internal control over financial reporting to determine whether any changes occurred during the fourth fiscal quarter covered by this annual report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, we have determined that there has been no such change during the fourth quarter.

ITEM 9B. OTHER INFORMATION

During the fiscal quarter ended December 31, 2023, none of our directors or officers adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Regulation S-K, Item 408.

Additionally, as part of Everest's commitment to ethical standards of business and compliance with applicable laws, rules and regulations, we have an Insider Trading Policy governing the purchase, sale, and/or other dispositions of our securities by our directors, officers, employees and third-party contractors that we believe is reasonably designed to

promote compliance with insider trading laws, rules and regulations, and the exchange listing standards applicable to us. A copy of our Insider Trading Policy is included in the Ethics and Guidelines and Index to Compliance Policies and Procedures filed as Exhibit 14.1 to this Annual Report on Form 10-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Reference is made to the sections captioned “Information Concerning Director Nominees”, “Information Concerning Executive Officers”, “Audit Committee”, “Nominating and Governance Committee”, “Code of Ethics for CEO and Senior Financial Officers” and “Section 16(a) Beneficial Ownership Reporting Compliance” in our proxy statement for the 2024 Annual General Meeting of Shareholders, which will be filed with the Commission within 120 days of the close of our fiscal year ended December 31, 2023 (the “Proxy Statement”), which sections are incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

Reference is made to the sections captioned “Compensation Committee Report”, “Directors’ Compensation”, “Compensation of Executive Officers” and “Compensation Committee Interlocks and Insider Participation” in the Proxy Statement, which are incorporated herein by reference.

On November 1, 2023, the Company’s Board adopted an updated Clawback Policy (the “Clawback Policy”) in order to comply with Section 10D of the Exchange Act, Rule 10D-1 of the Exchange Act and the listing standards adopted by the New York Stock Exchange.

The Clawback Policy provides for the mandatory recovery of erroneously awarded incentive-based compensation from current and former executive officers (as defined in the Clawback Policy) of the Company (“Section 16 Officers”) in the event that the Company is required to prepare an accounting restatement.

The foregoing description of the Clawback Policy is a summary only and is qualified in its entirety by reference to the full text of the Clawback Policy and the form of Acknowledgment, copies of which are filed as Exhibit 97 to this Annual Report on Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

Reference is made to the applicable sections in the Proxy Statement, which are incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Reference is made to the applicable sections in the Proxy Statement, which are incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Reference is made to the section captioned “Audit Committee Report” in the Proxy Statement, which is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

Financial Statements and Schedules.

The financial statements and schedules listed in the accompanying Index to Financial Statements and Schedules on page F-1 are filed as part of this report.

Exhibits.

The exhibits listed on the accompanying Index to Exhibits on page E-1 are filed as part of this report except that the certifications in Exhibit 32 are being furnished to the SEC, rather than filed with the SEC, as permitted under applicable SEC rules.

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 on February 28, 2024.

EVEREST GROUP, LTD.

By: /S/ JUAN C. ANDRADE
 Juan C. Andrade
 (President and Chief Executive Officer)

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

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/S/ JUAN C. ANDRADE</u> Juan C. Andrade	President and Chief Executive Officer (Principal Executive Officer)	February 28, 2024
<u>/S/ MARK KOCIANCIC</u> Mark Kociancic	Executive Vice President and Chief Financial Officer	February 28, 2024
<u>/S/ ROBERT J. FREILING</u> Robert J. Freiling	Senior Vice President and Chief Accounting Officer	February 28, 2024
<u>/S/ JOSEPH V. TARANTO</u> Joseph V. Taranto	Chairman	February 28, 2024
<u>/S/ JOHN J. AMORE</u> John J. Amore	Director	February 28, 2024
<u>/S/ WILLIAM F. GALTNEY, JR.</u> William F. Galtney, Jr.	Director	February 28, 2024
<u>/S/ JOHN A. GRAF</u> John A. Graf	Director	February 28, 2024
<u>/S/ MERYL HARTZBAND</u> Meryl Hartzband	Director	February 28, 2024
<u>/S/ GERALDINE LOSQUADRO</u> Geraldine Losquadro	Director	February 28, 2024
<u>/S/ HAZEL McNEILAGE</u> Hazel McNeilage	Director	February 28, 2024
<u>/S/ ROGER M. SINGER</u> Roger M. Singer	Director	February 28, 2024

INDEX TO EXHIBITS

Exhibit No.

- 2.1 [Agreement and Plan of Merger among Everest Reinsurance Holdings, Inc., Everest Group, Ltd. and Everest Re Merger Corporation, incorporated herein by reference to Exhibit 2.1 to the Registration Statement on Form S-4 \(No. 333-87361\)](#)
- 3.1 [Memorandum of Association of Everest Group, Ltd., incorporated herein by reference to Exhibit 3.1 to the Registration Statement on Form S-4 \(No. 333-87361\)](#)
- 3.2 [Bye-Laws of Everest Group, Ltd., incorporated herein by reference to exhibit 3.2 to the Everest Group, Ltd., Quarterly Report for Form 10-Q for the quarter ended June 30, 2011 \(the "second quarter 2011 10-Q"\)](#)
- 4.1 [Specimen Everest Group, Ltd. common share certificate, incorporated herein by reference to Exhibit 4.1 of the Registration Statement on Form S-4 \(No. 333-87361\)](#)
- 4.2 [Indenture, dated March 14, 2000, between Everest Reinsurance Holdings, Inc. and The Chase Manhattan Bank \(now known as JPMorgan Chase Bank\), as Trustee, incorporated herein by reference to Exhibit 4.1 to Everest Reinsurance Holdings, Inc. Form 8-K filed on March 15, 2000](#)
- 4.3 [Fourth Supplemental Indenture relating to Holdings \\$400.0 million 4.868% Senior Notes due June 1, 2044, dated June 5, 2014, between Holdings and The Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.1 to Everest Reinsurance Holdings, Inc. Form 8-K filed on June 5, 2014](#)
- 4.4 [Fifth Supplemental Indenture relating to Holdings \\$1.0 billion 3.5% Senior Notes due October 15, 2050, dated October 7, 2020, between Holdings and The Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.1 to Everest Reinsurance Holdings, Inc. Form 8-K filed on October 7, 2020](#)
- 4.5 [Sixth Supplemental Indenture relating to Holdings \\$1.0 billion 3.125% Senior Notes due October 15, 2052, dated October 4, 2021, between Holdings and The Bank of New York Mellon, as Trustee, incorporated herein by reference to Exhibit 4.1 to Everest Reinsurance Holdings, Inc. Form 8-K filed on October 4, 2021](#)
- *10.1 [Everest Group, Ltd. Annual Incentive Plan effective January 1, 1999, incorporated herein by reference to Exhibit 10.1 to Everest Reinsurance Holdings, Inc. Annual Report on Form 10-K for the year ended December 31, 1998 \(the "1998 10-K"\)](#)
- *10.2 [Everest Group, Ltd. 2003 Non-Employee Director Equity Compensation Plan, incorporated herein by reference to Exhibit 4.1 to the Registration Statement on Form S-8 \(No. 333-105483\)](#)
- *10.3 [Form of Non-Qualified Stock Option Award Agreement under the Everest Group, Ltd. 2003 Non-Employee Director Equity Compensation Plan, incorporated herein by reference to Exhibit 10.47 to Everest Group, Ltd., Report on Form 10-K for the year ended December 31, 2004](#)
- *10.4 [Amendment of Everest Group, Ltd. 2003 Non-Employee Director Equity Compensation Plan adopted by shareholders at the annual general meeting on May 25, 2005, incorporated herein by reference to Appendix B to the 2005 Proxy Statement filed on April 14, 2005](#)

Table of Contents

- *10.5 [Form of Restricted Stock Award Agreement under the Everest Group, Ltd. 2003 Non-Employee Director Equity Compensation Plan, incorporated by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on September 22, 2005](#)
- 10.6 [Completion of Tender Offer relating to Everest Reinsurance Holdings, Inc. 6.60% Fixed to Floating Rate Long Term Subordinated Notes \(LoTSSM\) dated March 19, 2009, incorporated herein by reference to Exhibit 99.1 to Everest Group, Ltd. Form 8-K filed on March 31, 2009](#)
- *10.7 [Everest Group, Ltd. 2009 Stock Option and Restricted Stock Plan for Non-Employee Directors incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. second quarter 2009 10-Q](#)
- *10.8 [Everest Group, Ltd. 2010 Stock Incentive Plan for employees is incorporated herein by reference to exhibit 10.2 to Everest Group, Ltd. Form S-8 filed on September 30, 2010](#)
- *10.9 [Amendment of Executive Performance Annual Incentive Plan adopted by shareholders at the annual general meeting on May 18, 2011, incorporated herein by reference to Appendix B to the 2011 Proxy Statement filed on April 15, 2011](#)
- *10.10 [Amendment of Everest Group, Ltd. 2010 Stock Incentive Plan adopted by shareholders at the annual general meeting on May 13, 2015, incorporated herein by reference to Appendix A to the 2015 Proxy Statement filed on April 10, 2015](#)
- *10.11 [Amendment of Everest Group, Ltd. 2003 Non-Employee Director Equity Compensation Plan adopted by shareholders at the annual general meeting on May 13, 2015, incorporated herein by reference to Appendix B to the 2015 Proxy Statement filed on April 10, 2015](#)
- *10.12 [Employment agreement between Everest Global Services, Inc., Everest Reinsurance Holdings Inc. and Dominic J. Addesso, dated December 4, 2015, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on December 8, 2015](#)
- 10.13 [Standby Letter of Credit, dated November 9, 2015, between Everest International Reinsurance, Ltd. and Lloyds Bank, Plc. providing £175.0 million four year credit facility, incorporated herein by reference to Exhibit 10.23 to Everest Group, Ltd. Annual Report on Form 10-K- for the year ended December 31, 2015 filed on February 29, 2016](#)
- *10.14 [Amendment of employment agreement between Everest Global Services, Inc. and Sanjoy Mukherjee, dated February 12, 2016, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on February 17, 2016](#)
- *10.15 [Employment agreement between Everest Global Services, Inc. and Craig Howie, dated April 7, 2016, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on April 8, 2016](#)
- 10.16 [Credit Agreement, dated May 26, 2016, between Everest Group, Ltd., Everest Reinsurance \(Bermuda\), Ltd. and Everest International Reinsurance, Ltd., certain lenders party thereto and Wells Fargo Bank, N.A. as administrative agent, providing for an \\$800.0 million four year senior credit facility, incorporated herein by reference to Exhibit 10.31 to Everest Group, Ltd. Form 10-Q filed on August 9, 2016. This new agreement replaces the June 22, 2012 four year, \\$800.0 million senior credit facility](#)

Table of Contents

- *10.17 [Chairmanship agreement between Everest Group, Ltd. and Joseph V. Taranto, dated August 15, 2016 and effective January 1, 2017, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on August 16, 2016](#)
- *10.18 [Employment agreement between Everest Global Services, Inc., and John P. Doucette, dated October 21, 2016, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on October 26, 2016](#)
- *10.19 [Employment agreement between Everest Global Services, Inc., and Sanjoy Mukherjee, dated January 3, 2017, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on January 6, 2017](#)
- 10.20 [Amendment of Standby Letter of Credit, dated May 17, 2017, between Everest International Reinsurance, Ltd. and Lloyds Bank, Plc. providing £145.0 million four year credit facility, herein by reference to Exhibit 10.1 to Everest Group, Ltd., Form 10-Q filed on August 9, 2017](#)
- *10.21 [Amendment of employment agreement between Everest Global Services, Inc., Everest Group, Ltd., Everest Reinsurance Holdings Inc. and Dominic J. Adesso, dated November 20, 2017, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on November 20, 2017](#)
- 10.22 [Bye-Law waiver agreement between Everest Group, Ltd., and BlackRock, Inc. dated December 1, 2017, incorporated herein by reference to exhibit 10.1 to the Everest Group, Ltd., Form 8-K filed on December 4, 2017](#)
- 10.23 [Amendment of Standby Letter of Credit, dated December 29, 2017, between Everest Reinsurance \(Bermuda\), Ltd. and Citibank Europe plc providing \\$250.0 million four year credit facility, incorporated herein by reference to exhibit 10.26 to the Everest Group, Ltd., Form 10-K filed on March 1, 2018](#)
- 10.24 [Amendment of Standby Letter of Credit, dated November 9, 2018, between Everest International Reinsurance, Ltd. and Lloyds Bank, Plc. providing £30.0 million four year credit facility, incorporated herein by reference to exhibit 10.33 to the Everest Group, Ltd., Form 10-K filed on March 1, 2019](#)
- 10.25 [Amendment of Committed Facility Letter, dated December 10, 2018, between Everest Reinsurance \(Bermuda\), Ltd. and Citibank Europe plc providing \\$200.0 million annually, incorporated herein by reference to exhibit 10.34 to the Everest Group, Ltd., Form 10-K filed on March 1, 2019](#)
- *10.26 [Employment agreement between Everest Group, Ltd. and Juan Andrade dated August 1, 2019, incorporated herein by reference to Exhibit 10.1 to Everest Group Ltd. Form 8-K filed on August 8, 2019.](#)
- 10.27 [Amendment of Standby Letter of Credit, dated November 7, 2019, between Everest International Reinsurance, Ltd. and Lloyds Bank, Plc. providing £47.0 million four year credit facility, incorporated herein by reference to Exhibit 10.30 to the Everest Group, Ltd. Form 10-K filed on March 2, 2020](#)
- 10.28 [Amendment of Committed Facility Letter, dated December 31, 2019, between Everest Reinsurance \(Bermuda\), Ltd. and Citibank Europe plc providing \\$200.0 million annually, incorporated herein by reference to Exhibit 10.31 to the Everest Group, Ltd. Form 10-K filed on March 2, 2020](#)
- 10.29 [Everest Group, Ltd. 2020 Stock Incentive Plan for employees is incorporated herein by reference to Appendix A of the 2021 Proxy Statement filed on April 9, 2021](#)

Table of Contents

- 10.30 [Amendment of Standby Letter of Credit, dated May 7, 2020 between Everest International Reinsurance, Ltd. and Lloyds Bank, Plc. providing £52.175 million four year credit facility, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 10-Q filed on August 10, 2020](#)
- 10.31 [Employment agreement between Everest Global Services, Inc. and Mark Kociancic, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 8-K filed on October 1, 2020](#)
- 10.32 [Employment agreement between Everest Global Services, Inc. and James Williamson, incorporated herein by reference to Exhibit 10.2 to Everest Group, Ltd. Form 8-K filed on October 1, 2020](#)
- 10.33 [Amendment of Committed Facility Letter, dated December 9, 2020 between Everest Reinsurance \(Bermuda\), Ltd. and Citibank Europe plc providing \\$200.0 million annually, incorporated herein by reference to Exhibit 10.34 to Everest Group, Ltd. Form 10-K filed on March 1, 2021](#)
- 10.34 [Credit facility agreement dated February 23, 2021 between Everest Reinsurance \(Bermuda\), Ltd. and Wells Fargo Bank, N.A. providing up to \\$50.0 million of committed credit facility, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 10-Q filed on May 10, 2021](#)
- 10.35 [Amendment of Credit Facility agreement, dated May 5, 2021 between Everest Reinsurance \(Bermuda\), Ltd. and Wells Fargo Bank, N.A. providing up to \\$500.0 million of committed credit facility, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 10-Q filed on August 5, 2021](#)
- 10.36 [Credit Facility agreement, dated August 9, 2021 between Everest Reinsurance \(Bermuda\), Ltd. and Citibank Europe plc providing up to \\$230.0 million committed credit facility and \\$140.0 million of additional uncommitted credit facility, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 10-Q filed on November 4, 2021](#)
- 10.37 [Credit Facility agreement, dated August 27, 2021 between Everest Reinsurance \(Bermuda\), Ltd. and Bayerische Landesbank providing up to \\$200.0 million of committed credit facility, incorporated herein by reference to Exhibit 10.2 to Everest Group, Ltd. Form 10-Q filed on November 4, 2021](#)
- 10.38 [Credit Facility agreement, dated October 8, 2021 between Everest Reinsurance \(Bermuda\), Ltd. and Lloyd's Bank Corporate Markets Plc providing up to \\$50.0 million of committed credit facility, incorporated herein by reference to Exhibit 10.39 to Everest Group, Ltd. Form 10-K filed on February 28, 2022](#)
- 10.39 [Credit Facility agreement, dated November 3, 2021 between Everest Reinsurance \(Bermuda\), Ltd. and Barclays Bank Plc providing up to \\$200.0 million of committed credit facility, incorporated herein by reference to Exhibit 10.40 to Everest Group, Ltd. Form 10-K filed on February 28, 2022](#)
- 10.40 [Credit Facility agreement, dated November 21, 2022 between Everest Reinsurance \(Bermuda\), Ltd. and Nordea Bank ABP, New York Branch providing up to \\$200.0 million of committed credit facility and \\$100.0 million of additional uncommitted credit facility, filed herewith](#)
- 10.41 [Amendment of Credit Facility agreement, dated December 30, 2022, between Everest Reinsurance \(Bermuda\), Ltd. and Bayerische Landesbank, New York Branch, providing up to \\$150.0 million of committed, unsecured credit facility, filed herewith](#)
- 10.42 [Employment agreement between Everest Global Services, Inc. and Joseph V. Taranto, incorporated herein by reference to Exhibit 10.1 to Everest Group, Ltd. Form 10-Q filed on May 4, 2023](#)

Table of Contents

10.43	<u>Departure of Sanjoy Mukherjee, Executive Vice President, General Counsel and Secretary of Everest Group, Ltd. effective July 3, 2023, herein by reference to Exhibit 10.2 to Everest Group, Ltd. Form 10-Q filed on May 4, 2023</u>
10.43	<u>Standby Letter of Credit, dated August 18, 2023 between Everest Reinsurance (Bermuda), Ltd. and Lloyd's Bank Corporate Markets Plc providing up to \$250.0 million of unsecured letters of credit, incorporated herein by reference to Exhibit 10.3 to Everest Group, Ltd. Form 10-Q filed on November 1, 2023</u>
10.44	<u>Amended and restated standby letter of credit agreement between Everest Reinsurance (Bermuda), Ltd. and Lloyd's Bank Corporate Markets Plc to add Everest Insurance (Ireland), dac (the new account party) as an account party with \$15.0 million sublimit for the issuance of letters of credit, filed herewith</u>
10.45	<u>Employment agreement made effective as of June 12, 2023, between Everest Global Services, Inc. and Ricardo A. Anzaldua, filed herewith</u>
14.1	<u>Ethics Guidelines and Index to Compliance Policies</u>
21.1	<u>Subsidiaries of the registrant, filed herewith</u>
23.1	<u>Consent of PricewaterhouseCoopers LLP, filed herewith</u>
31.1	<u>Section 302 Certification of Juan C. Andrade, filed herewith</u>
31.2	<u>Section 302 Certification of Mark Kociancic, filed herewith</u>
32.1	<u>Section 906 Certification of Juan C. Andrade and Mark Kociancic, furnished herewith</u>
97.1	<u>Everest Group, Ltd. Clawback Policy</u>
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Management contract or compensatory plan or arrangement.

EVEREST GROUP, LTD.

INDEX TO FINANCIAL STATEMENTS AND SCHEDULES

	<u>Pages</u>
Report of Independent Registered Public Accounting Firm (PCAOB FIRM ID 238)	F-2
Consolidated Balance Sheets at December 31, 2023 and 2022	F-5
Consolidated Statements of Operations and Comprehensive Income (Loss) for the Years Ended December 31, 2023, 2022 and 2021	F-6
Consolidated Statements of Changes in Shareholders' Equity for the Years Ended December 31, 2023, 2022 and 2021	F-7
Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021	F-8
Notes to Consolidated Financial Statements	F-9
Schedules	
I Summary of Investments Other Than Investments in Related Parties at December 31, 2023	S-1
II Condensed Financial Information of Registrant:	
Balance Sheets as of December 31, 2023 and 2022	S-2
Statements of Operations for the Years Ended December 31, 2023, 2022 and 2021	S-3
Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021	S-4
Notes to Condensed Financial Information	S-5
III Supplementary Insurance Information as of and for the Years Ended December 31, 2023, 2022 and 2021	S-6
IV Reinsurance for the Years Ended December 31, 2023, 2022 and 2021	S-7

Schedules other than those listed above are omitted for the reason that they are not applicable or the information is otherwise contained in the Financial Statements.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Everest Group, Ltd.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Everest Group, Ltd. and its subsidiaries (the “Company”) as of December 31, 2023 and 2022, and the related consolidated statements of operations and comprehensive income (loss), of changes in shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2023, including the related notes and financial statement schedules listed in the index appearing on page F-1 (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of the Reserve for Losses and Loss Adjustment Expenses

As described in Notes 1 and 4 to the consolidated financial statements, the Company maintains reserves equal to the estimated ultimate liability for losses and loss adjustment expense for reported and unreported claims for both its insurance and reinsurance businesses. The Company's reserve for losses and loss adjustment expenses as of December 31, 2023 was \$24.6 billion. Reserves are based on estimates of ultimate losses and loss adjustment expenses by underwriting or accident year. Management uses a variety of statistical and actuarial techniques to monitor reserve adequacy over time, evaluate new information as it becomes known and adjust reserves as warranted. Management considers many factors when setting reserves including (i) exposure base and projected ultimate premium; (ii) expected loss ratios by product and class of business, which are developed collaboratively by underwriters and actuaries; (iii) actuarial methodologies and assumptions which analyze loss reporting and payment experience, reports from ceding companies and historical trends, such as reserving patterns, loss payments and product mix; (iv) current legal interpretations of coverage and liability; and (v) economic conditions.

The principal considerations for our determination that performing procedures relating to the valuation of the reserve for losses and loss adjustment expenses is a critical audit matter are (i) the significant judgment by management when developing their estimate, (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating the audit evidence relating to the methodologies and the significant assumptions related to expected loss ratios and historical trends, such as reserving patterns, loss payments and product mix, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's valuation of the reserve for losses and loss adjustment expenses, including controls over the selection of methodologies and development of significant assumptions. These procedures also included, among others, testing the completeness and accuracy of data provided by management and the involvement of professionals with specialized skill and knowledge to assist in performing procedures for a sample of products and lines of business including: (i) evaluating management's methodologies and assumptions related to expected loss ratios and historical trends, such as, reserving patterns, loss payment and product mix used for determining reserves for losses and loss adjustment expenses and (ii) developing an independent estimate of the reserve for losses and loss adjustment expenses and comparing the independent estimate to management's actuarially determined reserves.

Measurement of Deferred Tax Assets related to Certain Identifiable Intangible Assets in Certain Bermuda Entities

As described in Note 16 to the consolidated financial statements, management evaluated the enactment of the Bermuda Corporate Income Tax Act of 2023 and recorded \$578 million of net deferred tax assets as of December 31, 2023. Through the Economic Transition Adjustment, the Act allows a company to establish deferred tax assets or liabilities related to the revaluation of intangible assets, excluding goodwill, and other assets and liabilities, based on fair value as of September 30, 2023. The deferred tax assets or liabilities are then amortized in accordance with the Act. As disclosed by management, the net deferred tax assets principally relate to the identifiable intangible assets. Management estimated the fair value of the identifiable intangible assets using discounted future cash flow models. The significant assumptions utilized in the discounted future cash flow models included the forecasted revenues and expected profits to be generated by the identifiable intangible assets and discount rates.

The principal considerations for our determination that performing procedures relating to the measurement of deferred tax assets related to certain identifiable intangible assets in certain Bermuda entities is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the identifiable intangible assets, (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating management's significant assumptions related to the forecasted revenues and expected profits to be generated by the identifiable intangible assets and the discount rates, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the enactment of the Bermuda Corporate Income Tax Act of 2023, including controls over the valuation of certain identifiable intangible assets. These procedures also included, among others, (i) testing management's process for developing the fair value estimate of the certain identifiable intangible assets of certain Bermuda entities, (ii) evaluating the appropriateness of the discounted future cash flow models used by management, (iii) testing the completeness and accuracy of the data used in the models, (iv) evaluating the reasonableness of the significant assumptions used by management related to the forecasted revenues and expected profits to be generated by the identifiable intangible assets and the discount rates. Evaluating management's assumptions related to the forecasted revenues and expected profits to be generated by the identifiable intangible assets involved evaluating whether the assumptions used were reasonable considering (i) their consistency with historical revenue and profits generated by the certain Bermuda entities and (ii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in (i) evaluating the appropriateness of the discounted future cash flow models and (ii) the reasonableness of the discount rate assumptions.

/s/PricewaterhouseCoopers LLP
New York, New York
February 28, 2024

We have served as the Company's or its predecessor's auditor since 1996.

[Table of Contents](#)

EVEREST GROUP, LTD.
CONSOLIDATED BALANCE SHEETS

	December 31,	
	2023	2022
<small>(In millions of U.S. dollars, except par value per share)</small>		
ASSETS:		
Fixed maturities - available for sale, at fair value	\$ 27,740	\$ 22,236
(amortized cost: 2023, \$28,568; 2022, \$24,191, credit allowances: 2023, \$(48); 2022, \$(54))		
Fixed maturities - held to maturity, at amortized cost		
(fair value: 2023, \$854; 2022, \$821, net of credit allowances: 2023, \$(8); 2022, \$(9))	855	839
Equity securities, at fair value	188	281
Other invested assets	4,794	4,085
Short-term investments	2,127	1,032
Cash	1,437	1,398
Total investments and cash	37,142	29,872
Accrued investment income	324	217
Premiums receivable (net of credit allowances: 2023, \$(41); 2022, \$(29))	4,768	3,619
Reinsurance paid loss recoverables (net of credit allowances: 2023, \$(26); 2022, \$(23))	164	136
Reinsurance unpaid loss recoverables	2,098	2,105
Funds held by reinsureds	1,135	1,056
Deferred acquisition costs	1,247	962
Prepaid reinsurance premiums	713	610
Income tax asset, net	868	459
Other assets (net of credit allowances: 2023, \$(9); 2022, \$(5))	941	930
TOTAL ASSETS	\$ 49,399	\$ 39,966
LIABILITIES:		
Reserve for losses and loss adjustment expenses	\$ 24,604	\$ 22,065
Unearned premium reserve	6,622	5,147
Funds held under reinsurance treaties	24	13
Amounts due to reinsurers	650	567
Losses in course of payment	171	74
Senior notes	2,349	2,347
Long-term notes	218	218
Borrowings from FHLB	819	519
Accrued interest on debt and borrowings	22	19
Unsettled securities payable	137	1
Other liabilities	582	555
TOTAL LIABILITIES	36,197	31,525
Commitments and contingencies (Note 11)		
SHAREHOLDERS' EQUITY:		
Preferred shares, par value: \$0.01; 50.0 shares authorized; no shares issued and outstanding	—	—
Common shares, par value: \$0.01; 200.0 shares authorized; (2023) 74.2 and (2022) 69.9		
outstanding before treasury shares	1	1
Additional paid-in capital	3,773	2,302
Accumulated other comprehensive income (loss), net of deferred income tax expense (benefit)		
of \$(99) at 2023 and \$(250) at 2022	(934)	(1,996)
Treasury shares, at cost: 30.8 shares (2023) and 30.8 shares (2022)	(3,908)	(3,908)
Retained earnings	14,270	12,042
Total shareholders' equity	13,202	8,441
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 49,399	\$ 39,966

The accompanying notes are an integral part of the consolidated financial statements.

[Table of Contents](#)

EVEREST GROUP, LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (LOSS)

(In millions of U.S. dollars, except per share amounts)	Years Ended December 31,		
	2023	2022	2021
REVENUES:			
Premiums earned	\$ 13,443	\$ 11,787	\$ 10,406
Net investment income	1,434	830	1,165
Total net gains (losses) on investments	(276)	(455)	258
Other income (expense)	(14)	(102)	37
Total revenues	14,587	12,060	11,866
CLAIMS AND EXPENSES:			
Incurred losses and loss adjustment expenses	8,427	8,100	7,391
Commission, brokerage, taxes and fees	2,952	2,528	2,209
Other underwriting expenses	846	682	583
Corporate expenses	73	61	68
Interest, fees and bond issue cost amortization expense	134	101	70
Total claims and expenses	12,432	11,472	10,321
INCOME (LOSS) BEFORE TAXES	2,154	588	1,546
Income tax expense (benefit)	(363)	(9)	167
NET INCOME (LOSS)	\$ 2,517	\$ 597	\$ 1,379
Other comprehensive income (loss), net of tax:			
Unrealized appreciation (depreciation) ("URA(D)") on securities arising during the period	743	(2,037)	(488)
Reclassification adjustment for realized losses (gains) included in net income (loss)	244	89	4
Total URA(D) on securities arising during the period	986	(1,948)	(485)
Foreign currency translation and other adjustments	59	(77)	(62)
Benefit plan actuarial net gain (loss) for the period	15	15	17
Reclassification adjustment for amortization of net (gain) loss included in net income (loss)	2	2	6
Total benefit plan net gain (loss) for the period	17	17	23
Total other comprehensive income (loss), net of tax	1,063	(2,008)	(523)
COMPREHENSIVE INCOME (LOSS)	\$ 3,580	\$ (1,411)	\$ 856
EARNINGS PER COMMON SHARE:			
Basic	\$ 60.19	\$ 15.19	\$ 34.66
Diluted	60.19	15.19	34.62

The accompanying notes are an integral part of the consolidated financial statements.

[Table of Contents](#)

EVEREST GROUP, LTD.
CONSOLIDATED STATEMENTS OF
CHANGES IN SHAREHOLDERS' EQUITY

(In millions of U.S. dollars, except dividends per share amounts)	Years Ended December 31,		
	2023	2022	2021
COMMON SHARES (shares outstanding):			
Balance beginning of period	39	39	40
Issued (redeemed) during the period, net	4	—	—
Treasury shares acquired	—	—	(1)
Balance end of period	43	39	39
COMMON SHARES (par value):			
Balance beginning of period	\$ 1	\$ 1	\$ 1
Issued during the period, net	—	—	—
Balance end of period	1	1	1
ADDITIONAL PAID-IN CAPITAL:			
Balance beginning of period	2,302	2,274	2,245
Public offering of shares	1,445	—	—
Share-based compensation plans	26	28	29
Balance end of period	3,773	2,302	2,274
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS),			
NET OF DEFERRED INCOME TAXES:			
Balance beginning of period	(1,996)	12	535
Net increase (decrease) during the period	1,063	(2,008)	(523)
Balance end of period	(934)	(1,996)	12
RETAINED EARNINGS:			
Balance beginning of period	12,042	11,700	10,567
Net income (loss)	2,517	597	1,379
Dividends declared (\$6.80 per share 2023, \$6.50 per share 2022 and \$6.20 per share 2021)	(288)	(255)	(247)
Balance end of period	14,270	12,042	11,700
TREASURY SHARES AT COST:			
Balance beginning of period	(3,908)	(3,847)	(3,622)
Purchase of treasury shares	—	(61)	(225)
Balance end of period	(3,908)	(3,908)	(3,847)
TOTAL SHAREHOLDERS' EQUITY, END OF PERIOD	\$ 13,202	\$ 8,441	\$ 10,139

The accompanying notes are an integral part of the consolidated financial statements.

[Table of Contents](#)

EVEREST GROUP, LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of U.S. dollars)	Years Ended December 31,		
	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	\$ 2,517	\$ 597	\$ 1,379
Adjustments to reconcile net income to net cash provided by operating activities:			
Decrease (increase) in premiums receivable	(1,064)	(435)	(649)
Decrease (increase) in funds held by reinsureds, net	(66)	(197)	(151)
Decrease (increase) in reinsurance recoverables	143	(413)	(125)
Decrease (increase) in income taxes	(559)	(181)	68
Decrease (increase) in prepaid reinsurance premiums	(46)	(166)	(128)
Increase (decrease) in reserve for losses and loss adjustment expenses	2,256	3,477	2,805
Increase (decrease) in unearned premiums	1,387	655	1,146
Increase (decrease) in amounts due to reinsurers	18	201	186
Increase (decrease) in losses in course of payment	93	(186)	134
Change in equity adjustments in limited partnerships	(168)	(94)	(613)
Distribution of limited partnership income	120	180	211
Change in other assets and liabilities, net	(339)	(297)	(292)
Non-cash compensation expense	49	45	43
Amortization of bond premium (accrual of bond discount)	(64)	55	76
Net (gains) losses on investments	276	455	(258)
Net cash provided by (used in) operating activities	4,553	3,695	3,833
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from fixed maturities matured/called/repaid - available for sale	2,310	2,626	3,893
Proceeds from fixed maturities sold - available for sale	3,849	1,403	1,916
Proceeds from fixed maturities matured/called/repaid - held to maturity	105	39	—
Proceeds from equity securities sold	126	2,217	990
Distributions from other invested assets	245	266	257
Cost of fixed maturities acquired - available for sale	(10,653)	(7,344)	(8,825)
Cost of fixed maturities acquired - held to maturity	(112)	(153)	—
Cost of equity securities acquired	(17)	(1,003)	(1,098)
Cost of other invested assets acquired	(902)	(1,547)	(757)
Net change in short-term investments	(1,034)	149	(43)
Net change in unsettled securities transactions	181	(71)	(203)
Net cash provided by (used in) investing activities	(5,902)	(3,418)	(3,869)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Common shares issued (redeemed) during the period for share-based compensation, net of expense	(23)	(17)	(14)
Proceeds from public offering of common shares	1,445	—	—
Purchase of treasury shares	—	(61)	(225)
Dividends paid to shareholders	(288)	(255)	(247)
Proceeds from issuance of senior notes	—	—	968
Cost of debt repurchase	—	(6)	—
Net FHLB borrowings (repayments)	300	—	209
Cost of shares withheld on settlements of share-based compensation awards	(24)	(20)	(17)
Net cash provided by (used in) financing activities	1,409	(359)	674
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(23)	39	1
Net increase (decrease) in cash	38	(42)	639
Cash, beginning of period	1,398	1,441	802
Cash, end of period	\$ 1,437	\$ 1,398	\$ 1,441
SUPPLEMENTAL CASH FLOW INFORMATION:			
Income taxes paid (recovered)	\$ 196	\$ 171	\$ 98
Interest paid	130	98	62
NON-CASH TRANSACTIONS:			
Reclassification of specific investments from fixed maturity securities, available for sale at fair value to fixed maturity securities, held to maturity at amortized cost net of credit allowances	\$ —	\$ 722	\$ —

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended December 31, 2023, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Business and Basis of Presentation.

Everest Group, Ltd. ("Group"), a Bermuda company, through its subsidiaries, principally provides reinsurance and insurance in the U.S., Bermuda and international markets. As used in this document, "Company" means Group and its subsidiaries.

Effective July 10, 2023, the Company changed Group's name to Everest Group, Ltd. from Everest Re Group, Ltd. and started trading under a new ticker symbol (NYSE: EG) to reflect the evolution, global growth and diversification strategy of the Company.

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The statements include all of the following domestic and foreign direct and indirect subsidiaries of Group: Everest International Reinsurance, Ltd. ("Everest International"), Mt. Logan Insurance Managers, Ltd., Mt. Logan Management, Ltd., Everest International Holdings (Bermuda), Ltd. ("International Holdings"), Everest Corporate Member Limited, Everest Service Company (UK), Ltd., Everest Preferred International Holdings, Ltd. ("Preferred International"), Everest Reinsurance (Bermuda), Ltd. ("Bermuda Re"), Everest Re Advisors, Ltd., Everest Advisors (UK), Ltd., Everest Compañía de Seguros Generales Chile S.A. ("Everest Chile"), Everest Underwriting Group (Ireland), Limited ("Holdings Ireland"), Everest Global Services, Inc. ("Global Services"), Everest Insurance Company of Canada ("Everest Canada"), Premiere Insurance Underwriting Services ("Premiere"), Everest Dublin Insurance Holdings Limited (Ireland) ("Everest Dublin Holdings"), Everest Insurance (Ireland), dac ("Ireland Insurance"), Everest Reinsurance Company (Ireland), dac ("Ireland Re"), Everest Reinsurance Holdings, Inc. ("Holdings"), Salus Systems, LLC ("Salus"), Everest International Assurance, Ltd. (Bermuda) ("Everest Assurance"), Specialty Insurance Group, Inc. ("Specialty"), Specialty Insurance Group - Leisure and Entertainment Risk Purchasing Group LLC ("Specialty RPG"), Mt. McKinley Managers, L.L.C., Everest Specialty Underwriters Services, LLC, Everest Reinsurance Company ("Everest Re"), Everest National Insurance Company ("Everest National"), Everest Reinsurance Company Ltda. (Brazil), Mt. Whitney Securities, Inc., Everest Indemnity Insurance Company ("Everest Indemnity"), Everest Denali Insurance Company ("Everest Denali"), Everest Premier Insurance Company ("Everest Premier"), Everest Security Insurance Company ("Everest Security"), Everest Service Company Mexico, and Everest Service Company Colombia. All intercompany accounts and transactions have been eliminated. All amounts are reported in U.S. dollars.

The Company consolidates the results of operations and financial position of all voting interest entities ("VOE") in which the Company has a controlling financial interest and all variable interest entities ("VIE") in which the Company is considered to be the primary beneficiary. The consolidation assessment, including the determination as to whether an entity qualifies as a VIE or VOE, depends on the facts and circumstances surrounding each entity.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported 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. Ultimate actual results could differ, possibly materially, from those estimates.

Certain reclassifications and format changes have been made to prior years' amounts to conform to the 2023 presentation.

B. Investments and Cash.

Fixed maturity securities designated as available for sale reflect unrealized appreciation and depreciation, as a result of changes in fair value during the period, in shareholders' equity, net of income taxes in "accumulated other comprehensive income (loss)" in the consolidated balance sheets. The Company reviews all of its fixed maturity, available for sale securities whose fair value has fallen below their amortized cost at the time of review. The Company then assesses whether the decline in value is due to non-credit related or credit related factors. In making its assessment, the Company evaluates the current market and interest rate environment as well as specific issuer information. Generally, a change in a security's value caused by a change in the market, interest rate or foreign exchange environment does not constitute a credit impairment, but rather a non-credit related decline in fair value. Non-credit related declines in fair value are recorded as unrealized losses in accumulated other comprehensive income (loss). If the Company intends to

[Table of Contents](#)

sell the impaired security or is more likely than not to be required to sell the security before an anticipated recovery in value, the Company records the entire impairment in net gains (losses) on investments in the Company's consolidated statements of operations and comprehensive income (loss). If the Company determines that the decline is credit related and the Company does not have the intent to sell the security; and it is more likely than not that the Company will not have to sell the security before recovery of its cost basis, the Company establishes a credit allowance equal to the estimated credit loss and is recorded in net gains (losses) on investments in the Company's consolidated statements of operations and comprehensive income (loss). The determination of credit related or non-credit related impairment is first based on an assessment of qualitative factors, which may determine that a qualitative analysis is sufficient to support the conclusion that the present value of expected cash flows equals or exceeds the security's amortized cost basis. However, if the qualitative assessment suggests a credit loss may exist, a quantitative assessment is performed, and the amount of the allowance for a given security will generally be the difference between a discounted cash flow model and the Company's carrying value. The Company will adjust the credit allowance account for future changes in credit loss estimates for a security and record this adjustment through net gains (losses) on investments in the Company's consolidated statements of operations and comprehensive income (loss).

Fixed maturity securities designated as held to maturity consist of debt securities for which the Company has both the positive intent and ability to hold to maturity or redemption and are reported at amortized cost, net of the current expected credit loss allowance. Interest income for fixed maturity securities held to maturity is determined in the same manner as interest income for fixed maturity securities available for sale. The Company evaluates fixed maturity securities classified as held to maturity for current expected credit losses utilizing risk characteristics of each security, including credit rating, remaining time to maturity, adjusted for prepayment considerations, and subordination level, and applying default and recovery rates, which include the incorporation of historical credit loss experience and macroeconomic forecasts, to develop an estimate of current expected credit losses.

The Company does not create an allowance for uncollectible interest. If interest is not received when due, the interest receivable is immediately reversed and no additional interest is accrued. If future interest is received that has not been accrued, it is recorded as income at that time.

The Company's assessments are based on the issuers' current and expected future financial position, timeliness with respect to interest and/or principal payments, speed of repayments and any applicable credit enhancements or breakeven constant default rates on mortgage-backed and asset-backed securities, as well as relevant information provided by rating agencies, investment advisors and analysts.

Retrospective adjustments are employed to recalculate the values of asset-backed securities. All of the Company's asset-backed and mortgage-backed securities have a pass-through structure. Each acquisition lot is reviewed to recalculate the effective yield. The recalculated effective yield is used to derive a book value as if the new yield were applied at the time of acquisition. Outstanding principal factors from the time of acquisition to the adjustment date are used to calculate the prepayment history for all applicable securities. Conditional prepayment rates, computed with life to date factor histories and weighted average maturities, are used in the calculation of projected prepayments for pass-through security types.

For equity securities, the Company reflects changes in fair value as net gains (losses) on investments. Interest income on all fixed maturities and dividend income on all equity securities are included as part of net investment income in the consolidated statements of operations and comprehensive income (loss).

Short-term investments comprise securities due to mature within one year from the date of purchase and are stated at cost, which approximates fair value.

Realized gains or losses on sales of investments are determined on the basis of identified cost. For some non-publicly traded securities, market prices are determined through the use of pricing models that evaluate securities relative to the U.S. Treasury yield curve, taking into account the issue type, credit quality, and cash flow characteristics of each security. For other non-publicly traded securities, investment managers' valuation committees will estimate fair value and in many instances, these fair values are supported with opinions from qualified independent third parties. All fair value estimates from investment managers are reviewed by the Company for reasonableness. For publicly traded securities, fair value is based on quoted market prices or valuation models that use observable market inputs. When a sector of the financial markets is inactive or illiquid, the Company may use its own assumptions about future cash flows and risk-adjusted discount rates to determine fair value.

Other invested assets include limited partnerships, corporate-owned life insurance (“COLI”), rabbi trusts and other investments. Limited partnerships are accounted for under the equity method of accounting, which can be recorded on a monthly or quarterly lag and are included within net investment income. Corporate-owned life insurance policies are carried at policy cash surrender value and changes in the policy cash surrender value are included within net investment income.

Cash includes cash on hand. Restricted cash is included within cash in the consolidated balance sheets and represents amounts held for the benefit of third parties that is legally or contractually restricted as to its withdrawal or usage. Amounts include trust funds set up for the benefit of ceding companies.

C. Allowance for Premium Receivable and Reinsurance Recoverables.

The Company applies the Current Expected Credit Losses (CECL) methodology for estimating allowances for credit losses. The Company evaluates the recoverability of its premiums and reinsurance recoverable balances and establishes an allowance for estimated uncollectible amounts.

Premiums receivable, excluding receivables for losses within a deductible and retrospectively-rated policy premiums, are primarily comprised of premiums due from policyholders/ cedents. Balances are considered past due when amounts that have been billed are not collected within contractually stipulated time periods. For these balances, the allowance is estimated based on recent historical credit loss and collection experience, adjusted for current economic conditions and reasonable and supportable forecasts, when appropriate.

A portion of the Company's commercial lines business is written with large deductibles or under retrospectively-rated plans. Under some commercial insurance contracts with a large deductible, the Company is obligated to pay the claimant the full amount of the claim and the Company is subsequently reimbursed by the policyholder for the deductible amount. As such, the Company is subject to credit risk until reimbursement is made. Retrospectively-rated policies are policies whereby the ultimate premium is adjusted based on actual losses incurred. Although the premium adjustment feature of a retrospectively-rated policy substantially reduces insurance risk for the Company, it presents credit risk to the Company. The Company's results of operations could be adversely affected if a significant portion of such policyholders failed to reimburse the Company for the deductible amount or the amount of additional premium owed under retrospectively-rated policies. The Company manages these credit risks through credit analysis, collateral requirements, and oversight. The allowance for receivables for loss within a deductible and retrospectively-rated policy premiums is recorded within other assets in the consolidated balance sheets. The allowance is estimated as the amount of the receivable exposed to loss multiplied by estimated factors for probability of default. The probability of default is assigned based on each policyholder's credit rating, or a rating is estimated if no external rating is available. Credit ratings are reviewed and updated at least annually. The exposure amount is estimated net of collateral and other offsets, considering the nature of the collateral, potential future changes in collateral values, and historical loss information for the type of collateral obtained. The probability of default factors are historical corporate defaults for receivables with similar durations estimated through multiple economic cycles. Credit ratings are forward-looking and consider a variety of economic outcomes. The Company's evaluation of the required allowance for receivables for loss within a deductible and retrospectively-rated policy premiums considers the current economic environment as well as the probability-weighted macroeconomic scenarios.

The Company records total credit loss expenses related to premiums receivable in Other underwriting expenses and records credit loss expenses related to deductibles in Incurred losses and loss adjustment expenses in the Company's consolidated statements of operations and comprehensive income (loss).

The allowance for uncollectible reinsurance recoverable reflects management's best estimate of reinsurance cessions that may be uncollectible in the future due to reinsurers' unwillingness or inability to pay. The allowance for uncollectible reinsurance recoverable comprises an allowance and an allowance for disputed balances. Based on this analysis, the Company may adjust the allowance for uncollectible reinsurance recoverable or charge off reinsurer balances that are determined to be uncollectible.

Due to the inherent uncertainties as to collection and the length of time before reinsurance recoverable become due, it is possible that future adjustments to the Company's reinsurance recoverable, net of the allowance, could be required, which could have a material adverse effect on the Company's consolidated results of operations or cash flows in a particular quarter or annual period.

The allowance is estimated as the amount of reinsurance recoverable exposed to loss multiplied by estimated factors for the probability of default. The reinsurance recoverable exposed is the amount of reinsurance recoverable net of collateral and other offsets, considering the nature of the collateral, potential future changes in collateral values, and historical loss information for the type of collateral obtained. The probability of default factors are historical insurer and reinsurer defaults for liabilities with similar durations to the reinsured liabilities as estimated through multiple economic cycles. Credit ratings are forward-looking and consider a variety of economic outcomes. The Company's evaluation of the required allowance for reinsurance recoverable considers the current economic environment as well as macroeconomic scenarios.

The Company records credit loss expenses related to reinsurance recoverable in Incurred losses and loss adjustment expenses in the Company's consolidated statements of operations and comprehensive income (loss). Write-offs of reinsurance recoverable and any related allowance are recorded in the period in which the balance is deemed uncollectible.

D. Deferred Acquisition Costs.

Acquisition costs, consisting principally of commissions and brokerage expenses and certain premium taxes and fees incurred at the time a contract or policy is issued and that vary with and are directly related to the Company's reinsurance and insurance business, are deferred and amortized over the period in which the related premiums are earned. Deferred acquisition costs are limited to their estimated realizable value by line of business based on the related unearned premiums, anticipated claims and claim expenses and anticipated investment income.

E. Reserve for Losses and Loss Adjustment Expenses.

The reserve for losses and loss adjustment expenses ("LAE") is based on individual case estimates and reports received from ceding companies. A provision is included for losses and LAE incurred but not reported ("IBNR") based on past experience. Provisions are also included for certain potential liabilities, including those relating to asbestos and environmental ("A&E") exposures, catastrophe exposures, COVID-19 and other exposures, for which liabilities cannot be estimated using traditional reserving techniques. See also Note 4. The reserves are reviewed periodically and any changes in estimates are reflected in earnings in the period the adjustment is made. The Company's loss and LAE reserves represent management's best estimate of the ultimate liability. Loss and LAE reserves are presented gross of reinsurance recoverable and incurred losses and LAE are presented net of reinsurance.

Accruals for commissions are established for reinsurance contracts that provide for the stated commission percentage to increase or decrease based on the loss experience of the contract. Changes in estimates for such arrangements are recorded as commission expense. Commission accruals for contracts with adjustable features are estimated based on expected loss and LAE.

F. Premium Revenues.

Written premiums are earned ratably over the periods of the related insurance and reinsurance contracts. Unearned premium reserves are established relative to the unexpired contract period. For reinsurance contracts, such reserves are established based upon reports received from ceding companies or estimated using pro rata methods based on statistical data. Reinstatement premiums represent additional premium recognized and earned at the time a loss event occurs and losses are recorded, most prevalently catastrophe related, when limits have been depleted under the original reinsurance contract and additional coverage is granted. The recognition of reinstatement premiums is based on estimates of loss and LAE, which reflects management's judgement. Written and earned premiums and the related costs, which have not yet been reported to the Company, are estimated and accrued. Premiums are net of ceded reinsurance.

During 2023, the Company refined its premium estimation methodology for its risk attaching reinsurance contracts within its Reinsurance Segment to continue to recognize gross written premium over the term of the treaty, albeit over a different pattern than what was previously used. The refined estimate resulted in an increase of gross written premium for the twelve months ended December 31, 2023 period and has further aligned the estimation methodology across the reinsurance division globally. This change had no impact on the total written premium to be recognized over the term of the treaty. There was no impact on net earned premium and therefore, no impact on income from continuing operations, net income, or any related per-share amounts.

G. Prepaid Reinsurance Premiums.

Prepaid reinsurance premiums represent unearned premium reserves ceded to other reinsurers. Prepaid reinsurance premiums for any foreign reinsurers comprising more than 10% of the outstanding balance at December 31, 2023 were

secured either through collateralized trust arrangements, rights of offset or letters of credit, thereby limiting the credit risk to the Company.

H. Income Taxes.

Holdings and its wholly owned subsidiaries file a consolidated U.S. federal income tax return. Foreign subsidiaries and branches of subsidiaries file local tax returns as required. Group and subsidiaries not included in Holdings' consolidated tax return file separate company U.S. federal income tax returns as required. Deferred income taxes have been recorded to recognize the tax effect of temporary differences between the financial reporting and income tax bases of assets and liabilities, which arise because of differences between GAAP and income tax accounting rules.

As a result of Bermuda enacting a corporate income tax effective January 1, 2025, Group subsidiaries in Bermuda will file and pay income taxes subsequent to that date.

As an accounting policy, the Company has adopted the aggregate portfolio approach for releasing disproportionate income tax effects from Accumulated Other Comprehensive Income.

I. Foreign Currency.

The Company transacts business in numerous currencies through business units located around the world. The functional currency for each business unit is determined by the local currency used for most economic activity in that area. Movements in exchange rates related to transactions in currencies other than a business unit's functional currency for monetary assets and liabilities are remeasured through the consolidated statements of operations and comprehensive income (loss) in other income (expense), except for currency movements related to available for sale fixed maturities securities, which are excluded from net income (loss) and accumulated in shareholders' equity, net of deferred taxes.

The business units' functional currency financial statements are translated to the Company's reporting currency, U.S. dollars, using the exchange rates at the end of period for the balance sheets and the average exchange rates in effect for the reporting period for the statements of operations. Gains and losses resulting from translating the foreign currency financial statements, net of deferred income taxes, are excluded from net income (loss) and accumulated as a separate component of other comprehensive income (loss) in shareholders' equity.

J. Earnings Per Common Share.

Basic earnings per share are calculated by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share reflect the potential dilution that would occur if options granted under various share-based compensation plans were exercised resulting in the issuance of common shares that would participate in the earnings of the entity.

[Table of Contents](#)

Net income (loss) per common share has been computed as per below, based upon weighted average common basic and dilutive shares outstanding.

	Years Ended December 31,		
	2023	2022	2021
<small>(Amounts in millions, except per share amounts)</small>			
Net income (loss) per share:			
Numerator			
Net income (loss)	\$ 2517	\$ 597	\$ 1379
Less: dividends declared-common shares and unvested common shares	(288)	(255)	(247)
Undistributed earnings	2,229	342	1,132
Percentage allocated to common shareholders ⁽¹⁾	98.8 %	98.7 %	98.7 %
	2,203	337	1,117
Add: dividends declared-common shareholders	285	252	244
Numerator for basic and diluted earnings per common share	\$ 2,488	\$ 589	\$ 1,361
Denominator			
Denominator for basic earnings per weighted-average common shares	41.3	38.8	39.3
Effect of dilutive securities:			
Options	—	—	—
Denominator for diluted earnings per adjusted weighted-average common shares	41.3	38.8	39.3
Per common share net income (loss)			
Basic	\$ 60.19	\$ 15.19	\$ 34.66
Diluted	\$ 60.19	\$ 15.19	\$ 34.62
⁽¹⁾			
Basic weighted-average common shares outstanding	41.3	38.8	39.3
Basic weighted-average common shares outstanding and unvested common shares expected to vest	41.8	39.3	39.8
Percentage allocated to common shareholders	98.8 %	98.7 %	98.7 %

(Some amounts may not reconcile due to rounding.)

There were no options outstanding as of December 31, 2023 and 2022, respectively.

Options granted under share-based compensation plans have all expired as of September 19, 2022. There were no anti-diluted options outstanding as of December 31, 2021.

K. Segmentation.

The Company, through its subsidiaries, operates in two segments: Reinsurance and Insurance. During the fourth quarter of 2023, the Company revised the classification and presentation of certain products related to its accident and health business within the segment groupings. These products have been realigned from within the Reinsurance segment to the Insurance segment to appropriately reflect how the business segments are managed. These changes have been reflected retrospectively. See also Note 6.

L. Share-Based Compensation.

Share-based compensation stock option, restricted share and performance share unit awards are fair valued at the grant date and expensed over the vesting period of the award. The tax benefit on the recorded expense is deferred until the time the award is exercised or vests (becomes unrestricted). See Note 14.

M. Recent Accounting Pronouncements.

Adoption of New Accounting Standards

The Company did not adopt any new accounting standards that had a material impact in 2023.

Future Adoption of Recently Issued Accounting Standards

The Company assessed the adoption impacts of recently issued accounting standards that are effective after 2023 by the Financial Accounting Standards Board on the Company's consolidated financial statements. Additionally, the Company assessed whether there have been material updates to previously issued accounting standards that are effective after

[Table of Contents](#)

2023. There were no accounting standards identified, other than those directly referenced below, that are expected to have a material impact to Group.

Improvements to Income Tax Disclosures. In December 2023, the Financial Accounting Standards Board issued Accounting Standard Update No. 2023-09, which requires expanded income tax disclosures, including the disaggregation of existing disclosures related to the tax rate reconciliation and income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024. Prospective application is required, with retrospective application permitted. The Company is currently evaluating the effect the updated guidance will have on the Company's financial statement disclosures.

2. INVESTMENTS

The tables below present the amortized cost, allowance for credit losses, gross unrealized appreciation/(depreciation) (“URA(D)”) and fair value of fixed maturity securities - available for sale for the periods indicated:

		At December 31, 2023				
(Dollars in millions)		Amortized Cost	Allowance for Credit Losses	Unrealized Appreciation	Unrealized Depreciation	Fair Value
Fixed maturity securities - available for sale						
U.S. Treasury securities and obligations of						
U.S. government agencies and corporations	\$	1,045	\$ —	\$ 3	\$ (52)	\$ 996
Obligations of U.S. states and political subdivisions		138	—	1	(11)	128
Corporate securities		7,587	(47)	135	(322)	7,353
Asset-backed securities		5,644	—	25	(51)	5,618
Mortgage-backed securities						
Commercial		1,091	—	1	(92)	1,000
Agency residential		4,869	—	55	(229)	4,695
Non-agency residential		431	—	14	(2)	443
Foreign government securities		2,042	—	33	(108)	1,967
Foreign corporate securities		5,720	(1)	92	(271)	5,540
Total fixed maturity securities - available for sale	\$	28,568	\$ (48)	\$ 358	\$ (1,137)	\$ 27,740

(Some amounts may not reconcile due to rounding.)

		At December 31, 2022				
(Dollars in millions)		Amortized Cost	Allowance for Credit Losses	Unrealized Appreciation	Unrealized Depreciation	Fair Value
Fixed maturity securities - available for sale						
U.S. Treasury securities and obligations of						
U.S. government agencies and corporations	\$	1,334	\$ —	\$ 6	\$ (82)	\$ 1,257
Obligations of U.S. states and political subdivisions		444	—	2	(32)	413
Corporate securities		7,044	(45)	31	(561)	6,469
Asset-backed securities		4,229	—	5	(171)	4,063
Mortgage-backed securities						
Commercial		1,023	—	—	(105)	919
Agency residential		3,382	—	7	(290)	3,099
Non-agency residential		5	—	—	(1)	4
Foreign government securities		1,586	—	8	(179)	1,415
Foreign corporate securities		5,143	(10)	23	(562)	4,596
Total fixed maturity securities - available for sale	\$	24,191	\$ (54)	\$ 81	\$ (1,982)	\$ 22,236

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

The following table shows amortized cost, allowance for credit losses, gross URA(D) and fair value of fixed maturity securities - held to maturity for the periods indicated:

(Dollars in millions)	At December 31, 2023				
	Amortized Cost	Allowance for Credit Losses	Unrealized Appreciation	Unrealized Depreciation	Fair Value
Fixed maturity securities - held to maturity					
Corporate securities	\$ 150	\$ (2)	\$ 1	\$ (3)	\$ 146
Asset-backed securities	609	(5)	4	(10)	597
Mortgage-backed securities					
Commercial	21	—	—	—	21
Foreign corporate securities	84	(1)	7	—	90
Total fixed maturity securities - held to maturity	\$ 864	\$ (8)	\$ 12	\$ (13)	\$ 854

(Some amounts may not reconcile due to rounding.)

(Dollars in millions)	At December 31, 2022				
	Amortized Cost	Allowance for Credit Losses	Unrealized Appreciation	Unrealized Depreciation	Fair Value
Fixed maturity securities - held to maturity					
Corporate securities	\$ 152	\$ (2)	\$ —	\$ (6)	\$ 144
Asset-backed securities	661	(6)	2	(15)	642
Mortgage-backed securities					
Commercial	7	—	—	—	7
Foreign corporate securities	28	(1)	2	—	28
Total fixed maturity securities - held to maturity	\$ 848	\$ (9)	\$ 3	\$ (22)	\$ 821

(Some amounts may not reconcile due to rounding.)

The amortized cost and fair value of fixed maturity securities - available for sale are shown in the following table by contractual maturity. As the stated maturity of such securities may not be indicative of actual maturities, the totals for mortgage-backed and asset-backed securities are shown separately.

(Dollars in millions)	At December 31, 2023		At December 31, 2022	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Fixed maturity securities - available for sale				
Due in one year or less	\$ 1,289	\$ 1,261	\$ 1,331	\$ 1,314
Due after one year through five years	7,094	6,858	8,131	7,546
Due after five years through ten years	5,613	5,405	4,636	4,057
Due after ten years	2,537	2,460	1,454	1,233
Asset-backed securities	5,644	5,618	4,229	4,063
Mortgage-backed securities				
Commercial	1,091	1,000	1,023	919
Agency residential	4,869	4,695	3,382	3,099
Non-agency residential	431	443	5	4
Total fixed maturity securities -available for sale	\$ 28,568	\$ 27,740	\$ 24,191	\$ 22,236

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

The amortized cost and fair value of fixed maturity securities - held to maturity are shown in the following table by contractual maturity. As the stated maturity of such securities may not be indicative of actual maturities, the totals for mortgage-backed and asset-backed securities are shown separately.

(Dollars in millions)	At December 31, 2023		At December 31, 2022	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Fixed maturity securities - held to maturity				
Due in one year or less	\$ 5	\$ 5	\$ 5	\$ 5
Due after one year through five years	59	58	63	61
Due after five years through ten years	43	42	43	41
Due after ten years	127	131	68	65
Asset-backed securities	609	597	661	642
Mortgage-backed securities				
Commercial	21	21	7	7
Total fixed maturity securities - held to maturity	\$ 864	\$ 854	\$ 848	\$ 821

(Some amounts may not reconcile due to rounding.)

During 2022, the Company re-designated a portion of its fixed maturity securities from its fixed maturity - available for sale portfolio to its fixed maturity - held to maturity portfolio. The fair value of the securities reclassified at the date of transfer was \$722 million, net of allowance for current expected credit losses, which was subsequently recognized as the new amortized cost basis. As of December 31, 2023, \$42 million of unrealized loss from the date of the re-designation remained in accumulated other comprehensive income on the balance sheet and will be amortized into income through an adjustment to the yields of the underlying securities over the remaining life of the securities. The fair values of these securities incorporate the use of significant unobservable inputs and therefore are classified as Level 3 within the fair value hierarchy.

The Company evaluated fixed maturity securities classified as held to maturity for current expected credit losses as of December 31, 2023 utilizing risk characteristics of each security, including credit rating, remaining time to maturity, adjusted for prepayment considerations, and subordination level, and applying default and recovery rates, which include the incorporation of historical credit loss experience and macroeconomic forecasts, to develop an estimate of current expected credit losses. These fixed maturities classified as held to maturity are of a high credit quality and are all rated investment grade as of December 31, 2023.

The changes in net URA(D) for the Company's investments are as follows:

(Dollars in millions)	Years Ended December 31,	
	2023	2022
Increase (decrease) during the period between the fair value and cost of investments carried at fair value, and deferred taxes thereon:		
Fixed maturity securities - available for sale and short-term investments	\$ 1,129	\$ (2,225)
Change in unrealized appreciation (depreciation), pre-tax	1,129	(2,225)
Deferred tax benefit (expense)	(142)	277
Change in URA(D), net of deferred taxes, included in shareholders' equity	\$ 986	\$ (1,948)

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

The tables below display the aggregate fair value and gross unrealized depreciation of fixed maturity securities - available for sale by security type and contractual maturity, in each case subdivided according to length of time that individual securities had been in a continuous unrealized loss position for the periods indicated:

	Duration of Unrealized Loss at December 31, 2023 By Security Type					
	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
(Dollars in millions)						
Fixed maturity securities - available for sale						
U.S. Treasury securities and obligations of						
U.S. government agencies and corporations	\$ 122	\$ (3)	\$ 772	\$ (49)	\$ 893	\$ (52)
Obligations of U.S. states and political subdivisions	3	—	74	(11)	77	(11)
Corporate securities	1,019	(58)	2,780	(263)	3,799	(321)
Asset-backed securities	196	(2)	2,014	(49)	2,210	(51)
Mortgage-backed securities						
Commercial	181	(19)	742	(73)	923	(92)
Agency residential	423	(4)	2,126	(225)	2,549	(229)
Non-agency residential	126	(1)	4	—	130	—
Foreign government securities	172	(7)	985	(101)	1,156	(108)
Foreign corporate securities	324	(6)	2,726	(265)	3,050	(271)
Total	\$ 2,564	\$ (101)	\$ 12,222	\$ (1,035)	\$ 14,787	\$ (1,136)
Securities where an allowance for credit loss was recorded	2	(1)	—	—	2	(1)
Total fixed maturity securities - available for sale	\$ 2,566	\$ (102)	\$ 12,222	\$ (1,035)	\$ 14,789	\$ (1,137)

(Some amounts may not reconcile due to rounding.)

	Duration of Unrealized Loss at December 31, 2023 By Maturity					
	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
(Dollars in millions)						
Fixed maturity securities - available for sale						
Due in one year or less	\$ 184	\$ (3)	\$ 773	\$ (30)	\$ 958	\$ (33)
Due in one year through five years	699	(18)	3,841	(271)	4,540	(289)
Due in five years through ten years	328	(15)	2,306	(310)	2,633	(325)
Due after ten years	429	(39)	417	(77)	845	(116)
Asset-backed securities	196	(2)	2,014	(49)	2,210	(51)
Mortgage-backed securities	729	(24)	2,872	(298)	3,601	(323)
Total	\$ 2,564	\$ (101)	\$ 12,222	\$ (1,035)	\$ 14,787	\$ (1,136)
Securities where an allowance for credit loss was recorded	2	(1)	—	—	2	(1)
Total fixed maturity securities - available for sale	\$ 2,566	\$ (102)	\$ 12,222	\$ (1,035)	\$ 14,789	\$ (1,137)

(Some amounts may not reconcile due to rounding.)

The aggregate fair value and gross unrealized losses related to fixed maturity securities - available for sale in an unrealized loss position at December 31, 2023 were \$14.8 billion and \$1.1 billion, respectively. The fair value of securities for the single issuer (the United States government) whose securities comprised the largest unrealized loss position at December 31, 2023, did not exceed 3.0% of the overall market value of the Company's fixed maturity securities. The fair value of the securities for the issuer with the second largest unrealized loss comprised less than 0.7% of the Company's fixed maturity securities. In addition, as indicated on the above table, there was no significant concentration of unrealized losses in any one market sector. The \$102 million of unrealized losses related to fixed maturity securities that have been in an unrealized loss position for less than one year were generally comprised of domestic and foreign corporate securities, asset-backed securities, agency residential mortgage-backed securities and foreign government securities. Of these unrealized losses, \$86 million were related to securities that were rated investment grade by at least one nationally recognized statistical rating agency. The \$1.0 billion of unrealized losses related to fixed maturity securities in an unrealized loss position for more than one year related primarily to domestic and foreign corporate securities, agency residential mortgage-backed securities and foreign government securities. Of these unrealized losses, \$1.0 billion were related to securities that were rated investment grade by at least one nationally recognized statistical rating agency. In all instances, there were no projected cash flow shortfalls to recover the full book value of the investments and the related interest obligations. The mortgage-backed securities still have excess credit coverage and are current on interest and principal payments.

[Table of Contents](#)

The tables below display the aggregate fair value and gross unrealized depreciation of fixed maturity securities - available for sale by security type and contractual maturity, in each case subdivided according to length of time that individual securities had been in a continuous unrealized loss position for the periods indicated.

	Duration of Unrealized Loss at December 31, 2022 By Security Type					
	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
(Dollars in millions)						
Fixed maturity securities - available for sale						
U.S. Treasury securities and obligations of						
U.S. government agencies and corporations	\$ 668	\$ (31)	\$ 487	\$ (52)	\$ 1,155	\$ (82)
Obligations of U.S. states and political subdivisions	235	(23)	27	(9)	261	(32)
Corporate securities	4,143	(326)	1,316	(234)	5,459	(561)
Asset-backed securities	3,204	(142)	456	(29)	3,661	(171)
Mortgage-backed securities						
Commercial	806	(90)	101	(15)	907	(105)
Agency residential	1,905	(132)	870	(158)	2,776	(289)
Non-agency residential	4	—	1	(1)	4	—
Foreign government securities	985	(100)	321	(79)	1,306	(179)
Foreign corporate securities	3,264	(372)	853	(189)	4,117	(561)
Total	\$ 15,213	\$ (1,217)	\$ 4,432	\$ (764)	\$ 19,645	\$ (1,982)
Securities where an allowance for credit loss was recorded	2	—	—	—	2	—
Total fixed maturity securities - available for sale	\$ 15,215	\$ (1,217)	\$ 4,432	\$ (764)	\$ 19,647	\$ (1,982)

(Some amounts may not reconcile due to rounding.)

	Duration of Unrealized Loss at December 31, 2022 By Maturity					
	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
(Dollars in millions)						
Fixed maturity securities - available for sale						
Due in one year or less	\$ 989	\$ (19)	\$ 40	\$ (7)	\$ 1,029	\$ (26)
Due in one year through five years	4,935	(383)	1,645	(209)	6,580	(592)
Due in five years through ten years	2,698	(360)	911	(230)	3,609	(590)
Due after ten years	672	(91)	408	(116)	1,080	(207)
Asset-backed securities	3,204	(142)	456	(29)	3,661	(171)
Mortgage-backed securities	2,715	(222)	972	(173)	3,687	(395)
Total	\$ 15,213	\$ (1,217)	\$ 4,432	\$ (764)	\$ 19,645	\$ (1,982)
Securities where an allowance for credit loss was recorded	2	—	—	—	2	—
Total fixed maturity securities - available for sale	\$ 15,215	\$ (1,217)	\$ 4,432	\$ (764)	\$ 19,647	\$ (1,982)

(Some amounts may not reconcile due to rounding.)

The aggregate fair value and gross unrealized losses related to fixed maturity securities - available for sale in an unrealized loss position at December 31, 2022 were \$19.6 billion and \$2.0 billion, respectively. The fair value of securities for the single issuer (the United States government) whose securities comprised the largest unrealized loss position at December 31, 2022, did not exceed 5.2% of the overall fair value of the Company's fixed maturity securities. The fair value of the securities for the issuer with the second largest unrealized loss comprised less than 0.2% of the Company's fixed maturity securities. In addition, as indicated on the above table, there was no significant concentration of unrealized losses in any one market sector. The \$1.2 billion of unrealized losses related to fixed maturity securities that have been in an unrealized loss position for less than one year were generally comprised of domestic and foreign corporate securities, asset-backed securities, agency residential mortgage-backed securities and foreign government securities. Of these unrealized losses, \$1.1 billion were related to securities that were rated investment grade by at least one nationally recognized statistical rating agency. The \$764 million of unrealized losses related to fixed maturity securities in an unrealized loss position for more than one year related primarily to domestic and foreign corporate securities, agency residential mortgage-backed securities and foreign government securities. Of these unrealized losses, \$732 million were related to securities that were rated investment grade by at least one nationally recognized statistical rating agency. In all instances, there were no projected cash flow shortfalls to recover the full book value of the

[Table of Contents](#)

investments and the related interest obligations. The mortgage-backed securities still have excess credit coverage and are current on interest and principal payments.

The components of net investment income are presented in the table below for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Fixed maturities	\$ 1,153	\$ 742	\$ 561
Equity securities	3	16	17
Short-term investments and cash	140	28	1
Other invested assets			
Limited partnerships	122	75	565
Other	59	29	63
Gross investment income before adjustments	1,477	890	1,208
Funds held interest income (expense)	10	2	12
Future policy benefit reserve income (expense)	(1)	—	(1)
Gross investment income	1,486	892	1,219
Investment expenses	53	62	54
Net investment income	\$ 1,434	\$ 830	\$ 1,165

(Some amounts may not reconcile due to rounding.)

The Company records results from limited partnership investments on the equity method of accounting with changes in value reported through net investment income. The net investment income from limited partnerships is dependent upon the Company's share of the net asset values of interests underlying each limited partnership. Due to the timing of receiving financial information from these partnerships, the results are generally reported on a one month or quarter lag. If the Company determines there has been a significant decline in value of a limited partnership during this lag period, a loss will be recorded in the period in which the Company identifies the decline.

The Company had contractual commitments to invest up to an additional \$2.8 billion in limited partnerships and private placement loans at December 31, 2023. These commitments will be funded when called in accordance with the partnership and loan agreements, which have investment periods that expire, unless extended, through 2027.

During the fourth quarter of 2022, the Company entered into corporate-owned life insurance ("COLI") policies, which are invested in debt and equity securities. The COLI policies are carried within other invested assets at policy cash surrender value of \$1.3 billion and \$939 million as of December 31, 2023 and December 31, 2022, respectively.

Variable Interest Entities

The Company is engaged with various special purpose entities and other entities that are deemed to be VIEs primarily as an investor through normal investment activities but also as an investment manager. A VIE is an entity that either has investors that lack certain essential characteristics of a controlling financial interest, such as simple majority kick-out rights, or lacks sufficient funds to finance its own activities without financial support provided by other entities. The Company performs ongoing qualitative assessments of its VIEs to determine whether the Company has a controlling financial interest in the VIE and therefore is the primary beneficiary. The Company is deemed to have a controlling financial interest when it has both the ability to direct the activities that most significantly impact the economic performance of the VIE and the obligation to absorb losses or right to receive benefits from the VIE that could potentially be significant to the VIE. Based on the Company's assessment, if it determines it is the primary beneficiary, the Company consolidates the VIE in the Company's Consolidated Financial Statements. As of December 31, 2023 and 2022, the Company did not hold any securities for which it is the primary beneficiary.

The Company, through normal investment activities, makes passive investments in general and limited partnerships and other alternative investments. For these non-consolidated VIEs, the Company has determined it is not the primary beneficiary as it has no ability to direct activities that could significantly affect the economic performance of the investments. The Company's maximum exposure to loss as of December 31, 2023 and 2022 is limited to the total carrying value of \$4.8 billion and \$4.1 billion, respectively, which are included in general and limited partnerships, COLI policies and other alternative investments in other invested assets in the Company's consolidated balance sheets.

[Table of Contents](#)

As of December 31, 2023, the Company has outstanding commitments totaling \$2.1 billion whereby the Company is committed to fund these investments and may be called by the partnership during the commitment period to fund the purchase of new investments and partnership expenses. These investments are generally of a passive nature in that the Company does not take an active role in management.

In addition, the Company makes passive investments in structured securities issued by VIEs for which the Company is not the manager. These investments are included in asset-backed securities, which includes collateralized loan obligations and are classified as fixed maturities - available for sale. The Company has not provided financial or other support with respect to these investments other than its original investment. For these investments, the Company determined it is not the primary beneficiary due to the relative size of the Company's investment in comparison to the principal amount of the structured securities issued by the VIEs, the level of credit subordination which reduces the Company's obligation to absorb losses or right to receive benefits and the Company's inability to direct the activities that most significantly impact the economic performance of the VIEs. The Company's maximum exposure to loss on these investments is limited to the amount of the Company's investment.

The components of net gains (losses) on investments are presented in the table below for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Fixed maturity securities			
Allowance for credit losses	\$ 7	\$ (33)	\$ (28)
Net realized gains (losses) from dispositions	(292)	(87)	17
Gains (losses) from fair value adjustments	—	—	—
Equity securities:			
Net realized gains (losses) from dispositions	8	112	28
Gains (losses) from fair value adjustments	—	(460)	236
Other invested assets	—	13	6
Short-term investments gain (loss)	—	—	—
Total net gains (losses) on investments	\$ (276)	\$ (455)	\$ 258

(Some amounts may not reconcile due to rounding.)

The following tables provide a roll forward of the Company's beginning and ending balance of allowance for credit losses for the periods indicated:

(Dollars in millions)	Roll Forward of Allowance for Credit Losses - Fixed Maturities - Available for Sale			
	Twelve Months Ended December 31, 2023			
	Corporate Securities	Asset-Backed Securities	Foreign Corporate Securities	Total
Beginning Balance	\$ (45)	\$ —	\$ (10)	\$ (54)
Credit losses on securities where credit losses were not previously recorded	(23)	—	—	(24)
Increases in allowance on previously impaired securities	(1)	—	—	(1)
Decreases in allowance on previously impaired securities	—	—	—	—
Reduction in allowance due to disposals	22	—	8	30
Balance, end of period	\$ (47)	\$ —	\$ (1)	\$ (48)

(Some amounts may not reconcile due to rounding.)

Roll Forward of Allowance for Credit Losses - Fixed Maturities -
Held to Maturity

Twelve Months Ended December 31, 2023

	Corporate Securities	Asset-Backed Securities	Foreign Corporate Securities	Total
(Dollars in millions)				
Beginning Balance	\$ (2)	\$ (6)	\$ (1)	\$ (9)
Credit losses on securities where credit losses were not previously recorded	—	—	—	—
Increases in allowance on previously impaired securities	—	—	—	—
Decreases in allowance on previously impaired securities	—	—	—	—
Reduction in allowance due to disposals	—	1	—	1
Balance, end of period	\$ (2)	\$ (5)	\$ (1)	\$ (8)

(Some amounts may not reconcile due to rounding.)

Roll Forward of Allowance for Credit Losses - Fixed Maturities -
Available for Sale

Twelve Months Ended December 31, 2022

	Corporate Securities	Asset-Backed Securities	Foreign Corporate Securities	Total
(Dollars in millions)				
Beginning Balance	\$ (19)	\$ (8)	\$ (3)	\$ (30)
Credit losses on securities where credit losses were not previously recorded	(11)	—	(16)	(26)
Increases in allowance on previously impaired securities	(20)	—	(1)	(21)
Decreases in allowance on previously impaired securities	—	—	—	—
Reduction in allowance due to disposals	6	8	10	23
Balance, end of period	\$ (45)	\$ —	\$ (10)	\$ (54)

(Some amounts may not reconcile due to rounding.)

Roll Forward of Allowance for Credit Losses - Fixed Maturities -
Held to Maturity

	Twelve Months Ended December 31, 2022			
	Corporate Securities	Asset-Backed Securities	Foreign Corporate Securities	Total
(Dollars in millions)				
Beginning Balance	\$ —	\$ —	\$ —	\$ —
Credit losses on securities where credit losses were not previously recorded	(2)	(6)	(1)	(9)
Increases in allowance on previously impaired securities	—	—	—	—
Decreases in allowance on previously				
Reduction in allowance due to disposals	—	—	—	—
Balance, end of period	\$ (2)	\$ (6)	\$ (1)	\$ (9)

(Some amounts may not reconcile due to rounding.)

The proceeds and split between gross gains and losses, from sales of fixed maturity securities - available for sale and equity securities, are presented in the table below for the periods indicated:

	Years Ended December 31,		
	2023	2022	2021
(Dollars in millions)			
Proceeds from sales of fixed maturity securities - available for sale	\$ 3,849	\$ 1,403	\$ 1,916
Gross gains from sales	35	40	72
Gross losses from sales	(327)	(127)	(55)
Proceeds from sales of equity securities	\$ 126	\$ 2,217	\$ 990
Gross gains from sales	8	165	42
Gross losses from sales	—	(53)	(15)

Securities with a carrying value amount of \$1.4 billion at December 31, 2023 were on deposit with or regulated by various state or governmental insurance departments in compliance with insurance laws. See Note 10.

3. FAIR VALUE

GAAP guidance regarding fair value measurements address how companies should measure fair value when they are required to use fair value measures for recognition or disclosure purposes under GAAP and provides a common definition of fair value to be used throughout GAAP. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly fashion between market participants at the measurement date. In addition, it establishes a three-level valuation hierarchy for the disclosure of fair value measurements. The valuation hierarchy is based on the transparency of inputs to the valuation of an asset or liability. The level in the hierarchy within which a given fair value measurement falls is determined based on the lowest level input that is significant to the measurement, with Level 1 being the highest priority and Level 3 being the lowest priority.

The levels in the hierarchy are defined as follows:

- Level 1: Inputs to the valuation methodology are observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in an active market;
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument;
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's fixed maturity and equity securities are managed both internally and on an external basis by independent, professional investment managers using portfolio guidelines approved by the Company. The Company obtains prices from nationally recognized pricing services. These services seek to utilize market data and observations in their

[Table of Contents](#)

evaluation process. These services use pricing applications that vary by asset class and incorporate available market information and when fixed maturity securities do not trade on a daily basis the services will apply available information through processes such as benchmark curves, benchmarking of like securities, sector groupings and matrix pricing. In addition, they use model processes, such as the Option Adjusted Spread model to develop prepayment and interest rate scenarios for securities that have prepayment features.

The Company does not make any changes to prices received from the pricing services. In addition, the Company has procedures in place to review the reasonableness of the prices from the service providers and may request verification of the prices. The Company also continually performs quantitative and qualitative analysis of prices, including but not limited to initial and ongoing review of pricing methodologies, review of prices obtained from pricing services and third party investment asset managers, review of pricing statistics and trends, and comparison of prices for certain securities with a secondary price source for reasonableness. No material variances were noted during these price validation procedures. In limited situations, where financial markets are inactive or illiquid, the Company may use its own assumptions about future cash flows and risk-adjusted discount rates to determine fair value.

At December 31, 2023, \$2.0 billion of fixed maturities were fair valued using unobservable inputs. The majority of these fixed maturities were valued by investment managers' valuation committees and many of these fair values were substantiated by valuations from independent third parties. The Company has procedures in place to evaluate these independent third-party valuations. At December 31, 2022, \$1.7 billion of fixed maturities, fair value were fair valued using unobservable inputs.

Equity securities denominated in U.S. currency with quoted prices in active markets for identical assets are categorized as Level 1 since the quoted prices are directly observable. Equity securities traded on foreign exchanges are categorized as Level 2 due to the added input of a foreign exchange conversion rate to determine fair value. The Company uses foreign currency exchange rates published by nationally recognized sources.

Fixed maturity securities listed in the tables have been categorized as Level 2, since a particular security may not have traded but the pricing services are able to use valuation models with observable market inputs such as interest rate yield curves and prices for similar fixed maturity securities in terms of issuer, maturity and seniority. For foreign government securities and foreign corporate securities, the fair values provided by the third party pricing services in local currencies, and where applicable, are converted to U.S. dollars using currency exchange rates from nationally recognized sources.

In addition, some of the fixed maturities with fair values categorized as Level 3 result when prices are not available from the nationally recognized pricing services and are obtained from investment managers and are derived using unobservable inputs. The Company will value the securities with unobservable inputs using comparable market information or receive fair values from investment managers. The investment managers may obtain non-binding price quotes for the securities from brokers. The single broker quotes are provided by market makers or broker-dealers who are recognized as market participants in the markets in which they are providing the quotes. The prices received from brokers are reviewed for reasonableness by the third party asset managers and the Company. If the broker quotes are for foreign denominated securities, the quotes are converted to U.S. dollars using currency exchange rates from nationally recognized sources.

The composition and valuation inputs for the presented fixed maturities categories Level 1 and Level 2 are as follows:

- U.S. Treasury securities and obligations of U.S. government agencies and corporations are primarily comprised of U.S. Treasury bonds and the fair value is based on observable market inputs such as quoted prices, reported trades, quoted prices for similar issuances or benchmark yields;
- Obligations of U.S. states and political subdivisions are comprised of state and municipal bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities, benchmark yields and credit spreads;
- Corporate securities are primarily comprised of U.S. corporate and public utility bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities, benchmark yields and credit spreads;

[Table of Contents](#)

- Asset-backed and mortgage-backed securities fair values are based on observable inputs such as quoted prices, reported trades, quoted prices for similar issuances or benchmark yields and cash flow models using observable inputs such as prepayment speeds, collateral performance and default spreads;
- Foreign government securities are comprised of global non-U.S. sovereign bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities and models with observable inputs such as benchmark yields and credit spreads and then, where applicable, converted to U.S. dollars using an exchange rate from a nationally recognized source;
- Foreign corporate securities are comprised of global non-U.S. corporate bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities and models with observable inputs such as benchmark yields and credit spreads and then, where applicable, converted to U.S. dollars using an exchange rate from a nationally recognized source.

The following table presents the fair value measurement levels for all assets and liabilities, which the Company has recorded at fair value as of the periods indicated:

	December 31, 2023	Fair Value Measurement Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(Dollars in millions)				
Assets:				
Fixed maturities - available for sale				
U.S. Treasury securities and obligations of				
U.S. government agencies and corporations	\$ 996	\$ —	\$ 996	\$ —
Obligations of U.S. States and political subdivisions	128	—	128	—
Corporate securities	7,353	—	6,681	672
Asset-backed securities	5,618	—	4,313	1,305
Mortgage-backed securities				
Commercial	1,000	—	1,000	—
Agency residential	4,695	—	4,695	—
Non-agency residential	443	—	443	—
Foreign government securities	1,967	—	1,967	—
Foreign corporate securities	5,540	—	5,524	16
Total fixed maturities - available for sale	27,740	—	25,747	1,993
Equity securities, fair value	188	70	118	—

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

The following table presents the fair value measurement levels for all assets and liabilities, which the Company has recorded at fair value as of the periods indicated:

(Dollars in millions)	December 31, 2022	Fair Value Measurement Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Fixed maturities - available for sale				
U.S. Treasury securities and obligations of				
U.S. government agencies and corporations	\$ 1,257	\$ —	\$ 1,257	\$ —
Obligations of U.S. States and political subdivisions	413	—	413	—
Corporate securities	6,469	—	5,754	715
Asset-backed securities	4,063	—	3,069	994
Mortgage-backed securities				
Commercial	919	—	919	—
Agency residential	3,099	—	3,099	—
Non-agency residential	4	—	4	—
Foreign government securities	1,415	—	1,415	—
Foreign corporate securities	4,596	—	4,579	16
Total fixed maturities - available for sale	22,236	—	20,511	1,725
Equity securities, fair value	281	132	150	—

(Some amounts may not reconcile due to rounding.)

The following table presents the activity under Level 3, fair value measurements using significant unobservable inputs for fixed maturities - available for sale, for the periods indicated:

(Dollars in millions)	Total Fixed Maturities - Available for Sale									
	December 31, 2023					December 31, 2022				
	Corporate Securities	Asset- Backed Securities	CMBS	Foreign Corporate	Total	Corporate Securities	Asset- Backed Securities	CMBS	Foreign Corporate	Total
Beginning balance fixed maturities	\$ 715	\$ 994	\$ —	\$ 16	\$ 1,725	\$ 801	\$ 1,251	\$ —	\$ 16	\$ 2,068
Total gains or (losses) (realized/unrealized)										
Included in earnings (or changes in net assets)	4	—	—	—	4	(10)	—	—	—	(10)
Included in other comprehensive income (loss)	(2)	6	—	—	4	3	(35)	—	(4)	(36)
Purchases, issuances and settlements	(45)	305	—	—	260	(45)	513	6	8	481
Transfers in and/or (out) of Level 3	—	—	—	—	—	(35)	(735)	(6)	(4)	(779)
Ending balance	\$ 672	\$ 1,305	\$ —	\$ 16	\$ 1,993	\$ 715	\$ 994	\$ —	\$ 16	\$ 1,725
The amount of total gains or losses for the period included in earnings (or changes in net assets) attributable to the change in unrealized gains or losses relating to assets still held at the reporting date										
	\$ 9	\$ —	\$ —	\$ —	\$ 9	\$ (23)	\$ 8	\$ —	\$ —	\$ (15)

(Some amounts may not reconcile due to rounding.)

There were no transfers of assets in/(out) of Level 3 during 2023.

The \$779 million shown as transfers in/(out) of Level 3 and reclassification of securities in/(out) of investment categories for the year ended December 31, 2022 related mainly to previously designated Level 3 securities that the Company had reclassified from “fixed maturities - available for sale” to “fixed maturities - held to maturity” during 2022. As “fixed maturities - held to maturity” are carried at amortized cost, net of credit allowances rather than at fair value as “fixed maturities - available for sale”, these securities are no longer included within the fair value hierarchy table or in the roll forward of Level 3 securities. The fair values of these securities are determined in a similar manner as the Company’s

fixed maturity securities - available for sale as described above. The fair values of these securities incorporate the use of significant unobservable inputs and therefore are classified as Level 3 within the fair value hierarchy as of December 31, 2022.

Financial Instruments Disclosed, But Not Reported, at Fair Value

Certain financial instruments disclosed, but not reported, at fair value are excluded from the fair value hierarchy tables above. Fair values of fixed maturity securities - held to maturity, senior notes and long-term subordinated notes can be found within Notes 2, 8 and 9, respectively. Short-term investments are stated at cost, which approximates fair value. See Note 1.

Exempt from Fair Value Disclosure Requirements

Certain financial instruments are exempt from the requirements for fair value disclosure, such as limited partnerships accounted for under the equity method and pension and other postretirement obligations. The Company’s investment in COLI policies are recorded at their cash surrender value and are therefore not required to be included in the tables above. See Note 1 of the Notes to these Consolidated Financial Statements for details of investments in COLI policies.

In addition, \$274 million and \$292 million of investments within other invested assets on the consolidated balance sheets as of December 31, 2023 and 2022, respectively, are not included within the fair value hierarchy tables as the assets are measured at net asset value (“NAV”) as a practical expedient to determine fair value.

4. RESERVE FOR LOSSES AND LAE

Reserve for losses and LAE.

The following table provides a roll forward of the Company’s beginning and ending reserve for losses and LAE and is summarized for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Gross reserves beginning of period	\$ 22,065	\$ 19,009	\$ 16,322
Less reinsurance recoverables on unpaid losses	(2,105)	(1,946)	(1,844)
Net reserves beginning of period	19,960	17,063	14,478
Incurred related to:			
Current year	8,432	8,102	7,400
Prior years	(5)	(2)	(9)
Total incurred losses and LAE	8,427	8,100	7,391
Paid related to:			
Current year	1,379	1,220	2,491
Prior years	4,731	3,740	2,226
Total paid losses and LAE	6,110	4,960	4,717
Foreign exchange/translation adjustment	229	(243)	(89)
Net reserves end of period	22,506	19,960	17,063
Plus reinsurance recoverables on unpaid losses	2,098	2,105	1,946
Gross reserves end of period	\$ 24,604	\$ 22,065	\$ 19,009

(Some amounts may not reconcile due to rounding.)

Current year incurred losses were \$8.4 billion, \$8.1 billion and \$7.4 billion in 2023, 2022 and 2021, respectively. The increase in current year incurred losses from 2022 to 2023 was primarily related to an increase of \$916 million in current year attritional losses, resulting from the impact of the increase in premiums earned and changes in the mix of business, partially offset by a decrease of \$585 million in current year catastrophe losses.

The recent emergence of the Middle East war and the ongoing war in the Ukraine are evolving events. Economic and legal sanctions have been levied against Russia, specific named individuals and entities connected to the Russian government, as well as businesses located in the Russian Federation and/or owned by Russian nationals in numerous countries, including the United States. The significant political and economic uncertainty surrounding these wars and

[Table of Contents](#)

associated sanctions have impacted economic and investment markets both within Russia, Ukraine, the Middle East region, and around the world.

Gross and net reserves increased in 2022, reflecting an increase in underlying exposure due to earned premium growth, year over year, the impact of \$45 million of incurred losses related to the Ukraine/Russia war, partially offset by a decrease of \$80 million in 2022 current year catastrophe losses compared to 2021.

Incurred prior years favorable development in losses were \$5 million in 2023, \$2 million in 2022 and \$9 million in 2021. The net favorable development on prior year reserves of \$5 million in 2023 is comprised of \$397 million of favorable development on prior years attritional losses for reinsurance lines, mainly related to mortgage and short-tail lines of business, mostly offset by \$392 million of unfavorable development on prior years attritional losses for insurance lines, mainly related to casualty lines for accident years from 2016 through 2019. The favorable development on prior year reserves of \$2 million in 2022 is primarily driven by better than expected loss emergence in workers' compensation and surety lines of business, as well as attritional property. The favorable development on prior year reserves of \$9 million in 2021 is primarily driven by a commutation and reserve releases within the Reinsurance segment.

The following is information about incurred and paid claims development as of December 31, 2023, net of reinsurance, as well as cumulative claim frequency and the total of incurred but not reported liabilities (IBNR) plus expected development on reported claims included within the net incurred claims amounts. Each of the Company's financial reporting segments has been disaggregated into casualty and property business. The casualty and property segregation results in groups that have homogeneous loss development characteristics and are large enough to represent credible trends. Generally, casualty claims take longer to be reported and settled, resulting in longer payout patterns and increased volatility. Property claims on the other hand, tend to be reported and settled quicker and therefore tend to exhibit less volatility. The property business is more exposed to catastrophe losses, which can result in year over year fluctuations in incurred claims depending on the frequency and severity of catastrophes claims in any one accident year.

The information about incurred and paid claims development for the years ended December 31, 2014 to December 31, 2022 is presented as supplementary information.

The Cumulative Number of Reported Claims is shown only for Insurance Casualty as it is impractical to provide the information for the remaining groups. The reinsurance groups each include pro rata contracts for which ceding companies provide only summary information via a bordereau. This summary information does not include the number of reported claims underlying the paid and reported losses. Therefore, it is not possible to provide this information. The Insurance Property group includes Accident and Health insurance business. This business is written via a master contract and individual claim counts are not provided. This business represents a significant enough portion of the business in the Insurance Property group so that including the number of reported claims for the remaining business would distort any analytics performed on the group.

The Cumulative Number of Reported Claims shown for the Insurance Casualty is determined by claim and line of business. For example, a claim event with three claimants in the same line of business is a single claim. However, a claim event with a single claimant that spans two lines of business contributes two claims.

Reconciliation of the Disclosure of Incurred and Paid Claims Development to the Liability for Unpaid Claims and Claim Adjustment Expenses

The reconciliation of the net incurred and paid claims development tables to the liability for claims and claim adjustment expenses in the consolidated statement of financial position is as follows:

	December 31, 2023
(Dollars in millions)	
Net outstanding liabilities	
Reinsurance Casualty	\$ 11,493
Reinsurance Property	5,379
Insurance Casualty	4,629
Insurance Property	690
Liabilities for unpaid claims and claim adjustment expenses, net of reinsurance	22,192
Reinsurance recoverable on unpaid claims	
Reinsurance Casualty	89
Reinsurance Property	551
Insurance Casualty	1,300
Insurance Property	157
Total reinsurance recoverable on unpaid claims	2,098
Insurance lines other than short-duration	—
Unallocated claims adjustment expenses	269
Other	45
	314
Total gross liability for unpaid claims and claim adjustment expense	\$ 24,604

(Some amounts may not reconcile due to rounding.)

The following tables present the ultimate loss and ALAE and the paid loss and ALAE, net of reinsurance for casualty and property, as well as the average annual percentage payout of incurred claims by age, net of reinsurance for each of our disclosed lines of business.

Reinsurance - Casualty Business

Accident Year	Ultimate Incurred Loss and Allocated Loss Adjustment Expenses, Net of reinsurance										At December 31, 2023	
	Years Ended December 31,										Total of IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023		
(Dollars in millions)												
2014	\$ 881	\$ 928	\$ 815	\$ 792	\$ 750	\$ 727	\$ 740	\$ 738	\$ 728	\$ 720	\$ —	N/A
2015		900	828	824	822	805	842	842	840	839	42	N/A
2016			800	877	874	869	945	946	977	1,007	79	N/A
2017				883	843	849	931	939	995	1,059	78	N/A
2018					1,388	1,385	1,462	1,493	1,561	1,658	320	N/A
2019						1,734	1,799	1,801	1,826	1,867	520	N/A
2020							1,947	1,919	1,898	1,859	799	N/A
2021								2,497	2,492	2,433	1,496	N/A
2022									2,764	2,722	2,049	N/A
2023										3,023	2,537	N/A
										\$ 17,185		

(Some amounts may not reconcile due to rounding.)

Table of Contents

Cumulative Paid Loss and Allocated Loss Adjustment Expenses, Net of Reinsurance Years Ended December 31,

Accident Year	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023
(Dollars in millions)										
2014	\$ 58	\$ 123	\$ 214	\$ 304	\$ 429	\$ 505	\$ 550	\$ 591	\$ 613	\$ 635
2015		58	160	267	413	502	571	618	654	682
2016			90	191	326	432	546	622	699	767
2017				81	189	321	462	585	687	796
2018					170	294	480	636	819	998
2019						224	354	523	728	957
2020							199	312	496	729
2021								213	322	547
2022									188	353
2023										223
										\$ 6,687
All outstanding liabilities prior to 2014, net of reinsurance										995
Liabilities for claims and claim adjustment expenses, net of reinsurance										\$ 11,493

(Some amounts may not reconcile due to rounding.)

Average Annual Percentage Payout of Incurred Loss by Age, Net of Reinsurance (unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Casualty	8.8 %	7.2 %	10.7 %	12.0 %	12.1 %	9.5 %	7.6 %	5.7 %	3.3 %	2.9 %

Reinsurance - Property Business

Accident Year	Ultimate Incurred Loss and Allocated Loss Adjustment Expenses, Net of reinsurance Years Ended December 31,										At December 31, 2023	
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023	Total of IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
(Dollars in millions)												
2014	\$ 1,511	\$ 1,214	\$ 1,019	\$ 926	\$ 925	\$ 926	\$ 919	\$ 919	\$ 917	\$ 917	\$ 8	N/A
2015		1,522	1,044	964	938	941	933	935	932	929	1	N/A
2016			1,689	1,510	1,546	1,540	1,517	1,518	1,515	1,517	16	N/A
2017				2,781	3,404	3,515	3,643	3,689	3,699	3,713	9	N/A
2018					2,615	2,491	2,493	2,431	2,384	2,369	(1)	N/A
2019						2,014	2,045	1,991	1,875	1,879	(13)	N/A
2020							2,397	2,470	2,414	2,386	58	N/A
2021								2,751	2,777	2,699	152	N/A
2022									3,247	2,926	822	N/A
2023										2,791	1,537	N/A
										\$ 22,126		

(Some amounts may not reconcile due to rounding.)

Table of Contents

Cumulative Paid Loss and Allocated Loss Adjustment Expenses, Net of Reinsurance Years Ended December 31,

Accident Year	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023
(Dollars in millions)										
2014	\$ 361	\$ 632	\$ 756	\$ 830	\$ 862	\$ 872	\$ 879	\$ 881	\$ 882	\$ 882
2015		372	596	746	829	857	878	887	893	896
2016			461	951	1,239	1,357	1,410	1,429	1,442	1,453
2017				813	2,174	2,739	3,124	3,326	3,420	3,495
2018					541	1,520	1,865	2,061	2,133	2,198
2019						716	1,167	1,489	1,651	1,778
2020							576	1,302	1,711	1,993
2021								676	1,528	2,024
2022									638	1,389
2023										612
										\$ 16,720
All outstanding liabilities prior to 2014, net of reinsurance										(24)
Liabilities for claims and claim adjustment expenses, net of reinsurance										\$ 5,379

(Some amounts may not reconcile due to rounding.)

Average Annual Percentage Payout of Incurred Loss by Age, Net of Reinsurance (unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Property	26.1 %	31.6 %	16.5 %	9.5 %	4.5 %	2.2 %	1.5 %	0.6 %	0.3 %	0.1 %

Insurance - Casualty Business

Accident Year	Ultimate Incurred Loss and Allocated Loss Adjustment Expenses, Net of reinsurance Years Ended December 31,										At December 31, 2023	
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023	Total of IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
	(Dollars in millions)											
2014	\$ 431	\$ 457	\$ 454	\$ 460	\$ 397	\$ 398	\$ 399	\$ 398	\$ 400	\$ 399	\$ 21	26,359
2015		519	528	535	542	468	472	472	479	482	25	28,556
2016			552	550	579	613	550	539	542	551	36	33,104
2017				610	601	621	653	629	631	668	74	37,077
2018					702	706	743	756	771	867	139	37,914
2019						849	846	877	887	1,076	211	41,579
2020							994	1,050	1,045	1,035	304	39,785
2021								1,190	1,248	1,258	546	46,257
2022									1,369	1,364	805	47,484
2023										1,567	964	36,849
									\$ 9,266			

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

Accident Year	Cumulative Paid Loss and Allocated Loss Adjustment Expenses, Net of Reinsurance Years Ended December 31,									
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023
(Dollars in millions)										
2014	\$ 41	\$ 125	\$ 202	\$ 257	\$ 298	\$ 326	\$ 339	\$ 351	\$ 360	\$ 368
2015		44	135	219	292	353	382	413	435	448
2016			55	164	269	342	401	443	481	504
2017				54	172	280	379	454	529	571
2018					63	208	317	444	594	696
2019						72	235	397	551	729
2020							67	236	388	556
2021								110	261	483
2022									85	309
2023										98
										\$ 4,762
All outstanding liabilities prior to 2014, net of reinsurance										125
Liabilities for claims and claim adjustment expenses, net of reinsurance										\$ 4,629

(Some amounts may not reconcile due to rounding.)

Years	Average Annual Percentage Payout of Incurred Loss by Age, Net of Reinsurance (unaudited)									
	1	2	3	4	5	6	7	8	9	10
Casualty	7.4 %	16.3 %	16.1 %	14.8 %	14.0 %	9.3 %	6.0 %	3.9 %	2.5 %	2.0 %

Insurance - Property Business

Accident Year	Ultimate Incurred Loss and Allocated Loss Adjustment Expenses, Net of reinsurance Years Ended December 31,										At December 31, 2023	
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023	Total of IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
(Dollars in millions)												
2014	\$ 140	\$ 143	\$ 137	\$ 135	\$ 135	\$ 135	\$ 135	\$ 135	\$ 135	\$ 135	\$ —	N/A
2015		188	171	162	163	164	165	166	168	167	1	N/A
2016			296	292	295	304	309	311	311	314	2	N/A
2017				498	507	498	506	508	520	522	4	N/A
2018					412	408	410	419	438	446	6	N/A
2019						360	367	364	379	395	9	N/A
2020							614	519	514	521	30	N/A
2021								660	595	609	41	N/A
2022									783	806	141	N/A
2023										734	215	N/A
										\$ 4,648		

(Some amounts may not reconcile due to rounding.)

Table of Contents

Cumulative Paid Loss and Allocated Loss Adjustment Expenses, Net of Reinsurance Years Ended December 31,

Accident Year	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)	2017 (unaudited)	2018 (unaudited)	2019 (unaudited)	2020 (unaudited)	2021 (unaudited)	2022 (unaudited)	2023
(Dollars in millions)										
2014	\$ 86	\$ 127	\$ 133	\$ 134	\$ 134	\$ 134	\$ 134	\$ 134	\$ 134	\$ 134
2015		108	153	158	161	163	164	165	166	166
2016			168	259	283	302	308	310	310	311
2017				181	429	465	489	507	516	517
2018					246	364	385	418	433	439
2019						233	325	350	369	378
2020							301	427	467	483
2021								332	488	550
2022									381	576
2023										405
										\$ 3,959
All outstanding liabilities prior to 2014, net of reinsurance										—
Liabilities for claims and claim adjustment expenses, net of reinsurance										690

(Some amounts may not reconcile due to rounding.)

Average Annual Percentage Payout of Incurred Loss by Age, Net of Reinsurance (unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Property	52.5 %	31.6 %	7.1 %	4.6 %	2.5 %	1.2 %	0.2 %	0.2 %	0.1 %	— %

Reserving Methodology

The Company maintains reserves equal to our estimated ultimate liability for losses and loss adjustment expense (LAE) for reported and unreported claims for our insurance and reinsurance businesses. Because reserves are based on estimates of ultimate losses and LAE by underwriting or accident year, the Company uses a variety of statistical and actuarial techniques to monitor reserve adequacy over time, evaluate new information as it becomes known, and adjust reserves whenever an adjustment appears warranted. The Company considers many factors when setting reserves including: (1) exposure base and projected ultimate premium; (2) expected loss ratios by product and class of business, which are developed collaboratively by underwriters and actuaries; (3) actuarial methodologies and assumptions which analyze loss reporting and payment experience, reports from ceding companies and historical trends, such as reserving patterns, loss payments, and product mix; (4) current legal interpretations of coverage and liability; and (5) economic conditions. Management's best estimate is developed through collaboration with actuarial, underwriting, claims, legal and finance departments and culminates with the input of reserve committees. Each segment reserve committee includes the participation of the relevant parties from actuarial, finance, claims and segment senior management and has the responsibility for recommending and approving management's best estimate. Reserves are further reviewed by Everest's Chief Reserving Actuary and senior management. The objective of such process is to determine a single best estimate viewed by management to be the best estimate of its ultimate loss liability. Actual loss and LAE ultimately paid may deviate, perhaps substantially, from such reserves. Net income will be impacted in a period in which the change in estimated ultimate loss and LAE is recorded.

The detailed data required to evaluate ultimate losses for the Company's insurance business is accumulated from its underwriting and claim systems. Reserving for reinsurance requires evaluation of loss information received from ceding companies. Ceding companies report losses in many forms depending on the type of contract and the agreed or contractual reporting requirements. Generally, pro rata contracts require the submission of a monthly/quarterly account, which includes premium and loss activity for the period with corresponding reserves as established by the ceding company. This information is recorded in the Company's records. For certain pro rata contracts, the Company may require a detailed loss report for claims that exceed a certain dollar threshold or relate to a particular type of loss. Excess of loss and facultative contracts generally require individual loss reporting with precautionary notices provided when a loss reaches a significant percentage of the attachment point of the contract or when certain causes of loss or types of injury occur. Experienced Claims staff handle individual loss reports and supporting claim information. Based on evaluation of a claim, the Company may establish additional case reserves in addition to the case reserves reported by the ceding company. To ensure ceding companies are submitting required and accurate data, Everest's Underwriting, Claim, Reinsurance Accounting, and Internal Audit Departments perform various reviews of ceding companies, particularly larger ceding companies, including on-site audits.

[Table of Contents](#)

The Company segments both reinsurance and insurance reserves into exposure groupings for actuarial analysis. The Company assigns business to exposure groupings so that the underlying exposures have reasonably homogeneous loss development characteristics and are large enough to facilitate credible estimation of ultimate losses. The Company periodically reviews its exposure groupings and may change groupings over time as business changes. The Company currently uses approximately 200 exposure groupings to develop reserve estimates. One of the key selection characteristics for the exposure groupings is the historical duration of the claims settlement process. Business in which claims are reported and settled relatively quickly are commonly referred to as short tail lines, principally property lines. Casualty claims tend to take longer to be reported and settled and casualty lines are generally referred to as long tail lines. Estimates of ultimate losses for shorter tail lines, with the exception of loss estimates for large catastrophic events, generally exhibit less volatility than those for the longer tail lines.

The Company uses a variety of actuarial methodologies, such as the expected loss ratio method, chain ladder methods, and Bornhuetter-Ferguson methods, supplemented by judgment where appropriate, to estimate ultimate loss and LAE for each exposure group.

Expected Loss Ratio Method: The expected loss ratio method uses earned premium times an expected loss ratio to calculate ultimate losses for a given underwriting or accident year. This method relies entirely on expectation to project ultimate losses with no consideration given to actual losses. As such, it may be appropriate for an immature underwriting or accident year where few, if any, losses have been reported or paid, but less appropriate for a more mature year.

Chain Ladder Method: Chain ladder methods use a standard loss development triangle to project ultimate losses. Age-to-age development factors are selected for each development period and combined to calculate age-to-ultimate development factors which are then applied to paid or reported losses to project ultimate losses. This method relies entirely on actual paid or reported losses to project ultimate losses. No other factors such as changes in pricing or other expectations are taken into account. It is most appropriate for groups with homogeneous, stable experience where past development patterns are expected to continue in the future. It is least appropriate for groups which have changed significantly over time or which are more volatile.

Bornhuetter-Ferguson Method: The Bornhuetter-Ferguson method is a combination of the expected loss ratio method and the chain ladder method. Ultimate losses are projected based partly on actual paid or reported losses and partly on expectation. Incurred but not reported (IBNR) reserves are calculated using earned premium, an a priori loss ratio, and selected age-to-age development factors and added to actual reported (paid) losses to determine ultimate losses. It is more responsive to actual reported or paid development than the expected loss ratio method but less responsive than the chain ladder method. The reliability of the method depends on the accuracy of the selected a priori loss ratio.

Although the Company uses similar actuarial methods for both short tail and long tail lines, the faster reporting of experience for the short tail lines allows the Company to have greater confidence in its estimates of ultimate losses for short tail lines at an earlier stage than for long tail lines. As a result, the Company utilizes, as well, exposure-based methods to estimate its ultimate losses for longer tail lines, especially for immature underwriting or accident years. For both short and long tail lines, the Company supplements these general approaches with analytically based judgments.

Key actuarial assumptions contain no explicit provisions for reserve uncertainty nor does the Company supplement the actuarially determined reserves for uncertainty.

Carried reserves at each reporting date are the management's best estimate of ultimate unpaid losses and LAE at that date. The Company completes detailed reserve studies for each exposure group annually for both reinsurance and insurance operations. The completed annual reserve studies are "rolled-forward" for each accounting period until the subsequent reserve study is completed. Analyzing the roll-forward process involves comparing actual reported losses to expected losses based on the most recent reserve study. The Company analyzes significant variances between actual and expected losses and post adjustments to its reserves as warranted.

Certain reserves, including losses from widespread catastrophic events and COVID-19 related losses, cannot be estimated using traditional actuarial methods. These types of events are reserved for separately using a variety of statistical and actuarial techniques. We estimate losses for these types of events based on information derived from catastrophe models, quantitative and qualitative exposure analyses, reports and communications from ceding companies and development patterns for historically similar events, where available.

[Table of Contents](#)

The Company continues to receive claims under expired insurance and reinsurance contracts asserting injuries and/or damages relating to or resulting from environmental pollution and hazardous substances, including asbestos. Environmental claims typically assert liability for (a) the mitigation or remediation of environmental contamination or (b) bodily injury or property damage caused by the release of hazardous substances into the land, air or water. Asbestos claims typically assert liability for bodily injury from exposure to asbestos or for property damage resulting from asbestos or products containing asbestos.

The Company’s reserves include an estimate of the Company’s ultimate liability for A&E claims. The Company’s A&E liabilities emanate from Mt. McKinley Insurance Company’s, a former wholly owned subsidiary that was sold in 2015, direct insurance business and Everest Re’s assumed reinsurance business. All of the contracts of insurance and reinsurance, under which the Company has received claims during the past three years, expired more than 20 years ago. There are significant uncertainties surrounding the Company’s reserves for its A&E losses.

A&E exposures represent a separate exposure group for monitoring and evaluating reserve adequacy. The following table summarizes incurred losses with respect to A&E reserves on both a gross and net of reinsurance basis for the periods indicated:

(Dollars in millions)	At December 31,		
	2023	2022	2021
Gross basis:			
Beginning of period reserves	\$ 278	\$ 175	\$ 219
Incurred losses	—	144	11
Paid losses	(31)	(42)	(55)
End of period reserves	\$ 247	\$ 278	\$ 175
Net basis:			
Beginning of period reserves	\$ 257	\$ 156	\$ 198
Incurred losses	—	138	—
Paid losses	(25)	(37)	(42)
End of period reserves	\$ 232	\$ 257	\$ 156

(Some amounts may not reconcile due to rounding.)

In 2015, the Company sold Mt. McKinley to Clearwater Insurance Company, a subsidiary of Fairfax Financial. Concurrently with the closing, the Company entered into a retrocession treaty with an affiliate of Clearwater Insurance Company. Per the retrocession treaty, the Company retroceded 100% of the liabilities associated with certain Mt. McKinley policies, which related entirely to A&E business and had been reinsured by Bermuda Re. As consideration for entering into the retrocession treaty, Everest Re Bermuda transferred cash of \$140 million, an amount equal to the net loss reserves as of the closing date. The maximum liability retroceded under the retrocession treaty will be \$440 million, equal to the retrocession payment plus \$300 million. The Company will retain liability for any amounts exceeding the maximum liability retroceded under the retrocession treaty.

On December 20, 2019, the retrocession treaty was amended and included a partial commutation. As a result of this amendment and partial commutation, gross A&E reserves and correspondingly reinsurance receivable were reduced by \$43 million. In addition, the maximum liability permitted to be retroceded increased to \$450 million.

In 2022, the Company posted additional A&E reserves of \$138 million, following a comprehensive actuarial reserving review. This increase in reserves brings the Company A&E position in line with the overall industry survival ratios.

Reinsurance Recoverables.

Reinsurance recoverables for both paid and unpaid losses totaled \$2.3 billion and \$2.2 billion at December 31, 2023 and December 31, 2022, respectively. At December 31, 2023, \$413 million, or 18.3%, was receivable from Mt. Logan Re collateralized segregated accounts; \$266 million, or 11.8%, was receivable from Munich Reinsurance America, Inc. and \$163 million, or 7.2%, was recoverable from Endurance Reinsurance Corporation of America. No other retrocessionaire accounted for more than 5% of our receivables.

5. REINSURANCE

The Company utilizes reinsurance agreements to reduce its exposure to large claims and catastrophic loss occurrences. These agreements provide for recovery from reinsurers of a portion of losses and LAE under certain circumstances without relieving the Company of its underlying obligations to the policyholders. Losses and LAE incurred and premiums earned are reported after deduction for reinsurance. In the event that one or more of the reinsurers were unable to meet their obligations under these reinsurance agreements, the Company would not realize the full value of the reinsurance recoverable balances. The Company's procedures include carefully selecting its reinsurers, structuring agreements to provide collateral funds where necessary, and regularly monitoring the financial condition and ratings of its reinsurers. Reinsurance recoverables include balances due from reinsurance companies and are presented net of an allowance for uncollectible reinsurance. Reinsurance recoverables include an estimate of the amount of gross losses and loss adjustment expense reserves that may be ceded under the terms of the reinsurance agreements, including incurred but not reported unpaid losses. The Company's estimate of losses and loss adjustment expense reserves ceded to reinsurers is based on assumptions that are consistent with those used in establishing the gross reserves for amounts the Company owes to its claimants. The Company estimates its ceded reinsurance receivable based on the terms of any applicable facultative and treaty reinsurance, including an estimate of how incurred but not reported losses will ultimately be ceded under reinsurance agreements. Accordingly, the Company's estimate of reinsurance recoverables is subject to similar risks and uncertainties as the estimate of the gross reserve for unpaid losses and loss adjustment expenses. The Company may hold partial collateral, including letters of credit and funds held, under these agreements. See also Note 1C, Note 4 and Note 10.

Balances are considered past due when amounts that have been billed are not collected within contractually stipulated time periods, generally 30, 60 or 90 days. To manage reinsurer credit risk, a reinsurance security review committee evaluates the credit standing, financial performance, management and operational quality of each potential reinsurer. In placing reinsurance, the Company considers the nature of the risk reinsured, including the expected liability payout duration, and establishes limits tiered by reinsurer credit rating.

Where its contracts permit, the Company secures future claim obligations with various forms of collateral or other credit enhancement, including irrevocable letters of credit, secured trusts, funds held accounts and group wide offsets.

See Note 1C for discussion of allowance on reinsurance recoverables.

Insurance companies, including reinsurers, are regulated and hold risk-based capital to mitigate the risk of loss due to economic factors and other risks. Non-U.S. reinsurers are either subject to a capital regime substantively equivalent to domestic insurers or we hold collateral to support collection of reinsurance receivable. As a result, there is limited history of losses from insurer defaults.

Premiums written and earned and incurred losses and LAE are comprised of the following for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Written premiums:			
Direct	\$ 5,031	\$ 4,602	\$ 3,988
Assumed	11,606	9,350	9,062
Ceded	(1,907)	(1,608)	(1,604)
Net written premiums	\$ 14,730	\$ 12,344	\$ 11,446
Premiums earned:			
Direct	\$ 4,733	\$ 4,218	\$ 3,589
Assumed	10,518	9,082	8,315
Ceded	(1,807)	(1,513)	(1,498)
Net premiums earned	\$ 13,443	\$ 11,787	\$ 10,406
Incurred losses and LAE:			
Direct	\$ 3,209	\$ 2,804	\$ 2,385
Assumed	5,870	6,285	5,741
Ceded	(651)	(988)	(735)
Net incurred losses and LAE	\$ 8,427	\$ 8,100	\$ 7,391

6. SEGMENT REPORTING

The Company operates through two operating segments. The Reinsurance operation writes worldwide property and casualty reinsurance and specialty lines of business, on both a treaty and facultative basis, through reinsurance brokers, as well as directly with ceding companies. Business is written in the U.S., Bermuda, and Ireland offices, as well as, through branches in Canada, Singapore, the UK and Switzerland. The Insurance operation writes property and casualty insurance directly and through brokers, including for surplus lines, and general agents within the U.S., Bermuda, Canada, Europe, Singapore and South America through its offices in the U.S., Bermuda, Canada, Chile, Singapore, the UK, Ireland, and branches located in the UK, the Netherlands, France, Germany and Spain. The two segments are managed independently, but conform with corporate guidelines with respect to pricing, risk management, control of aggregate catastrophe exposures, capital, investments and support operations.

Our two operating segments each have executive leadership who are responsible for the overall performance of their respective segments and who are directly accountable to our chief operating decision maker (“CODM”), the Chief Executive Officer of Everest Group, Ltd., who is ultimately responsible for reviewing the business to assess performance, make operating decisions and allocate resources. We report the results of our operations consistent with the manner in which our CODM reviews the business.

During the fourth quarter of 2023, the Company revised the classification and presentation of certain products related to its accident and health business within the segment groupings. These products have been realigned from within the Reinsurance segment to the Insurance segment to appropriately reflect how the business segments are managed. These changes have been reflected retrospectively.

The Company does not review and evaluate the financial results of its operating segments based upon balance sheet data. Management generally monitors and evaluates the financial performance of these operating segments based upon their underwriting results. Underwriting results include earned premium less losses and loss adjustment expenses (“LAE”) incurred, commission and brokerage expenses and other underwriting expenses. The Company measures its underwriting results using ratios, in particular, loss, commission and brokerage and other underwriting expense ratios, which, respectively, divide incurred losses, commissions and brokerage and other underwriting expenses by premiums earned. Management has determined that these measures are appropriate and align with how the business is managed. We continue to evaluate our segments as our business evolves and may further refine our segments and financial performance measures.

[Table of Contents](#)

The following tables present the underwriting results for our segments for the periods indicated:

(Dollars in millions)	Year Ended December 31, 2023		
	Reinsurance	Insurance	Total
Gross written premiums	\$ 11,460	\$ 5,177	\$ 16,637
Net written premiums	10,802	3,929	14,730
Premiums earned	\$ 9,799	\$ 3,644	\$ 13,443
Incurred losses and LAE	5,696	2,732	8,427
Commission and brokerage	2,520	432	2,952
Other underwriting expenses	255	591	846
Underwriting gain (loss)	\$ 1,328	\$ (109)	\$ 1,219
Net investment income			1,434
Net gains (losses) on investments			(276)
Corporate expenses			(73)
Interest, fee and bond issue cost amortization expense			(134)
Other income (expense)			(14)
Income (loss) before taxes			\$ 2,154

(Dollars in millions)	Year Ended December 31, 2022		
	Reinsurance	Insurance	Total
Gross written premiums	\$ 9,248	\$ 4,704	\$ 13,952
Net written premiums	8,919	3,426	12,344
Premiums earned	\$ 8,598	\$ 3,189	\$ 11,787
Incurred losses and LAE	5,966	2,134	8,100
Commission and brokerage	2,116	413	2,528
Other underwriting expenses	217	464	682
Underwriting gain (loss)	\$ 300	\$ 178	\$ 477
Net investment income			830
Net gains (losses) on investments			(455)
Corporate expenses			(61)
Interest, fee and bond issue cost amortization expense			(101)
Other income (expense)			(102)
Income (loss) before taxes			\$ 588

[Table of Contents](#)

(Dollars in millions)	Year Ended December 31, 2021		
	Reinsurance	Insurance	Total
Gross written premiums	\$ 9,018	\$ 4,032	\$ 13,050
Net written premiums	8,488	2,958	11,446
Premiums earned	\$ 7,708	\$ 2,698	\$ 10,406
Incurred losses and LAE	5,543	1,848	7,391
Commission and brokerage	1,833	376	2,209
Other underwriting expenses	198	385	583
Underwriting gain (loss)	\$ 135	\$ 89	\$ 224
Net investment income			1,165
Net gains (losses) on investments			258
Corporate expenses			(68)
Interest, fee and bond issue cost amortization expense			(70)
Other income (expense)			37
Income (loss) before taxes			\$ 1,546

The following table below presents gross written premiums by geographic region. Allocations have been made on the basis of location of risk.

	United States	Europe	All other
2023	58 %	24 %	18 %
2022	63 %	22 %	15 %
2021	64 %	20 %	15 %

Approximately 20.4%, 20.0% and 20.5% of the Company's gross written premiums in 2023, 2022 and 2021, respectively, were sourced through the Company's largest intermediary.

7. CREDIT FACILITIES

The Company has multiple active letter of credit facilities for a total commitment of up to \$1.7 billion as of December 31, 2023, providing for the issuance of letters of credit. The Company also has additional uncommitted letter of credit facilities of up to \$240 million which may be accessible via written request and corresponding authorization from the applicable lender. There is no guarantee the uncommitted capacity will be available to us on a future date.

The terms and outstanding amounts for each facility are discussed below. See Note 10 for collateral posted related to secured letters of credit.

Bermuda Re Wells Fargo Bilateral Letter of Credit Facility

Effective February 23, 2021, Bermuda Re entered into a letter of credit issuance facility with Wells Fargo, referred to as the "2021 Bermuda Re Wells Fargo Bilateral Letter of Credit Facility." The Bermuda Re Wells Fargo Bilateral Letter of Credit Facility originally provided for the issuance of up to \$50 million of secured letters of credit. Effective May 5, 2021, the agreement was amended to provide for the issuance of up to \$500 million of secured letters of credit. Effective May 2, 2023, the agreement was amended to extend the availability of committed issuance for an additional year.

[Table of Contents](#)

The following table summarizes the outstanding letters of credit for the periods indicated:

Bank	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Wells Fargo Bank Bilateral LOC Agreement	\$ 500	\$ 97	6/24/2024	\$ 500	\$ 463	12/29/2023
		\$ 71	6/28/2024		\$ —	
		\$ 318	12/31/2024		\$ —	
	\$ 500	\$ 486		\$ 500	\$ 463	

(Some amounts may not reconcile due to rounding.)

Bermuda Re Citibank Letter of Credit Facility

Effective August 9, 2021, Bermuda Re entered into a new letter of credit issuance facility with Citibank N.A. which superseded the previous letter of credit issuance facility with Citibank that was effective December 31, 2020. Both of these are referred to as the “Bermuda Re Citibank Letter of Credit Facility”. The current Bermuda Re Citibank Letter of Credit Facility provides for the committed issuance of up to \$230 million of secured letters of credit. In addition, the facility provided for the uncommitted issuance of up to \$140 million, which may be accessible via written request by the Company and corresponding authorization from Citibank N.A. Effective December 13, 2023, the agreement was amended to extend the availability of committed issuance for an additional two years.

The following table summarizes the outstanding letters of credit for the periods indicated:

Bank	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Bermuda Re Citibank LOC Facility- Committed	\$ 230	\$ —	1/21/2024	\$ 230	\$ 1	01/21/2023
		4	2/29/2024		4	02/28/2023
		1	3/1/2024		1	3/1/2023
		3	9/23/2024		1	8/15/2023
		1	12/1/2024		3	9/23/2023
		—	12/16/2024		—	
		—	12/20/2024		—	
		217	12/31/2024		212	12/31/2023
		1	8/15/2025		—	
Bermuda Re Citibank LOC Facility - Uncommitted	140	105	12/31/2024	140	87	12/31/2023
		7	12/30/2027		18	12/30/2026
Total Citibank Bilateral Agreement	\$ 370	\$ 340		\$ 370	\$ 329	

(Some amounts may not reconcile due to rounding.)

Bermuda Re Bayerische Landesbank Bilateral Secured Credit Facility

Effective August 27, 2021, Bermuda Re entered into a letter of credit issuance facility with Bayerische Landesbank, an agreement referred to as the “Bermuda Re Bayerische Landesbank Bilateral Secured Credit Facility”. The Bermuda Re Bayerische Landesbank Bilateral Secured Credit Facility provides for the committed issuance of up to \$200 million of secured letters of credit.

The following table summarizes the outstanding letters of credit for the periods indicated:

Bank	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Bayerische Landesbank Bilateral Secured Credit Facility	\$ 200	\$ 192	12/31/2024	\$ 200	\$ 183	12/31/2023

(Some amounts may not reconcile due to rounding.)

Bermuda Re Bayerische Landesbank Bilateral Unsecured Letter of Credit Facility

Effective December 30, 2022, Bermuda Re entered into a new additional letter of credit issuance facility with Bayerische Landesbank, New York Branch, referred to as the “Bayerische Landesbank Bilateral Unsecured Letter of Credit Facility”. The Bermuda Re Bayerische Landesbank Bilateral Unsecured Letter of Credit Facility provides for the committed issuance of up to \$150 million of unsecured letters of credit and is fully and unconditionally guaranteed by Group, as Parent Guarantor.

The following table summarizes the outstanding letters of credit for the periods indicated:

Bank	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Bayerische Landesbank Bilateral Unsecured LOC Agreement - Committed	\$ 150	\$ 150	12/31/2024	\$ 150	\$ 150	12/31/2023

(Some amounts may not reconcile due to rounding.)

Bermuda Re Lloyd’s Bank Letter of Credit Facility.

Effective December 27, 2023, Bermuda Re entered into an amended and restated letter of credit issuance facility with Lloyd’s Bank Corporate Markets PLC, to add Ireland Insurance as an account party with access to a \$15 million sub-limit for the issuance of letters of credit, an agreement referred to as the “Bermuda Re Lloyd’s Bank Letter of Credit Facility”, which superseded the previous letter of credit issuance facility with Lloyd’s Bank that was effective August 18, 2023. The Bermuda Re Lloyd’s Bank Letter of Credit Facility provides for the committed issuance of up to \$250 million of unsecured letters of credit and is fully and unconditionally guaranteed by Group, as Parent Guarantor.

The following table summarizes the outstanding letters of credit for the periods indicated:

Bank	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Bermuda Re Lloyd’s Bank Credit Facility-Committed	\$ 250	\$ 235	12/31/2024	\$ 50	\$ 50	12/31/2023
Bermuda Re Lloyd’s Bank Credit Facility-Uncommitted	—	—		\$ 200	\$ 136	12/31/2023
Total Bermuda Re Lloyd’s Bank Credit Facility	\$ 250	\$ 235		\$ 250	\$ 186	

(Some amounts may not reconcile due to rounding.)

Bermuda Re Barclays Credit Facility

Effective November 3, 2021, Bermuda Re entered into a letter of credit issuance facility with Barclays Bank PLC, an agreement referred to as the “Bermuda Re Barclays Credit Facility”. The Bermuda Re Barclays Credit Facility provides for the committed issuance of up to \$200 million of secured letters of credit.

The following table summarizes the outstanding letters of credit for the periods indicated:

Bank	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Bermuda Re Barclays Bilateral Letter of Credit Facility	\$ 200	\$ 168	12/30/2024	\$ 200	\$ 179	12/31/2023
	—	14	12/31/2024	—	—	
Total Bermuda Re Barclays Bilateral Letter of Credit Facility	\$ 200	\$ 182		\$ 200	\$ 179	

(Some amounts may not reconcile due to rounding.)

Bermuda Re Nordea Bank Letter of Credit Facility

Effective November 21, 2022, Bermuda Re entered into a letter of credit issuance facility with Nordea Bank ABP, New York Branch, referred to as the “Nordea Bank Letter of Credit Facility”. The Bermuda Re Nordea Bank Letter of Credit Facility provides for the committed issuance of up to \$200 million of unsecured letters of credit, and subject to credit approval, uncommitted issuance of \$100 million for a maximum total facility amount of \$300 million.

[Table of Contents](#)

The following table summarizes the outstanding letters of credit for the periods indicated:

(Dollars in millions)	At December 31, 2023			At December 31, 2022		
	Commitment	In Use	Date of Expiry	Commitment	In Use	Date of Expiry
Nordea Bank Letter of Credit Facility - Committed	\$ 200	\$ 200	12/31/2024	\$ 200	\$ 50	12/31/2023
Nordea Bank Letter of Credit Facility - Uncommitted	100	100	12/31/2024	100	100	12/31/2023
Total Nordea Bank ABP, NY LOC Facility	\$ 300	\$ 300		\$ 300	\$ 150	

(Some amounts may not reconcile due to rounding.)

Federal Home Loan Bank Membership

Everest Re is a member of the Federal Home Loan Bank of New York (“FHLBNY”), which allows Everest Re to borrow up to 10% of its statutory admitted assets. As of December 31, 2023, Everest Re had admitted assets of approximately \$26.3 billion which provides borrowing capacity in excess of \$2.6 billion. As of December 31, 2023, Everest Re had \$819 million of borrowings outstanding, all of which expire in 2024. Everest Re incurred interest expense of \$30 million and \$4 million for the years ended December 31, 2023 and 2022, respectively. The FHLBNY membership agreement requires that 4.5% of borrowed funds be used to acquire additional membership stock. Additionally, the FHLBNY membership requires that members must have sufficient qualifying collateral pledged. As of December 31, 2023, Everest Re had \$1.1 billion of collateral pledged.

8. SENIOR NOTES

The table below displays Holdings’ outstanding senior notes. Fair value is based on quoted market prices, but due to limited trading activity, these senior notes are considered Level 2 in the fair value hierarchy.

(Dollars in millions)	Date Issued	Date Due	Principal Amounts	December 31, 2023		December 31, 2022	
				Consolidated Balance Sheet Amount	Fair Value	Consolidated Balance Sheet Amount	Fair Value
4.868% Senior notes	6/5/2014	6/1/2044	\$ 400	\$ 398	\$ 369	\$ 397	\$ 343
3.5% Senior notes	10/7/2020	10/15/2050	1,000	981	742	981	677
3.125% Senior notes	10/4/2021	10/15/2052	1,000	970	688	969	627
			\$ 2,400	\$ 2,349	\$ 1,799	\$ 2,347	\$ 1,647

(Some amounts may not reconcile due to rounding.)

Interest expense incurred in connection with these senior notes is as follows for the periods indicated:

(Dollars in millions)	Interest Paid	Payable Dates	Years Ended December 31,		
			2023	2022	2021
4.868% Senior Notes	semi-annually	June 1/December 1	\$ 19	\$ 19	\$ 19
3.5% Senior Notes	semi-annually	April 15/October 15	35	35	35
3.125% Senior Notes	semi-annually	April 15/October 15	32	32	8
			\$ 86	\$ 86	\$ 62

(Some amounts may not reconcile due to rounding.)

9. LONG-TERM SUBORDINATED NOTES

The table below displays Holdings’ outstanding fixed to floating rate long-term subordinated notes. Fair value is based on quoted market prices, but due to limited trading activity, these subordinated notes are considered Level 2 in the fair value hierarchy.

(Dollars in millions)	Date Issued	Original Principal Amount	Maturity Date		December 31, 2023		December 31, 2022	
			Scheduled	Final	Consolidated Balance Sheet Amount	Fair Value	Consolidated Balance Sheet Amount	Fair Value
Long-term subordinated notes	4/26/2007	\$ 400	5/15/2037	5/1/2067	\$ 218	\$ 187	\$ 218	\$ 187

During the fixed rate interest period from May 3, 2007 through May 14, 2017, interest was at the annual rate of 6.6%, payable semi-annually in arrears on November 15 and May 15 of each year, commencing on November 15, 2007. During the floating rate interest period from May 15, 2017 through maturity, interest will be based on the 3 month LIBOR plus 238.5 basis points, reset quarterly, payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, subject to Holdings’ right to defer interest on one or more occasions for up to ten consecutive years. Deferred interest will accumulate interest at the applicable rate compounded quarterly for periods from and including May 15, 2017. The reset quarterly interest rate for November 15, 2023 to February 14, 2024 is 8.03%. Following the cessation of LIBOR, for periods from and including August 15, 2023, interest will be based on 3-month CME Term SOFR plus a spread.

Holdings may redeem the long-term subordinated notes on or after May 15, 2017, in whole or in part at 100% of the principal amount plus accrued and unpaid interest; however, redemption on or after the scheduled maturity date and prior to May 1, 2047 is subject to a replacement capital covenant. This covenant is for the benefit of certain senior note holders and it mandates that Holdings receive proceeds from the sale of another subordinated debt issue, of at least similar size, before it may redeem the subordinated notes. The Company’s 4.868% senior notes due on June 1, 2044, 3.5% senior notes due on October 15, 2050 and 3.125% senior notes due on October 15, 2052 are the Company’s long-term indebtedness that rank senior to the long-term subordinated notes.

In 2009, the Company had reduced its outstanding amount of long-term subordinated notes through the initiation of a cash tender offer for any and all of the long-term subordinated notes. In addition, the Company repurchased and retired \$6 million of the outstanding long-term subordinated notes for the year ended December 31, 2022. The Company realized a gain of \$1 million on the repurchases made during 2022.

Interest expense incurred in connection with these long-term subordinated notes is as follows for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Interest expense incurred	\$ 17	\$ 9	\$ 6

10. COLLATERALIZED REINSURANCE, TRUST AGREEMENTS AND OTHER RESTRICTED ASSETS

The Company maintains certain restricted assets as security for potential future obligations, primarily to support its underwriting operations. The following table summarizes the Company's restricted assets:

(Dollars in millions)	At December 31,	
	2023	2022
Collateral in trust for non-affiliated agreements ⁽¹⁾	\$ 3,208	\$ 2,406
Collateral for secured letter of credit facilities	1,438	1,509
Collateral for FHLB borrowings	1,077	572
Securities on deposit with or regulated by government authorities	1,447	1,360
Funds at Lloyd's	538	494
Funds held by reinsureds	1,135	1,056
Total restricted assets	\$ 8,843	\$ 7,399

(1) At December 31, 2023 and December 31, 2022, the total amount on deposit in trust accounts includes \$243 million and \$122 million of restricted cash respectively.

The Company reinsures some of its catastrophe exposures with the segregated accounts of Mt. Logan Re. Mt. Logan Re is a collateralized insurer registered in Bermuda and 100% of the voting common shares are owned by Group. Each segregated account invests predominantly in a diversified set of catastrophe exposures, diversified by risk/peril and across different geographic regions globally.

The following table summarizes the premiums and losses that are ceded by the Company to Mt. Logan Re segregated accounts and assumed by the Company from Mt. Logan Re segregated accounts.

Mt. Logan Re Segregated Accounts	Years Ended December 31,		
	2023	2022	2021
(Dollars in millions)			
Ceded written premiums	246	201	341
Ceded earned premiums	242	206	333
Ceded losses and LAE	64	191	282
Assumed written premiums	6	5	12
Assumed earned premiums	6	5	12

Effective April 1, 2018, the Company entered into a retroactive reinsurance transaction with one of the Mt. Logan Re segregated accounts to retrocede \$269 million of casualty reserves held by Bermuda Re related to accident years 2002 through 2015. As consideration for entering the agreement, the Company transferred cash of \$252 million to the Mt. Logan Re segregated account. The maximum liability to be retroceded under the agreement will be \$319 million. The Company will retain liability for any amounts exceeding the maximum liability. The Company will retain liability for any amounts exceeding the maximum liability. Effective July 1, 2022, the Company commuted this reinsurance agreement with Mt. Logan segregated account.

The Company entered into various collateralized reinsurance agreements with Kilimanjaro Re Limited ("Kilimanjaro"), a Bermuda-based special purpose reinsurer, to provide the Company with catastrophe reinsurance coverage. These agreements are multi-year reinsurance contracts which cover named storm and earthquake events. The table below summarizes the various agreements.

Table of Contents

(Dollars in millions)

Class	Description	Effective Date	Expiration Date	Limit	Coverage Basis
Series 2019-1 Class A-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	12/12/2019	12/19/2024	150	Occurrence
Series 2019-1 Class B-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	12/12/2019	12/19/2024	275	Aggregate
Series 2021-1 Class A-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/21/2025	150	Occurrence
Series 2021-1 Class B-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/21/2025	85	Aggregate
Series 2021-1 Class C-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/21/2025	85	Aggregate
Series 2021-1 Class A-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/20/2026	150	Occurrence
Series 2021-1 Class B-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/20/2026	90	Aggregate
Series 2021-1 Class C-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/20/2026	90	Aggregate
Series 2022-1 Class A	US, Canada, Puerto Rico – Named Storm and Earthquake Events	6/22/2022	6/25/2025	300	Aggregate
Total available limit as of December 31, 2023				\$ 1,375	

Recoveries under these collateralized reinsurance agreements with Kilimanjaro are primarily dependent on estimated industry level insured losses from covered events, as well as, the geographic location of the events. The estimated industry level of insured losses is obtained from published estimates by an independent recognized authority on insured property losses.

The Company has up to \$350 million of catastrophe bond protection (“CAT Bond”) that attaches at a \$48.1 billion Property Claims Services (“PCS”) Industry loss threshold. This recovery would be recognized on a pro-rata basis up to a \$63.8 billion PCS Industry loss level. As a result of Hurricane Ian, PCS’s current industry estimate of \$48.2 billion issued in February 2024 exceeds the attachment point. The potential recovery under the CAT Bond is not expected to be material. As a result, no portion of the potential CAT bond recovery has been included in the Company’s current financial results.

Kilimanjaro has financed the various property catastrophe reinsurance coverages by issuing catastrophe bonds to unrelated, external investors. The proceeds from the issuance of the catastrophe bonds are held in reinsurance trusts throughout the duration of the applicable reinsurance agreements and invested solely in U.S. government money market funds with a rating of at least “AAA-” by Standard & Poor’s. The catastrophe bonds’ issue date, maturity date and amount correspond to the reinsurance agreements listed above.

11. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the Company is involved in lawsuits, arbitrations and other formal and informal dispute resolution procedures, the outcomes of which will determine the Company’s rights and obligations under insurance and reinsurance agreements. In some disputes, the Company seeks to enforce its rights under an agreement or to collect funds owing to it. In other matters, the Company is resisting attempts by others to collect funds or enforce alleged rights. These disputes arise from time to time and are ultimately resolved through both informal and formal means, including negotiated resolution, arbitration and litigation. In all such matters, the Company believes that its positions are legally and commercially reasonable. The Company considers the statuses of these proceedings when determining its reserves for unpaid loss and loss adjustment expenses.

Aside from litigation and arbitrations related to these insurance and reinsurance agreements, the Company is not a party to any other material litigation or arbitration.

The Company has entered into separate annuity agreements with The Prudential Insurance of America (“The Prudential”), an unaffiliated life insurance company, as well as an additional unaffiliated life insurance company in which the Company has either purchased annuity contracts or become the assignee of annuity proceeds that are meant to settle claim payment obligations in the future. In both instances, the Company would become contingently liable if either The Prudential or the unaffiliated life insurance company was unable to make payments related to the respective annuity contract.

[Table of Contents](#)

The table below presents the estimated cost to replace all such annuities for which the Company was contingently liable for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
The Prudential	\$ 136	\$ 137
Other unaffiliated life insurance company	\$ 34	\$ 34

12. LEASES

The Company enters into lease agreements for real estate that is primarily used for office space in the ordinary course of business. These leases are accounted for as operating leases, whereby lease expense is recognized on a straight-line basis over the term of the lease. Most leases include an option to extend or renew the lease term. The exercise of the renewal is at the Company's discretion. The operating lease liability includes lease payments related to options to extend or renew the lease term if the Company is reasonably certain of exercise those options. The Company, in determining the present value of lease payments utilizes either the rate implicit in the lease if that rate is readily determinable or the Company's incremental secured borrowing rate commensurate with terms of the underlying lease.

Supplemental information related to operating leases is as follows for the periods indicated:

(Dollars in millions)	Year Ended December 31,	
	2023	2022
Lease expense incurred:		
Operating lease cost	\$ 30	\$ 28

(Dollars in millions)	At December 31,	
	2023	2022
Operating lease right of use assets ⁽¹⁾	\$ 123	\$ 128
Operating lease liabilities ⁽¹⁾	143	147

(1) Operating lease right of use assets and operating lease liabilities are included within other assets and other liabilities on the Company's consolidated balance sheets, respectively.

(Dollars in millions)	Year Ended December 31,	
	2023	2022
Operating cash flows from operating leases	\$ (22)	\$ (20)

	At December 31,	
	2023	2022
Weighted average remaining operating lease term	9.8 years	10.8 years
Weighted average discount rate on operating leases	4.03 %	4.08 %

Maturities of the existing lease liabilities are expected to occur as follows:

(Dollars in millions)	
2024	\$ 24
2025	21
2026	19
2027	17
2028	15
Thereafter	83
Undiscounted lease payments	178
Less: present value adjustment	36
Total operating lease liability	\$ 143

13. OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the components of comprehensive income (loss) in the consolidated statements of operations for the periods indicated:

(Dollars in millions)	Years Ended December 31,								
	2023			2022			2021		
	Before Tax	Tax Effect	Net of Tax	Before Tax	Tax Effect	Net of Tax	Before Tax	Tax Effect	Net of Tax
URA(D) on securities - non-credit related	\$ 843	\$ (101)	\$ 743	\$ (2,332)	\$ 295	\$ (2,037)	\$ (548)	\$ 59	\$ (488)
Reclassification of net realized losses (gains) included in net income (loss)	285	(41)	244	107	(18)	89	5	(2)	4
Foreign currency translation adjustments	64	(5)	59	(82)	5	(77)	(64)	2	(62)
Benefit plan actuarial net gain (loss)	19	(4)	15	18	(4)	15	22	(5)	17
Reclassification of benefit plan liability amortization included in net income (loss)	2	—	2	3	(1)	2	8	(2)	6
Total other comprehensive income (loss)	\$ 1,214	\$ (151)	\$ 1,063	\$ (2,285)	\$ 277	\$ (2,008)	\$ (577)	\$ 54	\$ (523)

The following table presents details of the amounts reclassified from AOCI for the periods indicated:

AOCI component	Years Ended December 31,		Affected line item within the statements of operations and comprehensive income (loss)
	2023	2022	
(Dollars in millions)			
URA(D) on securities	\$ 285	\$ 107	Other net realized capital gains (losses)
	(41)	(18)	Income tax expense (benefit)
	\$ 244	\$ 89	Net income (loss)
Benefit plan net gain (loss)	\$ 2	\$ 3	Other underwriting expenses
	—	(1)	Income tax expense (benefit)
	\$ 2	\$ 2	Net income (loss)

The following table presents the components of accumulated other comprehensive income (loss), net of tax, in the consolidated balance sheets for the periods indicated:

(Dollars in millions)	Years Ended December 31,	
	2023	2022
Beginning balance of URA(D) on securities	\$ (1,709)	\$ 239
Current period change in URA(D) of investments - non-credit related	986	(1,948)
Ending balance of URA(D) on securities	(723)	(1,709)
Beginning balance of foreign currency translation adjustments	(254)	(177)
Current period change in foreign currency translation adjustments	59	(77)
Ending balance of foreign currency translation adjustments	(195)	(254)
Beginning balance of benefit plan net gain (loss)	(33)	(50)
Current period change in benefit plan net gain (loss)	17	17
Ending balance of benefit plan net gain (loss)	(16)	(33)
Ending balance of accumulated other comprehensive income (loss)	\$ (934)	\$ (1,996)

(Some amounts may not reconcile due to rounding.)

14. SHARE-BASED COMPENSATION PLANS

The Company has a 2020 Stock Incentive Plan (“2020 Employee Plan”), a 2009 Non-Employee Director Stock Option and Restricted Stock Plan (“2009 Director Plan”) and a 2003 Non-Employee Director Equity Compensation Plan (“2003 Director Plan”).

[Table of Contents](#)

The 2020 Employee Plan was established in June 2020. Under the 2020 Employee Plan, 1,400,000 common shares have been authorized to be granted as non-qualified share options, share appreciation rights, restricted share awards or performance share unit awards to officers and key employees of the Company. At December 31, 2023, there were 783,579 remaining shares available to be granted under the 2020 Employee Plan. Through December 31, 2023, only non-qualified share options, restricted share awards and performance share unit awards had been granted under the employee plans. Under the 2009 Director Plan, 37,439 common shares have been authorized to be granted as share options or restricted share awards to non-employee directors of the Company. At December 31, 2023, there were 34,617 remaining shares available to be granted under the 2009 Director Plan. Under the 2003 Director Plan, 500,000 common shares have been authorized to be granted as share options or share awards to non-employee directors of the Company. At December 31, 2023 there were 271,245 remaining shares available to be granted under the 2003 Director Plan.

Options and restricted shares granted under the 2020 Employee Plan vest at the earliest of 20% per year over five years or in accordance with any applicable employment agreement. Options and restricted shares granted under the 2003 Director Plan generally vest at 33% per year over three years, unless an alternate vesting period is authorized by the Board. Options and restricted shares granted under the 2009 Director Plan will vest as provided in the award agreement. All options are exercisable at fair market value of the stock at the date of grant and expire ten years after the date of grant.

Performance Share Unit awards granted under the 2020 Employee Plan will vest 100% after three years. The Performance Share Unit awards represent the right to receive between 0 and 1.75 shares of stock for each unit awarded depending upon performance in relation to certain metrics. The performance share unit valuation will be based partly on growth in book value per share over the three year vesting period, compared to designated peer companies. The remaining portion of the performance share valuation will be based upon operating return on equity for each of the separate operating years within the vesting period.

For share options, restricted shares and performance share units granted under the 2020 Employee Plan, the 2009 Director Plan and the 2003 Director Plan, share-based compensation expense recognized in the consolidated statements of operations and comprehensive income (loss) was \$49 million, \$45 million and \$43 million for the years ended December 31, 2023, 2022 and 2021, respectively. The corresponding income tax benefit recorded in the consolidated statements of operations and comprehensive income (loss) for share-based compensation was \$7 million, \$4 million and \$8 million for the years ended December 31, 2023, 2022 and 2021, respectively.

For the year ended December 31, 2023, a total of 181,646 restricted shares were granted on February 23, 2023, May 18, 2023, September 8, 2023 and November 8, 2023, with a fair value of \$382.385, \$372.9050, \$369.15 and \$383.2200 per share, respectively. Additionally, 14,975 performance share units were awarded on February 23, 2023, with a fair value of \$382.3850 per unit. No share options were granted during the year ended December 31, 2023. For share options granted during previous years, the fair value per option was calculated on the date of the grant using the Black-Scholes option valuation model.

The Company recognizes, as an increase to additional paid-in capital, a realized income tax benefit from dividends, charged to retained earnings and paid to employees on equity classified non-vested equity shares. In addition, the amount recognized in additional paid-in capital for the realized income tax benefit from dividends on those awards is included in the pool of excess tax benefits available to absorb tax deficiencies on share-based payment awards. For the years ended December 31, 2023, 2022 and 2021, the Company recognized \$0.5 million, \$0.6 million and \$0.6 million, respectively, of additional paid-in capital due to tax benefits from dividends on restricted shares.

[Table of Contents](#)

A summary of the option activity under the Company’s shareholder approved plans as of December 31, 2022 and 2021, and changes during the year then ended is presented in the following tables:

(Aggregate Intrinsic Value in millions; Shares in whole amounts)

Options	Shares	Weighted-Average Exercise Price/Share	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2022	49,028	\$ 88.52		
Granted	—	—		
Exercised	49,028	88.52		
Forfeited/Cancelled/Expired	—	—		
Outstanding at December 31, 2022	—	—	0	\$ —
Exercisable at December 31, 2022	—	—	0	\$ —

(Aggregate Intrinsic Value in millions; Shares in whole amounts)

Options	Shares	Weighted-Average Exercise Price/Share	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2021	116,871	\$ 87.87		
Granted	—	—		
Exercised	67,843	87.39		
Forfeited/Cancelled/Expired	—	—		
Outstanding at December 31, 2021	49,028	88.52	0.2	\$ 9
Exercisable at December 31, 2021	49,028	88.52	0.2	\$ 9

There have been no stock options granted since 2012. As of December 31, 2023, there were no stock options outstanding. Any remaining stock options were exercised in 2022. The aggregate intrinsic value (market price less exercise price) of options exercised during the years ended December 31, 2022 and 2021 was \$10 million and \$11 million, respectively. The cash received from the exercised share options for the years ended December 31, 2022 and 2021 were \$4 million and \$6 million, respectively. The tax benefit realized from the options exercised for the years ended December 31, 2022 and 2021 were \$2 million and \$3 million, respectively.

The following table summarizes the status of the Company’s restricted non-vested shares and changes for the periods indicated:

	Years Ended December 31,					
	2023		2022		2021	
Restricted (non-vested) Shares	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Outstanding at January 1,	479,630	\$ 268.82	496,094	\$ 247.76	483,427	\$ 246.60
Granted	181,646	382.01	203,598	300.38	213,901	243.51
Vested	155,110	261.60	162,579	246.41	158,735	238.67
Forfeited	44,629	297.23	57,483	262.28	42,499	247.02
Outstanding at December 31,	461,537	313.05	479,630	268.82	496,094	247.76

As of December 31, 2023, there was \$108 million of total unrecognized compensation cost related to non-vested share-based compensation expense. That cost is expected to be recognized over a weighted-average period of 3.3 years. The total fair value of shares vested during the years ended December 31, 2023, 2022 and 2021, was \$41 million, \$40 million and \$38 million, respectively. The tax benefit realized from the shares vested for the years ended December 31, 2023, 2022 and 2021 were \$11 million, \$9 million and \$8 million, respectively.

[Table of Contents](#)

In addition to the 2020 Employee Plan, the 2009 Director Plan and the 2003 Director Plan, Group issued 447 common shares in 2023, 774 common shares in 2022 and 506 common shares in 2021 to the Company's non-employee directors as compensation for their service as directors. These issuances had aggregate values of \$0.2 million, \$0.2 million and \$0.1 million in 2023, 2022 and 2021.

The Company acquired 56,832, 69,833 and 79,308 common shares at a cost of \$22 million, \$21 million and \$18 million in 2023, 2022 and 2021, respectively, from employees who chose to pay required withholding taxes and/or the exercise cost on option exercises or restricted share vestings by withholding shares.

The following table summarized the status of the Company's non-vested performance share unit awards and changes for the period indicated:

Performance Share Unit Awards	Years Ended December 31,					
	2023		2022		2021	
	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Outstanding at January 1,	54,861	\$ —	50,495	\$ —	38,891	\$ —
Granted	14,975	382.39	18,340	301.54	22,205	242.24
Increase/(Decrease) on vesting units due to performance	-4,063	—	3,028	—	(800)	—
Vested	14,023	340.44	15,919	274.37	9,801	242.24
Forfeited	750	—	1,083	—	0	—
Outstanding at December 31,	51,000	—	54,861	—	50,495	—

The Company acquired 6,117, 6,175 and 3,104 common shares at a cost of \$2.1 million, \$1.7 million and \$0.8 million in 2023, 2022 and 2021, respectively, from employees who chose to pay required withholding taxes on performance shares units settlements by withholding shares.

15. EMPLOYEE BENEFIT PLANS

Defined Benefit Pension Plans.

The Company maintains both qualified and non-qualified defined benefit pension plans for its U.S. employees employed prior to April 1, 2010. Generally, the Company computes the benefits based on average earnings over a period prescribed by the plans and credited length of service. The Company's non-qualified defined benefit pension plan provided compensating pension benefits for participants whose benefits have been curtailed under the qualified plan due to Internal Revenue Code limitations. Effective January 1, 2018, participants of the Company's non-qualified defined benefit pension plan no longer accrue additional service benefits.

Although not required to make contributions under IRS regulations, the following table summarizes the Company's contributions to the defined benefit pension plans for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Company contributions	\$ 1	\$ 6	\$ 4

The following table summarizes the Company's pension expense for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Pension expense	\$ 5	\$ (2)	\$ 3

[Table of Contents](#)

The following table summarizes the status of these defined benefit plans for U.S. employees for the periods indicated:

(Dollars in millions)	Years Ended December 31,	
	2023	2022
Change in projected benefit obligation:		
Benefit obligation at beginning of year	\$ 291	\$ 403
Service cost	5	9
Interest cost	14	10
Actuarial (gain)/loss	9	(115)
Curtailement	—	—
Benefits paid	(25)	(15)
Projected benefit obligation at end of year	295	291
Change in plan assets:		
Fair value of plan assets at beginning of year	285	377
Actual return on plan assets	48	(83)
Actual contributions during the year	1	6
Administrative expenses paid	—	—
Benefits paid	(25)	(15)
Fair value of plan assets at end of year	308	285
Funded status at end of year	\$ 13	\$ (6)

(Some amounts may not reconcile due to rounding.)

Amounts recognized in the consolidated balance sheets for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Other assets (due beyond one year)	\$ 19	\$ 1
Other liabilities (due within one year)	(3)	(1)
Other liabilities (due beyond one year)	(3)	(6)
Net amount recognized in the consolidated balance sheets	\$ 13	\$ (6)

(Some amounts may not reconcile due to rounding.)

Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income (loss) for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Accumulated income (loss)	\$ (33)	\$ (56)
Accumulated other comprehensive income (loss)	\$ (33)	\$ (56)

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

Other changes in other comprehensive income (loss) for the periods indicated are as follows:

(Dollars in millions)	Years Ended December 31,	
	2023	2022
Other comprehensive income (loss) at December 31, prior year	\$ (56)	\$ (68)
Net gain (loss) arising during period	19	7
Recognition of amortizations in net periodic benefit cost:		
Actuarial loss	4	4
Curtailement loss recognized	—	—
Other comprehensive income (loss) at December 31, current year	\$ (33)	\$ (56)

(Some amounts may not reconcile due to rounding.)

Net periodic benefit cost for U.S. employees included the following components for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Service cost	\$ 5	\$ 9	\$ 11
Interest cost	14	10	8
Expected return on assets	(19)	(25)	(24)
Amortization of actuarial loss from earlier periods	4	4	8
Settlement	—	1	—
Net periodic benefit cost	\$ 5	\$ (2)	\$ 3
Other changes recognized in other comprehensive income (loss):			
Other comprehensive income (loss) attributable to change from prior year	(23)	(12)	
Total recognized in net periodic benefit cost and other comprehensive income (loss)	\$ (18)	\$ (14)	

(Some amounts may not reconcile due to rounding.)

The weighted average discount rates used to determine net periodic benefit cost for 2023, 2022 and 2021 were 5.25%, 2.86% and 2.55%, respectively. The rate of compensation increase used to determine the net periodic benefit cost for 2023, 2022 and 2021 was 4.00%. The expected long-term rate of return on plan assets for 2023, 2022 and 2021 was 7.00%, 6.75% and 7.00% respectively.

The weighted average discount rates used to determine the actuarial present value of the projected benefit obligation for 2023, 2022 and 2021 were 5.00%, 5.25% and 2.86%, respectively.

The following table summarizes the accumulated benefit obligation for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Qualified Plan	\$ 263	\$ 258
Non-qualified Plan	6	6
Total	\$ 269	\$ 264

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

The following table displays the plans with projected benefit obligations in excess of plan assets for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Qualified Plan		
Projected benefit obligation	\$ 289	\$ 284
Fair value of plan assets	308	285
Non-qualified Plan		
Projected benefit obligation	\$ 6	\$ 6
Fair value of plan assets	—	—

The following table displays the plans with accumulated benefit obligations in excess of plan assets for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Qualified Plan		
Accumulated benefit obligation	\$ —	\$ —
Fair value of plan assets	—	—
Non-qualified Plan		
Accumulated benefit obligation	\$ 6	\$ 6
Fair value of plan assets	—	—

The following table displays the expected benefit payments in the periods indicated:

(Dollars in millions)	
2024	\$ 15
2025	14
2026	15
2027	16
2028	17
Next 5 years	99

Plan assets consist primarily of shares in investment trusts with 75%, 24% and 1% of the underlying assets consisting of equity securities, fixed maturities and cash, respectively. The Company manages the qualified plan investments for U.S. employees. The assets in the plan consist of debt and equity mutual funds. Due to the long-term nature of the plan, the target asset allocation has historically been 70% equities and 30% bonds.

[Table of Contents](#)

The following tables present the fair value measurement levels for the qualified plan assets at fair value for the periods indicated:

	Fair Value Measurement Using:			
	December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(Dollars in millions)				
Assets:				
Short-term investments, which approximates fair value (a)	\$ 2	\$ 2	\$ —	\$ —
Mutual funds, fair value				
Fixed income (b)	73	73	—	—
Equities (c)	232	232	—	—
Total	\$ 308	\$ 308	\$ —	\$ —

(Some amounts may not reconcile due to rounding.)

- (a) This category includes high quality, short-term money market instruments, which are issued and payable in U.S. dollars.
- (b) This category includes fixed income funds, which invest in investment grade securities of corporations, governments and government agencies with approximately 90% in U.S. securities and 10% in international securities.
- (c) This category includes funds, which invest in small, mid and multi-cap equity securities including common stocks, securities convertible into common stock and securities with common stock characteristics, such as rights and warrants, with approximately 100% in U.S. equities.

	Fair Value Measurement Using:			
	December 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(Dollars in millions)				
Assets:				
Short-term investments, which approximates fair value (a)	\$ 4	\$ 4	\$ —	\$ —
Mutual funds, fair value				
Fixed income (b)	68	68	—	—
Equities (c)	211	211	—	—
Total	\$ 283	\$ 283	\$ —	\$ —

(Some amounts may not reconcile due to rounding.)

- (a) This category includes high quality, short-term money market instruments, which are issued and payable in U.S. dollars.
- (b) This category includes fixed income funds, which invest in investment grade securities of corporations, governments and government agencies with approximately 70% in U.S. securities and 30% in international securities.
- (c) This category includes funds, which invest in small, mid and multi-cap equity securities including common stocks, securities convertible into common stock and securities with common stock characteristics, such as rights and warrants, with approximately 50% in U.S. equities and 50% in international equities.

In addition, \$2 million of investments which were recorded as part of the qualified plan assets at December 31, 2022 are not included within the fair value hierarchy tables as the assets are valued using the NAV practical expedient guidance within ASU 2015-07.

No contributions were made to the qualified pension benefit plan for the years ended December 31, 2023 and 2022.

Defined Contribution Plans.

The Company also maintains both qualified and non-qualified defined contribution plans (“Savings Plan” and “Non-Qualified Savings Plan”, respectively) covering U.S. employees. Under the plans, the Company contributes up to a maximum 3% of the participants’ compensation based on the contribution percentage of the employee. The Non-Qualified Savings Plan provides compensating savings plan benefits for participants whose benefits have been curtailed under the Savings Plan due to Internal Revenue Code limitations. In addition, effective for new hires (and rehires) on or after April 1, 2010, the Company will contribute between 3% and 8% of an employee’s earnings for each payroll period based on the employee’s age. These contributions will be 100% vested after three years. The Company incurred expenses related to these plans of \$22 million, \$18 million and \$15 million for the years ended December 31, 2023, 2022 and 2021, respectively.

[Table of Contents](#)

In addition, the Company maintains several defined contribution pension plans covering non-U.S. employees. Each international office maintains a separate plan for the non-U.S. employees working in that location. The Company contributes various amounts based on salary, age and/or years of service. In the current year, the contributions as a percentage of salary for the international offices ranged from 5.1% to 29.3%. The contributions are generally used to purchase pension benefits from local insurance providers. The Company incurred expenses related to these plans of \$6 million, \$4 million and \$3 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Post-Retirement Plan.

The Company sponsors a Retiree Health Plan for employees employed prior to April 1, 2010. This plan provides healthcare benefits for eligible retired employees (and their eligible dependents), who have elected coverage. The Company anticipates that most covered employees will become eligible for these benefits if they retire while working for the Company. The cost of these benefits is shared with the retiree. The Company accrues the post-retirement benefit expense during the period of the employee's service. A medical cost trend rate of 6.75% in 2023 was assumed to decrease gradually to 4.75% in 2030 and then remain at that level. The Company incurred expenses of \$(1) million, \$1 million and \$1 million for the years ended December 31, 2023, 2022 and 2021, respectively.

The following table summarizes the status of this plan for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Change in projected benefit obligation:		
Benefit obligation at beginning of year	\$ 21	\$ 31
Service cost	1	1
Interest cost	1	1
Amendments	—	—
Actuarial (gain)/loss	(1)	(10)
Benefits paid	—	—
Benefit obligation at end of year	22	21
Change in plan assets:		
Fair value of plan assets at beginning of year	—	—
Employer contributions	—	—
Benefits paid	—	—
Fair value of plan assets at end of year	—	—
Funded status at end of year	\$ (22)	\$ (21)

Amounts recognized in the consolidated balance sheets for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Other liabilities (due within one year)	\$ (1)	\$ (1)
Other liabilities (due beyond one year)	(21)	(21)
Net amount recognized in the consolidated balance sheets	\$ (22)	\$ (21)

(Some amounts may not reconcile due to rounding.)

Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income (loss) for the periods indicated:

(Dollars in millions)	At December 31,	
	2023	2022
Accumulated income (loss)	\$ 11	\$ 13
Accumulated prior service credit (cost)	1	1
Accumulated other comprehensive income (loss)	\$ 12	\$ 14

[Table of Contents](#)

Other changes in other comprehensive income (loss) for the periods indicated are as follows:

(Dollars in millions)	Years Ended December 31,	
	2023	2022
Other comprehensive income (loss) at December 31, prior year	\$ 14	\$ 4
Net gain (loss) arising during period	1	10
Prior Service credit (cost) arising during period	—	—
Recognition of amortizations in net periodic benefit cost:		
Actuarial loss (gain)	(2)	—
Prior service cost	—	—
Other comprehensive income (loss) at December 31, current year	\$ 12	\$ 14

Net periodic benefit cost included the following components for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Service cost	\$ 1	\$ 1	\$ 1
Interest cost	1	1	1
Prior service credit recognition	—	—	(1)
Net gain recognition	(2)	—	—
Net periodic cost	\$ (1)	\$ 1	\$ 1
Other changes recognized in other comprehensive income (loss):			
Other comprehensive gain (loss) attributable to change from prior year	2	(10)	
Total recognized in net periodic benefit cost and other comprehensive income (loss)	\$ 1	\$ (9)	

(Some amounts may not reconcile due to rounding.)

The weighted average discount rates used to determine net periodic benefit cost for 2023, 2022 and 2021 were 5.25%, 2.86% and 2.55%, respectively.

The weighted average discount rates used to determine the actuarial present value of the projected benefit obligation at year end 2023, 2022 and 2021 were 5.00%, 5.25% and 2.86%, respectively.

The following table displays the expected benefit payments in the years indicated:

(Dollars in millions)	
2024	\$ 1
2025	1
2026	1
2027	1
2028	1
Next 5 years	7

16. INCOME TAXES

With the assent of the governor on December 27, 2023, the Bermuda Corporate Income Tax Act of 2023 (“The 2023 Act”) became law. Beginning in 2025, a 15% corporate income tax will be applicable to Bermuda businesses that are part of multinational enterprise groups with annual revenue of €750M or more. Group’s Bermuda entities will be subject to the new corporate income tax. The Company has evaluated The 2023 Act and has recorded \$578 million of net deferred income tax benefits in 2023 related to it. The net deferred income tax benefits relate primarily to a default provision in the law which allows for what is called an “Economic Transition Adjustment” (“ETA”). The ETA allows companies to establish deferred tax assets or liabilities related to the revaluation of intangible assets, excluding goodwill, and their

[Table of Contents](#)

other assets and liabilities, based on fair value as of September 30, 2023. The deferred tax assets or liabilities are then amortized in accordance with The 2023 Act.

All of the income of Group's non-Bermuda subsidiaries is subject to the applicable federal, foreign, state, and local taxes on corporations. Additionally, the income of the foreign branches of the Company's insurance operating companies is subject to various rates of income tax. Group's U.S. subsidiaries conduct business in and are subject to taxation in the U.S. Should the U.S. subsidiaries distribute current or accumulated earnings and profits in the form of dividends or otherwise, the Company would be subject to an accrual of 5% U.S. withholding tax. Currently, however, no withholding tax has been accrued with respect to such un-remitted earnings as management has no intention of remitting them. The cumulative amount that would be subject to withholding tax, if distributed, is not practicable to compute. The provision for income taxes in the consolidated statement of operations and comprehensive income (loss) has been determined in accordance with the individual income of each entity and the respective applicable tax laws. The provision reflects the permanent differences between financial and taxable income relevant to each entity.

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA") was enacted. We have evaluated the tax provisions of the IRA, the most significant of which are the corporate alternative minimum tax and the share repurchase excise tax and do not expect the legislation to have a material impact on our results of operations.

The significant components of the provision are as follows for the periods indicated:

(Dollars in millions)	Years Ended December 31,		
	2023	2022	2021
Current tax expense (benefit):			
U.S.	\$ 284	\$ 76	\$ 124
Non-U.S.	7	5	2
Total current tax expense (benefit)	291	81	126
Deferred tax expense (benefit):			
U.S.	(76)	(90)	38
Non-U.S.	(578)	—	3
Total deferred tax expense (benefit)	(654)	(90)	41
Total income tax expense (benefit)	\$ (363)	\$ (9)	\$ 167

(Some amounts may not reconcile due to rounding.)

[Table of Contents](#)

The weighted average expected tax provision has been calculated using the pre-tax income (loss) in each jurisdiction multiplied by that jurisdiction's applicable statutory tax rate. Reconciliation of the difference between the provision for income taxes and the expected tax provision at the weighted average tax rate for the periods indicated is provided below:

(Dollars in millions)	Years Ended December 31,					
	2023		2022		2021	
	U.S.	Non-U.S.	U.S.	Non-U.S.	U.S.	Non-U.S.
Underwriting gain (loss)	\$ 533	\$ 686	\$ (81)	\$ 558	\$ (83)	\$ 307
Net investment income	954	479	607	223	708	457
Net realized capital gains (losses)	(190)	(86)	(426)	(29)	266	(8)
Net derivative gain (loss)	—	1	—	—	—	3
Corporate expenses	(18)	(55)	(26)	(35)	(33)	(34)
Interest, fee and bond issue cost amortization expense	(134)	—	(101)	—	(70)	—
Other income (expense)	(13)	(3)	(6)	(96)	23	11
Pre-tax income (loss)	\$ 1,132	\$ 1,022	\$ (32)	\$ 620	\$ 811	\$ 735
Expected tax provision at the applicable statutory rate(s)	238	26	(9)	—	170	14
Increase (decrease) in taxes resulting from:						
Tax exempt income	(3)	—	(4)	—	(4)	—
Dividend received deduction	(2)	—	(3)	—	(1)	—
Proration	1	—	1	—	1	—
Affiliated preferred stock dividends	7	—	7	—	7	—
Creditable foreign premium tax	(14)	—	(11)	—	(13)	—
Tax audit settlement	—	—	—	—	—	—
Share-based compensation tax benefits formerly in APIC	(3)	—	(3)	—	(2)	—
Valuation allowance	—	(13)	—	5	—	(10)
Bermuda corporate income tax	—	(578)	—	5	—	—
Insurance company-owned life insurance	(13)	—	(1)	—	—	—
Other	(3)	(6)	6	—	3	1
Total income tax provision	\$ 208	\$ (571)	\$ (14)	\$ 5	\$ 161	\$ 5

(Some amounts may not reconcile due to rounding.)

At December 31, 2023, 2022 and 2021, the Company had no uncertain tax positions.

The Company's 2014 through 2018 U.S. Federal tax returns are under audit by the IRS. Over several years, the Company had received and responded to a substantial number of Information Document Requests ("IDRs"). In 2023, the IRS issued several insignificant Notice(s) of Proposed Adjustment. The Company had filed amended tax returns requesting refunds for 2015 and 2016 for \$2 million and \$5 million, respectively.

In the fall of 2023, the IRS issued a final Revenue Agent Report ("RAR") which is under review by the Company. We have asked for and received an extension from the IRS to complete our review. Note that the IRS requested, and we have signed, an extension of the audit to June 30, 2025.

For tax year 2019, the Statute of Limitations has expired and, thus, the Federal income tax return for the year is no longer subject to IRS examination except to the extent the Company files an amended return.

Tax years 2020, 2021 and 2022 are open for examination by the U.S. Federal income tax jurisdiction.

[Table of Contents](#)

Deferred Income taxes reflect the tax effect of the temporary differences between the value of assets and liabilities for financial statement purposes and such values are measured by the U.S. tax laws and regulations. The principal items making up the net deferred income tax assets/(liabilities) are as follows for the periods indicated:

(Dollars in millions)	Years Ended December 31,	
	2023	2022
Deferred tax assets:		
Bermuda intangible asset	\$ 536	\$ —
Loss reserves	270	154
Unearned premium reserves	143	114
Net unrealized investment losses	67	218
Depreciation	44	—
Lease liability	27	29
Net operating loss carryforward	18	28
Net Unrealized foreign currency losses	15	24
Investment impairments	12	12
Equity compensation	8	8
Net unrealized losses on benefit plans	4	9
Uncollectible reinsurance reserves	3	3
Foreign tax credits	—	3
Other assets	22	10
Total deferred tax assets	1,169	611
Deferred tax liabilities:		
Deferred acquisition costs	139	105
Net fair value income	74	7
Partnership investments	49	56
Right of use asset	23	25
Benefit plan asset	3	3
Depreciation	—	16
Other liabilities	11	8
Total deferred tax liabilities	299	220
Net deferred tax assets	870	392
Less: Valuation allowance	(15)	(25)
Total net deferred tax assets/(liabilities)	\$ 855	\$ 367

(Some amounts may not reconcile due to rounding.)

At December 31, 2023 and 2022, the Company had \$15 million and \$25 million of Valuation Allowance (“VA”), respectively. The VA is a result of our conclusion under US GAAP accounting principles that the UK, Netherlands, Ireland, Switzerland, France, Germany, Singapore, Mexico, and U.S. jurisdictions could not demonstrate that it was more likely than not that the related deferred tax assets will be realized. This was primarily due to factors such as cumulative operating losses in recent years, cumulative capital losses and, therefore, an inability to demonstrate overall profitability within the specific jurisdiction. During the year ended December 31, 2023, the Company recorded an overall decrease in its VA of \$10 million. Tax effected UK Net Operating Losses (“NOLs”) of \$7 million do not expire. Tax effected Irish NOLs of \$2 million do not expire. Tax effected Swiss NOLs of \$2 million begin to expire in 2028. The remaining tax effected NOLs of \$7 million arose in various jurisdictions and begin expiring in 2027. Note that not all NOLs had a VA up against them.

At December 31, 2023, and 2022, the Company had \$0 million and \$3 million respectively of foreign tax credit (“FTC”) carryforwards, all related to the branch basket. The branch basket FTCs begin to expire in 2030.

At December 31, 2023, \$67 million of the Company’s deferred tax asset relates primarily to unrealized losses on available for sale fixed maturity securities. The unrealized losses on available for sale fixed maturity securities were a result of market conditions, including rising interest rates. Ultimate realization of the deferred tax asset depends on the Company’s ability and intent to hold the available for sale securities until they recover their value or mature. As of

December 31, 2023, based on all the available evidence, the Company has concluded that the deferred tax asset related to the unrealized losses on the available for sale fixed maturity portfolio are, more likely than not, expected to be realized.

The Company follows ASU 2016-09 regarding the treatment of the tax effects of share-based compensation transactions. ASU 2016-09 required that the income tax effects of restricted stock vestings and stock option exercises resulting from the change in value of share-based compensation awards between the grant date and settlement (vesting/exercise) date be recorded as part of income tax expense (benefit) within the consolidated statements of operations and comprehensive income (loss). Per ASU 2016-09, the Company recorded excess tax benefits of \$2 million, \$2 million and \$2 million related to restricted stock vestings and stock option exercises as part of income tax expense (benefit) within the consolidated statements of operations and comprehensive income (loss) in 2023, 2022 and, 2021, respectively.

ASU 2016-09 does not impact the accounting treatment of tax benefits related to dividends on restricted stock. The tax benefits related to the payment of dividends on restricted stock have been recorded as part of additional paid-in capital in the shareholders' equity section of the consolidated balance sheets in all years. The tax benefits related to the payment of dividends on restricted stock were \$0.6 million, \$0.6 million and \$0.6 million in 2023, 2022 and 2021, respectively.

17. DIVIDEND RESTRICTIONS AND STATUTORY FINANCIAL INFORMATION

Group and its operating subsidiaries are subject to various regulatory restrictions, including the amount of dividends that may be paid and the level of capital that the operating entities must maintain. These regulatory restrictions are based upon statutory capital as opposed to GAAP basis equity or net assets. Group and one of its primary operating subsidiaries, Bermuda Re, are regulated by Bermuda law and its other primary operating subsidiary, Everest Re, is regulated by Delaware law. Bermuda Re is subject to the Bermuda Solvency Capital Requirement ("BSCR") administered by the Bermuda Monetary Authority ("BMA") and Everest Re is subject to the RBC developed by the NAIC. These models represent the aggregate regulatory restrictions on net assets and statutory capital and surplus.

Dividend Restrictions.

Under Bermuda law, Group is prohibited from declaring or paying a dividend if such payment would reduce the realizable value of its assets to an amount less than the aggregate value of its liabilities and its issued share capital and share premium (additional paid-in capital) accounts. Group's ability to pay dividends and its operating expenses is dependent upon dividends from its subsidiaries.

Under Bermuda law, Bermuda Re is prohibited from declaring or making payment of a dividend if it fails to meet its minimum solvency margin or minimum liquidity ratio. As a long-term insurer, Bermuda Re is also unable to declare or pay a dividend to anyone who is not a policyholder unless, after payment of the dividend, the value of the assets in their long-term business fund, as certified by their approved actuary, exceeds their liabilities for long term business by at least the \$0.3 million minimum solvency margin.

Prior approval of the BMA is required if Bermuda Re's dividend payments would exceed 25% of their prior year-end total statutory capital and surplus.

Bermuda Re prepares its statutory financial statements in conformity with the accounting principles set forth in Bermuda in The Insurance Act 1978, amendments thereto and related regulations. The statutory capital and surplus of Bermuda Re was \$3.7 billion and \$2.8 billion at December 31, 2023 and 2022, respectively. The statutory net income of Bermuda Re was \$1.5 billion, \$603 million and \$681 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Delaware law provides that an insurance company which is a member of an insurance holding company system and is domiciled in the state shall not pay dividends without giving prior notice to the Insurance Commissioner of Delaware and may not pay dividends without the approval of the Insurance Commissioner if the value of the proposed dividend, together with all other dividends and distributions made in the preceding twelve months, exceeds the greater of (1) 10% of statutory surplus or (2) net income, not including realized capital gains, each as reported in the prior year's statutory annual statement. In addition, no dividend may be paid in excess of unassigned earned surplus. Accordingly, as of December 31, 2023, the maximum amount that will be available for the payment of dividends by Everest Re without triggering the requirement for prior approval of regulatory authorities in connection with a dividend is \$877 million.

Statutory Financial Information.

Everest Re prepares its statutory financial statements in accordance with accounting practices prescribed or permitted by the NAIC and the Delaware Insurance Department. Prescribed statutory accounting practices are set forth in the NAIC Accounting Practices and Procedures Manual. The capital and statutory surplus of Everest Re was \$7.0 billion and \$5.6 billion at December 31, 2023 and 2022, respectively. The statutory net income of Everest Re was \$877 million, \$294 million and \$336 million for the years ended December 31, 2023, 2022 and 2021.

There are certain regulatory and contractual restrictions on the ability of Holdings’ operating subsidiaries to transfer funds to Holdings in the form of cash dividends, loans or advances. The insurance laws of the State of Delaware, where Holdings’ direct insurance subsidiaries are domiciled, require regulatory approval before those subsidiaries can pay dividends or make loans or advances to Holdings that exceed certain statutory thresholds.

Capital Restrictions.

In Bermuda, Bermuda Re is subject to the BSCR administered by the BMA. No regulatory action is taken if an insurer’s capital and surplus is equal to or in excess of their enhanced capital requirement determined by the BSCR model. In addition, the BMA has established a target capital level for each insurer, which is 120% of the enhanced capital requirement.

In the United States, Everest Re is subject to the RBC developed by the NAIC which determines an authorized control level risk-based capital. As long as the total adjusted capital is 200% or more of the authorized control level capital, no action is required by the Company.

The regulatory targeted capital and the actual statutory capital for Bermuda Re and Everest Re were as follows:

(Dollars in millions)	Bermuda Re ⁽¹⁾		Everest Re ⁽²⁾	
	At December 31,		At December 31,	
	2023 ⁽³⁾	2022	2023	2022
Regulatory targeted capital	\$ —	\$ 2,217	\$ 4,242	\$ 3,353
Actual capital	\$ 3,722	\$ 2,759	\$ 6,963	\$ 5,553

- (1) Regulatory targeted capital represents the target capital level from the applicable year’s BSCR calculation.
- (2) Regulatory targeted capital represents 200% of the RBC authorized control level calculation for the applicable year.
- (3) The 2023 BSCR calculation is not yet due to be completed; however, the Company anticipates that Bermuda Re’s December 31, 2023 actual capital will exceed the targeted capital level. In accordance with guidance issued by the BMA in February 2024, Bermuda Re has not reflected the impacts of the Economic Transition Adjustment recognized in response to the Bermuda Corporate Income Tax Act of 2023 (“the 2023 Act”) in its 2023 regulatory targeted capital or actual capital. The BMA expects to complete its assessment before the 2023 Act becomes effective and to issue directives within a timeline that will be compatible with the 2023 Act coming into effect.

18. SUBSEQUENT EVENTS

The Company has evaluated known recognized and non-recognized subsequent events. The Company does not have any subsequent events to report

SCHEDULE I — SUMMARY OF INVESTMENTS —
OTHER THAN INVESTMENTS IN RELATED PARTIES
December 31, 2023

Column A	Column B	Column C	Column D
(Dollars in millions)	Cost	Market Value	Amount Shown in Balance Sheet
Fixed maturities - available for sale			
Bonds:			
U.S. government and government agencies	\$ 1,045	\$ 996	\$ 996
State, municipalities and political subdivisions	138	128	128
Foreign government securities	2,042	1,967	1,967
Foreign corporate securities	5,720	5,540	5,540
Public utilities	554	528	528
All other corporate bonds	12,204	12,016	12,016
Mortgage - backed securities:			
Commercial	1,091	1,000	1,000
Agency residential	4,869	4,695	4,695
Non-agency residential	431	443	443
Redeemable preferred stock	474	427	427
Total fixed maturities-available for sale	28,568	27,740	27,740
Fixed maturities - held to maturity			
Bonds:			
Foreign corporate securities	84	90	83
Public utilities	4	5	4
All other corporate bonds	754	738	747
Mortgage - backed securities:			
Commercial	21	21	21
Total fixed maturities-held to maturity	864	854	855
Equity securities - at fair value ⁽¹⁾	190	188	188
Short-term investments	2,127	2,127	2,127
Other invested assets	4,794	4,794	4,794
Cash	1,437	1,437	1,437
Total investments and cash	\$ 37,980	\$ 37,141	\$ 37,142

(Some amounts may not reconcile due to rounding.)

⁽¹⁾ Original cost does not reflect fair value adjustments, which have been realized through the statements of operations and comprehensive income (loss).

[Table of Contents](#)

SCHEDULE II — CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT
CONDENSED BALANCE SHEETS

	December 31,	
	2023	2022
(Dollars and share amounts in millions, except par value per share)		
ASSETS:		
Fixed maturities - available for sale (amortized cost: 2023, \$0; 2022, \$0)	\$ —	\$ —
Other invested assets (cost: 2023, \$38; 2022, \$0)	38	—
Cash	9	22
Investment in subsidiaries, at equity in the underlying net assets	14,832	11,116
Long-term notes receivable, affiliated	50	—
Accrued investment income	2	—
Receivable from subsidiaries	13	11
Other assets	46	43
TOTAL ASSETS	\$ 14,989	\$ 11,192
LIABILITIES:		
Long-term notes payable, affiliated	\$ 1,773	\$ 2,738
Due to subsidiaries	8	4
Other liabilities	6	9
Total liabilities	1,787	2,751
SHAREHOLDERS' EQUITY:		
Preferred shares, par value: \$0.01; 50.0 shares authorized; no shares issued and outstanding	—	—
Common shares, par value: \$0.01; 200.0 shares authorized; (2023) 74.2 and (2022) 69.9 outstanding before treasury shares	1	1
Additional paid-in capital	3,773	2,302
Accumulated other comprehensive income (loss), net of deferred income tax expense (benefit) of (\$99) at 2023 and \$(250) at 2022	(934)	(1,996)
Treasury shares, at cost; 30.8 shares (2023) and 30.8 shares (2022)	(3,908)	(3,908)
Retained earnings	14,270	12,042
Total shareholders' equity	13,202	8,441
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 14,989	\$ 11,192

(Some amounts may not reconcile due to rounding.)

See notes to consolidated financial statements.

SCHEDULE II — CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT
CONDENSED STATEMENTS OF OPERATIONS

	Years Ended December 31,		
	2023	2022	2021
(Dollars in millions)			
REVENUES:			
Net investment income	\$ 4	\$ —	\$ —
Other income (expense)	8	—	—
Net income (loss) of subsidiaries	2,641	648	1,416
Total revenues	2,653	648	1,416
EXPENSES:			
Interest expense - affiliated	87	13	6
Other expenses	49	38	31
Total expenses	136	51	37
INCOME (LOSS) BEFORE TAXES	2,517	597	1,379
NET INCOME (LOSS)	\$ 2,517	\$ 597	\$ 1,379
Other comprehensive income (loss) of subsidiaries, net of tax	1,063	(2,008)	(523)
COMPREHENSIVE INCOME (LOSS)	\$ 3,580	\$ (1,411)	\$ 856

(Some amounts may not reconcile due to rounding.)

See notes to consolidated financial statements.

SCHEDULE II — CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT
CONDENSED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2023	2022	2021
<small>(Dollars in millions, except share amounts)</small>			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	\$ 2,517	\$ 597	\$ 1,379
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in retained (earnings) deficit of subsidiaries	(2,641)	(648)	(1,416)
Cash dividends received from subsidiaries	365	476	320
Change in other assets and liabilities, net	(8)	28	3
Increase (decrease) in due to/from affiliates	2	2	8
Amortization of bond premium (accrual of bond discount)	—	—	—
Net (gains) losses on investments	—	—	—
Non-cash compensation expense	3	2	2
Net cash provided by (used in) operating activities	<u>238</u>	<u>457</u>	<u>296</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additional investment in subsidiaries	(377)	(824)	(120)
Proceeds from fixed maturities matured/called - available for sale	—	—	—
Proceeds from fixed maturities sold - available for sale	23	—	—
Distribution from other invested assets	441	237	607
Cost of fixed maturities acquired - available for sale	(23)	—	—
Cost of other invested assets acquired	(479)	(26)	(535)
Net change in short-term investments	—	—	—
Proceeds from repayment of long term notes receivable - affiliated	50	—	—
(Issuance) of long term notes receivable - affiliated	(100)	—	—
Net cash provided by (used in) investing activities	<u>(465)</u>	<u>(613)</u>	<u>(48)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Common shares issued during the period, net	23	26	27
Proceeds from public offering of common shares	1,445	—	—
Purchase of treasury shares	—	(61)	(225)
Dividends paid to shareholders	(288)	(255)	(247)
Proceeds from issuance (cost of repayment) of long term notes payable - affiliated	(965)	465	200
Net cash provided by (used in) financing activities	<u>215</u>	<u>175</u>	<u>(245)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH			
	<u>—</u>	<u>—</u>	<u>—</u>
Net increase (decrease) in cash	(13)	19	2
Cash, beginning of period	22	3	1
Cash, end of period	<u>\$ 9</u>	<u>\$ 22</u>	<u>\$ 3</u>
Non-Cash Transactions:			
Dividend of 4,297,463 shares of Everest Group, Ltd. ("Group") common stock received by Group from Everest Preferred International Holdings ("Preferred Holdings"), a direct subsidiary	\$ —	\$ 1,405	\$ —
Issuance of \$1,773 million promissory note payable by Group to Preferred Holdings in exchange for 5,422,508 shares of Group common stock received by Group from Preferred Holdings	—	1,773	—
Capital contribution of 9,719,971 shares of Group common stock provided from Group to Everest Re Advisors, Ltd.	—	3,178	—

(Some amounts may not reconcile due to rounding.)

See notes to consolidated financial statements.

SCHEDULE II - CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT
NOTES TO CONDENSED FINANCIAL INFORMATION

- 1.) The accompanying condensed financial information should be read in conjunction with the consolidated financial statements and related notes of Everest Group, Ltd. and its subsidiaries.
- 2.) Everest Group, Ltd. entered into a \$300 million long-term note agreement with Everest Reinsurance Company, an affiliated company, as of December, 2019. The note was scheduled to pay interest annually at a rate of 1.69% and was scheduled to mature in December 2028. However, the note was paid off in full in May 2023 and is no longer outstanding as of December 31, 2023. At December 31, 2022, this transaction was included within long-term notes payable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 3.) Everest Group, Ltd. entered into a \$200 million long-term note agreement with Everest Reinsurance Company, an affiliated company, as of August 2021. The note was scheduled to pay interest annually at a rate of 1.00% and was scheduled to mature in August 2030. However, the note was paid off in full in May 2023 and is no longer outstanding as of December 31, 2023. At December 31, 2022, this transaction was included within long-term notes payable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 4.) Everest Group, Ltd. entered into a \$215 million long-term-note agreement with Everest Reinsurance Holdings, Inc., an affiliated company, as of June 2022. The note was scheduled to pay interest annually at a rate of 3.11% and was scheduled to mature in June 2052. However, the note was paid off in full in May 2023 and is no longer outstanding as of December 31, 2023. At December 31, 2022, this transaction was included within long-term notes payable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 5.) Everest Group, Ltd. entered into a \$125 million long-term note agreement with Everest Reinsurance Holdings, Inc., an affiliated company, as of December 2022. The note was scheduled to pay interest annually at a rate of 4.34% and was scheduled to mature in June 2052. However, the note was paid off in full in May 2023 and is no longer outstanding as of December 31, 2023. At December 31, 2022, this transaction was included within long-term notes payable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 6.) Everest Group, Ltd. entered into a \$125 million long-term note agreement with Everest International Reinsurance, an affiliated company, as of December 2022. The note was scheduled to pay interest annually at a rate of 4.34% and was scheduled to mature in December 2052. However, the note was paid off in full in May 2023 and is no longer outstanding as of December 31, 2023. At December 31, 2022, this transaction was included within long-term notes payable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 7.) Everest Group, Ltd. entered into a \$1.8 billion long-term note agreement with Everest Preferred International Holdings, an affiliated company, as of December 2022. The note will pay interest annually at a rate of 4.34% and is scheduled to mature in December 2052. At December 31, 2023, this transaction was included within long-term notes payable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 8.) Everest Group, Ltd. issued a \$100 million long-term note agreement to Everest Reinsurance Bermuda, an affiliated company, as of May 2023. The note will pay interest annually at a rate of 3.72% and is scheduled to mature in May 2053. Everest Reinsurance Bermuda repaid \$50 million to Everest Group, Ltd. in September 2023 which leaves \$50 million outstanding as of December 31, 2023. At December 31, 2023, this transaction was included within long-term notes receivable, affiliated in the condensed balance sheets of Everest Group, Ltd.
- 9.) Everest Group, Ltd. has invested funds in the segregated accounts of Mt. Logan Re, Ltd. (“Mt. Logan Re”), an affiliated entity. On the condensed balance sheets, investments in Mt. Logan Re valued at \$46 million and \$65 million as of December 31, 2023 and 2022, respectively, have been recorded within other assets. On the condensed statements of operations, income (expense) of \$8.5 million, \$(0.9) million and \$(1.3) million for the years ended December 31, 2023, 2022 and 2021, respectively, have been recorded in other income (expense).

SCHEDULE III — SUPPLEMENTARY INSURANCE INFORMATION

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J
Segment	Deferred Acquisition Costs	Reserve for Losses and Loss Adjustment Expenses	Unearned Premium Reserves	Premiums Earned	Net Investment Income	Incurred Loss and Loss Adjustment Expenses	Amortization of Deferred Acquisition Costs	Other Operating Expenses	Net Written Premium
(Dollars in millions)									
As of and Year Ended December 31, 2023									
Reinsurance	\$ 968	\$ 17,659	\$ 4,018	\$ 9,799	\$ 1,004	\$ 5,696	\$ 2,520	\$ 255	\$ 10,802
Insurance	279	6,945	2,605	3,644	429	2,732	432	591	3,929
Total	\$ 1,247	\$ 24,604	\$ 6,622	\$ 13,443	\$ 1,434	\$ 8,427	\$ 2,952	\$ 846	\$ 14,730
As of and Year Ended December 31, 2022									
Reinsurance	\$ 710	\$ 16,111	\$ 2,894	\$ 8,598	\$ 590	\$ 5,966	\$ 2,116	\$ 217	\$ 8,919
Insurance	252	5,954	2,253	3,189	240	2,134	413	464	3,426
Total	\$ 962	\$ 22,065	\$ 5,147	\$ 11,787	\$ 830	\$ 8,100	\$ 2,528	\$ 682	\$ 12,344
As of and Year Ended December 31, 2021									
Reinsurance	\$ 654	\$ 13,872	\$ 2,723	\$ 7,708	\$ 823	\$ 5,543	\$ 1,833	\$ 198	\$ 8,488
Insurance	218	5,137	1,887	2,698	342	1,848	376	385	2,958
Total	\$ 872	\$ 19,009	\$ 4,610	\$ 10,406	\$ 1,165	\$ 7,391	\$ 2,209	\$ 583	\$ 11,446

(Some amounts may not reconcile due to rounding.)

SCHEDULE IV — REINSURANCE

Column A	Column B	Column C	Column D	Column E	Column F
	Gross Amount	Ceded to Other Companies	Assumed from Other Companies	Net Amount	Assumed to Net
<i>(Dollars in millions)</i>					
December 31, 2023					
Total property and liability insurance premiums earned	\$ 4,733	\$ 1,807	\$ 10,518	\$ 13,443	78.2 %
December 31, 2022					
Total property and liability insurance premiums earned	\$ 4,218	\$ 1,513	\$ 9,082	\$ 11,787	77.1 %
December 31, 2021					
Total property and liability insurance premiums earned	\$ 3,589	\$ 1,498	\$ 8,315	\$ 10,406	79.9 %

Certain information in the marked exhibit below has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential. Omissions are designated as “[*****].”

**Standby Letter of Credit Agreement
(Committed/Unsecured)**

STANDBY LETTER OF CREDIT AGREEMENT (the “**Agreement**”), dated as of December 30, 2022, by and among EVEREST REINSURANCE (BERMUDA), LTD., a company incorporated and existing under the laws of Bermuda (the “**Account Party**”), and BAYERISCHE LANDESBANK, NEW YORK BRANCH, the New York Branch of a financial institution organized under the laws of the Federal Republic of Germany (“**Bank**”).

1. DEFINED TERMS.

- a. **Definitions.** For purposes of this Agreement, in addition to the terms defined elsewhere herein, the following terms have the meanings set forth below (such meanings to be equally applicable to the singular and plural forms thereof):

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**A.M. Best**” means A.M. Best Company, Inc.

“**Anti-Corruption Laws**” means all laws, rules, and regulations of any jurisdiction applicable to the Account Party from time to time concerning or relating to bribery or corruption, including, to the extent applicable, the United States Foreign Corrupt Practices Act of 1977 and the rules and regulations thereunder and the U.K. Bribery Act 2010 and the rules and regulations thereunder.

“**Anti-Money Laundering Laws**” means any and all laws, rules and regulations applicable to the Account Party from time to time concerning or relating to terrorism financing or money laundering, including any applicable provision of the PATRIOT Act and The Currency and Foreign Transactions Reporting Act (also known as the “Bank Secrecy Act,” 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“**Application**” has the meaning set forth in **Section 2(a)**.

“**Annual Statement**” means, with respect to the Account Party for any fiscal year, the annual financial statements of the Account Party as required to be filed with the Insurance Regulatory Authority of its jurisdiction of domicile and in accordance with the laws of such jurisdiction, together with all exhibits, schedules, certificates and actuarial opinions required to be filed or delivered therewith.

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“**Bail-In Legislation**” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other

law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Law” means the United States Bankruptcy Code (11 U.S.C. § 101 *et seq.*), as amended, modified, succeeded or replaced from time to time, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws of the United States or any state thereof, Bermuda or any other foreign or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Base Rate” means, at any time, the highest of (a) 0.00%, (b) the prime rate per annum established by the JPMorgan Chase Bank, N.A. as the reference rate for short term commercial loans in Dollars, and (c) the NYFRB Rate plus [*****]; each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the rate specified in clause (b) above or the NYFRB Rate.

“Business Day” means (i) any day other than a Saturday, Sunday or legal holiday on which banks in Hamilton, Bermuda and New York City, New York, are open for the conduct of their commercial banking business and (ii) when used in connection with a Letter of Credit denominated in a Foreign Currency, such day is also a day on which banks are open for dealings in deposits in such Foreign Currency in the principal financial center for such Foreign Currency.

“Capital Stock” means (i) with respect to any Person that is a corporation, any and all shares, interests or equivalents in capital stock (whether voting or nonvoting, and whether common or preferred) of such corporation, and (ii) with respect to any Person that is not a corporation, any and all partnership, membership, limited liability company or other equity interests of such Person; and in each case, any and all warrants, rights or options to purchase any of the foregoing.

“Cash Equivalents” means (i) securities issued or unconditionally guaranteed by the United States of America or any agency or instrumentality thereof, backed by the full faith and credit of the United States of America and maturing within 90 days from the date of acquisition, (ii) commercial paper issued by any Person organized under the laws of the United States of America, maturing within 90 days from the date of acquisition and, at the time of acquisition, having a rating of at least A 1 or the equivalent thereof by Standard & Poor’s or at least P 1 or the equivalent thereof by Moody’s, (iii) time deposits and certificates of deposit maturing within 90 days from the date of issuance and issued by a bank or trust company organized under the laws of the United States of America or any state thereof that has combined capital and surplus of at least \$500,000,000 and that has (or is a subsidiary of a bank holding company that has) a long-term unsecured debt rating of at least A or the equivalent thereof by Standard & Poor’s or at least A2 or the equivalent thereof by Moody’s, (iv) repurchase obligations with a term not exceeding seven (7) days with respect to underlying securities of the types described in clause (i) above entered into with any bank or trust company meeting the qualifications specified in clause (iii) above, and (v) money market funds at least 95% of the assets of which are continuously invested in securities of the type described in clauses (i) through (iv) above.

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), other than Everest Re Group, Ltd. and any of its direct or indirect Subsidiaries, of Capital Stock representing 25% or more of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of the Account Party; or (b) the acquisition of direct or indirect Control of the Account Party by any Person or group, other than Everest Re Group, Ltd. and any of its direct or indirect Subsidiaries.

“Change in Law” means the occurrence after the date of this Agreement of: (a) the adoption or effectiveness of any law, rule, regulation, judicial ruling, judgment or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application by any Governmental Authority of any law, rule, regulation or treaty, or (c) the making or issuance by any Governmental Authority of any request, rule, guideline or directive, whether or not having the force of law; provided that notwithstanding anything herein to the contrary, (i) the Dodd-

Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the U.S. federal or foreign regulatory authorities shall, in each case, be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"Closing Date" means December 30, 2022.

"Code" means the Internal Revenue Code of 1986, and the rules and regulations promulgated thereunder.

"Commitment" means the obligation of Bank to Issue Letters of Credit for the account of the Account Party hereunder in an aggregate principal amount at any time outstanding not to exceed \$150,000,000, as such amount may be reduced from time to time pursuant to the terms hereof.

[*****]

"Commitment Termination Date" means the earliest to occur of (a) December 30, 2024, (b) the date of termination of the entire Commitment by the Account Party pursuant to **Section 2(h)**, and (c) the date of termination of the Commitment pursuant to **Section 11(a)**.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **"Controlling"** and **"Controlled"** have meanings correlative thereto.

[*****]

"Credit Documents" means, collectively, this Agreement, the Guaranty Agreement, the Letter of Credit Documents, and each other agreement, document, or instrument executed and delivered by the Account Party to the Bank in connection with any Credit Document or any Letter of Credit.

"Default" means any of the events specified in **Section 10** which with the passage of time, the giving of notice or any other condition, would constitute an Event of Default.

"Disqualified Capital Stock" means, with respect to any Person, any Capital Stock of such Person that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event or otherwise, (i) matures or is mandatorily redeemable or subject to any mandatory repurchase requirement, pursuant to a sinking fund obligation or otherwise, (ii) is redeemable or subject to any mandatory repurchase requirement at the sole option of the holder thereof, or (iii) is convertible into or exchangeable for (whether at the option of the issuer or the holder thereof) (A) debt securities or (B) any Capital Stock referred to in clause (i) or (ii) above, in each case under clause (i), (ii) or (iii) above at any time on or prior to the Final Maturity Date; provided, however, that only the portion of Capital Stock that so matures or is mandatorily redeemable, is so redeemable at the option of the holder thereof, or is so convertible or exchangeable on or prior to such date shall be deemed to be Disqualified Capital Stock.

"Dollar Amount" means, at any time, (i) with respect to any amount denominated in Dollars, such amount, and (ii) with respect to any amount denominated in any Foreign Currency, the equivalent amount thereof in Dollars as determined by Bank at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Foreign Currency.

“**Dollars**” or “**\$**” means dollars of the United States of America. “**Draw Date**” has the meaning specified in **Section 2(b)(i)**.

“**Due Date**” has the meaning specified in **Section 2(b)(i)**.

“**EEA Financial Institution**” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“**EEA Member Country**” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“**EEA Resolution Authority**” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**ERISA Affiliate**” means any trade or business (whether or not incorporated) that, together with the Account Party, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(m) or (o) of the Code.

“**ERISA Event**” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the failure to satisfy the “minimum funding standard” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived with respect to any Plan; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Account Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Account Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Account Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal of the Account Party or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by the Account Party or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from, the Account Party, or any of its ERISA Affiliates of any notice, concerning the imposition upon the Account Party, or any of its ERISA Affiliates of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

“**Event of Default**” has the meaning specified in **Section 10**.

“**Exchange Act**” means the Securities Exchange Act of 1934.

“**FATCA**” means (a) Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the Code, (b) any treaty, law, regulation

or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction with the purpose (in either case) of facilitating the implementation of (a) above, or (c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the IRS, the United States government or any governmental or taxation authority in the United States.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate.

“Final Expiry Date” means the date when the Final Maturity Date has occurred, all Letters of Credit have expired or terminated without any pending drawing thereon, and all Obligations owing hereunder and in the other Credit Documents have been paid in full.

“Final Maturity Date” means the first anniversary of the Commitment Termination Date.

“Financial Strength Rating” means, as to any Person, the rating that has been most recently announced by A.M. Best as the “financial strength rating” of such Person.

“Fiscal Year” means the fiscal year of the Account Party.

“Foreign Currency” means any currency other than Dollars approved by Bank, in its sole discretion, from time to time.

“Foreign Currency Equivalent” means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Foreign Currency as determined by Bank at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Foreign Currency with Dollars.

“GAAP” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governmental Authority” means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government (including any supra- national bodies such as the European Union or the European Central Bank).

“Guarantor” means Everest Re Group, Ltd., a Bermuda company.

“Guaranty Agreement” means the guaranty agreement, dated as of December 30, 2022, made by the Guarantor in favor of the Bank, as amended, restated, modified or supplemented from time to time.

[*****]

“Hedge Agreement” means any interest or foreign currency rate swap, cap, collar, option, hedge, forward rate or other similar agreement or arrangement designed to protect against fluctuations

in interest rates or currency exchange rates, including any swap agreement (as defined in 11 U.S.C. § 101).

“Hedge Termination Value” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include Bank or any affiliate of Bank).

“Indebtedness” means, with respect to any Person (without duplication), (i) all indebtedness of such Person for borrowed money or in respect of loans or advances, (ii) all obligations of such Person evidenced by notes, bonds, debentures or similar instruments, (iii) all reimbursement obligations of such Person with respect to surety bonds, letters of credit and bankers’ acceptances (in each case, whether or not drawn or matured and in the stated amount thereof), (iv) all obligations of such Person to pay the deferred purchase price of property or services, (v) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (vi) all obligations of such Person as lessee under leases that are or are required to be, in accordance with GAAP, recorded as capital or finance leases, to the extent such obligations are required to be so recorded, (vii) all obligations and liabilities of such Person incurred in connection with any transaction or series of transactions providing for the financing of assets through one or more securitizations or in connection with, or pursuant to, any synthetic lease or similar off-balance sheet financing, (viii) all Disqualified Capital Stock issued by such Person, with the amount of Indebtedness represented by such Disqualified Capital Stock being equal to the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price, but excluding accrued dividends, if any (for purposes hereof, the “maximum fixed repurchase price” of any Disqualified Capital Stock that does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Capital Stock as if such Disqualified Capital Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to this Agreement, and if such price is based upon, or measured by, the fair market value of such Disqualified Capital Stock, such fair market value shall be determined reasonably and in good faith by the board of directors or other governing body of the issuer of such Disqualified Capital Stock), (ix) the Hedge Termination Value of such Person under any Hedge Agreements, calculated as of any date as if such agreement or arrangement were terminated as of such date, (x) all contingent obligations of such Person in respect of Indebtedness of other Persons and (xi) all indebtedness referred to in clauses (i) through (x) above secured by any Lien on any property or asset owned or held by such Person regardless of whether the indebtedness secured thereby shall have been assumed by such Person or is nonrecourse to the credit of such Person.

“Instructions” has the meaning set forth in **Section 2(a)**.

“Insurance Regulatory Authority” means, with respect to the Account Party, the insurance department or similar Governmental Authority charged with regulating insurance companies or insurance holding companies, in its jurisdiction of domicile and, to the extent that it has regulatory authority over the Account Party, in each other jurisdiction in which the Account Party conducts business or is licensed to conduct business.

“Investment Company Act” means the Investment Company Act of 1940 (15 U.S.C. § 80(a)(1), *et seq.*).

“IRS” means the United States Internal Revenue Service.

“**issue**” means, with respect to any Letter of Credit, to issue, to amend or to extend the expiry of, or to renew or increase the stated amount of, such Letter of Credit. The terms “**issued**”, “**issuing**” and “**issuance**” have corresponding meanings.

“**Letters of Credit**” means the collective reference to standby letters of credit issued pursuant to **Section 2**.

“**Letter of Credit Documents**” means, with respect to any Letter of Credit, collectively, any Applications, agreements, instruments, guarantees or other documents (whether general in application or applicable only to such Letter of Credit) governing or providing for the rights and obligations of the parties concerned or at risk with respect to such Letter of Credit.

[*****]

“**Lien**” means any mortgage, pledge, hypothecation, assignment, security interest, lien (statutory or otherwise), preference, priority, charge or other encumbrance of any nature, whether voluntary or involuntary, including the interest of any vendor or lessor under any conditional sale agreement, title retention agreement, capital lease or any other lease or arrangement having substantially the same effect as any of the foregoing.

“**Material Adverse Effect**” means a material adverse effect upon (i) the financial condition, operations, business, properties or assets of the Account Party, (ii) the ability of the Account Party to perform its payment or other material obligations under this Agreement or any of the other Credit Documents, or (iii) the legality, validity, or enforceability of this Agreement or any of the other Credit Documents or the rights and remedies of Bank hereunder and thereunder.

“**Multiemployer Plan**” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“**Multiple Employer Plan**” means an employee pension benefit plan with respect to which the Account Party or any of its ERISA Affiliates is a contributing sponsor, and that has two (2) or more contributing sponsors at least two (2) of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“**Non-Extension Notice Date**” has the meaning given to such term in **Section 2(g)**.

“**Notice of Non-Extension**” has the meaning given to such term in **Section 2(g)**.

“**NYFRB**” means the Federal Reserve Bank of New York.

“**NYFRB Rate**” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); *provided* that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by Bank from a federal funds broker of recognized standing selected by it; *provided, further*, that if any of the aforesaid rates as so determined are less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“**NYFRB’s Website**” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“**Obligations**” means all obligations and liabilities (including (a) any interest and fees accruing after the filing of a petition or commencement of a case by or with respect to the Account Party

seeking relief under any applicable Bankruptcy Laws, whether or not the claim for such interest or fees is allowed or allowable in such proceeding, (b) the obligation to provide cash collateral hereunder, and (c) reimbursement and other payment obligations and liabilities) of the Account Party to Bank arising under, or in connection with, the applicable Credit Document (including **Section 5** below) any Application or any Letter of Credit, in each case whether matured or unmatured, absolute or contingent, now existing or hereafter incurred.

“**OFAC**” means the U.S. Department of the Treasury’s Office of Foreign Assets Control.

[*****]

“**Other Taxes**” has the meaning specified in **Section 2(c)**.

“**Outstanding Letters of Credit**” means, as of any date, the sum of (a) the Stated Amount of all outstanding Letters of Credit at such time and, without duplication, (b) all reimbursement obligations in respect of Letters of Credit at such time.

“**Overnight Bank Funding Rate**” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings denominated in Dollars by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“**PATRIOT Act**” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“**Payment Date**” has the meaning specified in **Section 2(b)(i)**.

“**PBGC**” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

“**Plan**” means any employee pension benefit plan (including a Multiple Employer Plan, but other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Account Party or any ERISA Affiliate thereof is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“**Quarterly Statement**” means, with respect to the Account Party for any fiscal quarter, the quarterly financial statements of the Account Party.

“**Requirement of Law**” means, with respect to any Person, the charter, articles, constitution or certificate of organization or incorporation and by-laws or other organizational or governing documents of such Person, and any statute, law, treaty, rule, regulation, order, decree, writ, injunction or determination of any arbitrator or court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject or otherwise pertaining to any or all of the transactions contemplated by this Agreement and the other Credit Documents.

“**Resolution Authority**” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means, as to any Person, the chief executive officer, president, chief financial officer, controller, treasurer or assistant treasurer of such Person or any other officer of such Person designated in writing by the Account Party and reasonably acceptable to Bank; provided that, to the extent requested thereby, Bank shall have received a certificate of such Person certifying as to the incumbency and genuineness of the signature of each such officer. Any document delivered hereunder or under any other Credit Document that is signed by a Responsible Officer of a Person shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

“Revaluation Date” means with respect to any Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in a Foreign Currency, (ii) each date of an amendment of any such Letter of Credit having the effect of increasing or decreasing the Stated Amount thereof, (iii) each date of any payment by Bank under any Letter of Credit denominated in a Foreign Currency and (iv) each such additional date as Bank shall determine or require.

“Sanctions” means any and all economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and anti-terrorism laws, including but not limited to those imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority.

“Sanctioned Country” means at any time, a country, territory or region which is itself the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC (including OFAC’s Specially Designated Nationals and Blocked Persons List and OFAC’s Consolidated Non- SDN List), the U.S. Department of State, the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority, (b) any Person located, operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in clauses (a) and (b), including a Person that is deemed by OFAC to be a Sanctions target based on the ownership of such legal entity by Sanctioned Person(s).

“Solvent” means, as to any Person as of any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts, including contingent debts, as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities, including contingent debts and liabilities, beyond such Person’s ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person’s property would constitute an unreasonably small capital. The amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Spot Rate” means, with respect to any Foreign Currency, the rate quoted by Bank as the spot rate for the purchase by Bank of such Foreign Currency with Dollars through its principal foreign exchange trading office at approximately 11:00 a.m., London time, on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that Bank may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Foreign Currency.

“Standard Letter of Credit Practice” means, for Bank, any U.S. federal or state or foreign law or letter of credit practices applicable in the city in which Bank issued the applicable Letter of Credit or for its branch or correspondent banks, such laws and practices applicable in the city in which it has advised, confirmed or negotiated such Letter of Credit, as the case may be. Such practices shall be (i) of banks that regularly issue letters of credit in the particular city, and (ii) required or permitted under the ISP (as defined below) or UCP (as defined below), as chosen in the applicable Letter of Credit. **“ISP”** means, International Standby Practices 1998 (International Chamber of Commerce Publication No. 590) and any subsequent revision thereof adopted by the International Chamber of Commerce on the date such Letter of Credit is issued. **“UCP”** means, Uniform Customs and Practice for Documentary Credits 2007 Revision, International Chamber of Commerce Publication No. 600 and any subsequent revision thereof adopted by the International Chamber of Commerce on the date such Letter of Credit is issued.

“Stated Amount” means, with respect to any Letter of Credit at any time, the aggregate Dollar Amount available to be drawn thereunder at such time (regardless of whether any conditions for drawing could then be met).

“Subsidiary” means as to any Person, any corporation, partnership, limited liability company or other entity of which more than fifty percent (50%) of the outstanding Capital Stock having ordinary voting power to elect a majority of the board of directors (or equivalent governing body) or other managers of such corporation, partnership, limited liability company or other entity is at the time owned by (directly or indirectly) such Person (irrespective of whether, at the time, Capital Stock of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency).

“Taxes” has the meaning specified in **Section 2(c)**.

“Threshold Amount” means [*****].

“UCC” means the Uniform Commercial Code as in effect on the date hereof in the State of New York.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

[*****]

“U.S.” means United States of America.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce,

modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

a. **Exchange Rates; Currency Equivalents.**

- i. The Bank shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Amounts of Letters of Credit denominated in Foreign Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements required to be delivered hereunder or calculating financial covenants hereunder and except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Credit Documents shall be such Dollar Amount as so determined by Bank.
- i. Wherever in this Agreement in connection with the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Letter of Credit is denominated in a Foreign Currency, such amount shall be the relevant Foreign Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Foreign Currency, with 0.5 of a unit being rounded upward), as determined by Bank.

1. **LETTER OF CREDIT FACILITY.**

- a. **General.** At the request of the Account Party, Bank agrees, on and subject to the terms and conditions of this Agreement, to issue standby Letters of Credit for the account of the Account Party in Dollars (or, in Bank's sole discretion, a Foreign Currency) from time to time during the period from the Closing Date to but not including the Commitment Termination Date. Bank may, in its sole discretion, arrange for one or more Letters of Credit to be issued by its New York branch, which branch is on the List of Qualified U.S. Financial Institutions maintained by the Securities Valuation Office of the National Association of Insurance Commissioners, or by any other branch or affiliate of Bank that is on the List of Qualified U.S. Financial Institutions maintained by the Securities Valuation Office of the National Association of Insurance Commissioners, in which case the term "Bank" shall include any such branch or affiliate with respect to Letters of Credit issued by such branch or affiliate. Letters of Credit may only be issued on Business Days. The request to issue a Letter of Credit (an "**Application**") shall be in such form as Bank shall from time to time require or agree to accept (including any type of electronic form or means of communication acceptable to Bank) and, upon the receipt of any Application, Bank shall process such Application in accordance with its customary procedures and shall, subject to **Section 4**, promptly issue the Letter of Credit requested thereby (but in no event shall Bank be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed by Bank and the Account Party. Inquiries, communications and instructions (whether written, facsimile or in other electronic form approved by Bank) regarding a Letter of Credit, an Application and this Agreement are each referred to herein as "**Instructions**". Bank's records of the content of any Instruction will be conclusive, absent manifest error.

- a. **General Payment Obligations.** For each Letter of Credit, the Account Party shall, as to clause (i) below, reimburse Bank, and as to all other clauses below, pay Bank, in each case in Dollars (unless Bank agrees otherwise with Account Party):
- i. with respect to a drawing under any Letter of Credit, the amount of each drawing paid by Bank thereunder (such date of payment hereinafter referred to as the “**Draw Date**”) no later than the first succeeding Business Day after the Account Party’s receipt of notice of such payment by Bank (the “**Due Date**”), with interest as provided below on the amount so paid by Bank (to the extent not reimbursed prior to 2:00 p.m. Eastern Time on the Draw Date) for the period from the Draw Date to the date the reimbursement obligation created thereby is satisfied in full (the “**Payment Date**”). If the Payment Date is on or prior to the Due Date, such interest shall be payable at the Base Rate as in effect from time to time during the period from the Draw Date to the Payment Date. If the Payment Date is after the Due Date, such interest shall be payable (x) as provided in the preceding sentence during the period from and including the Draw Date to and not including the Due Date, and (y) at the Base Rate as in effect from time to time plus [****] from and including the Due Date to and not including the Payment Date;
 - i. the fees payable by the Account Party at such times and in such amounts as are set forth in **Section 2(i)**.
 - i. except as otherwise provided in clause (i) above and clause (iv) below, interest on each amount payable by the Account Party under the applicable Credit Documents for each day from and including the date such payment is due to and not including the date of payment, on demand, at a rate per annum equal to the Base Rate as in effect from time to time plus [****];
 - i. within ten (10) days of demand, Bank’s reasonable and documented out-of-pocket costs and expenses (including the reasonable and documented legal fees, charges and disbursements of outside counsel to Bank incurred in connection with the protection or enforcement of Bank’s rights against the Account Party under this Agreement and the other applicable Credit Documents and any correspondent bank’s documented charges related thereto), with interest from the date of demand by Bank to and not including the date of payment by the Account Party, at a rate per annum equal to the Base Rate as in effect from time to time plus [****];
 - i. if as a result of any Change in Law, Bank determines that the cost to Bank of issuing or maintaining any Letter of Credit is increased (excluding, for purposes of this clause (a)(v), any such increased costs resulting from (A) income taxes, franchise taxes and similar taxes imposed on Bank by any taxing authority, any U.S. federal withholding taxes imposed under FATCA and Other Taxes (in each case as to which **Section 2(c)** shall govern) and (B) changes in the basis of taxation of overall net income or overall gross income by the U.S. or by the foreign jurisdiction or state under the laws of which Bank is organized or has its lending office or any political subdivision thereof), then the Account Party will pay to Bank, from time to time, within ten (10) days after demand by Bank, which demand shall include a statement of the basis for such demand and a calculation in reasonable detail of the amount demanded, additional amounts sufficient to compensate Bank for such increased cost. A certificate as to the

amount of such increased cost, submitted to the Account Party by Bank, shall be conclusive and binding for all purposes, absent manifest error; and

- i. if Bank determines that any Change in Law affecting Bank or any lending office of Bank or Bank's holding company regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on Bank's capital or on the capital of Bank's holding company as a consequence of this Agreement or the Letters of Credit issued by Bank to a level below that which Bank or Bank's holding company could have achieved but for such Change in Law (taking into consideration Bank's or its holding company's policies with respect to capital adequacy), then from time to time the Account Party will pay to Bank within ten (10) days after demand by Bank, which demand shall include a statement of the basis for such demand and a calculation in reasonable detail of the amount demanded, such additional amount or amounts as will compensate Bank or Bank's holding company for any such reduction suffered. A certificate as to such amounts submitted to the Account Party by Bank shall be conclusive and binding for all purposes, absent manifest error.

Bank shall use reasonable efforts to designate a different lending office if such designation will avoid (or reduce the cost to the Account Party of) any event described in the preceding sentence and such designation will not, in Bank's good faith judgment, subject Bank to any unreimbursed cost or expense and would not otherwise be disadvantageous to Bank.

Notwithstanding the provisions of clause (v) or (vi) above or **Section 2(c)** below (and without limiting the immediately preceding paragraph), Bank shall not be entitled to compensation from the Account Party for any amount arising prior to the date which is 180 days before the date on which Bank notifies the Account Party of such event or circumstance (except that if such event or circumstance is retroactive, then such 180-day period shall be extended to include the period of retroactive effect thereof).

Any payments received by Bank pursuant to the Credit Documents after 1:00 p.m. Eastern shall be deemed to have been made on the next succeeding Business Day for all purposes under the Credit Documents.

- a. **Immediately Available Funds; No Withholding.** All reimbursements and payments by or on behalf of the Account Party shall be made in immediately available funds, free and clear of and without deduction for any present or future Taxes, set-off or other liabilities, to such location as Bank may reasonably designate from time to time. The Account Party shall pay all withholding taxes and Other Taxes imposed by any taxing authority on reimbursement or payment under any Letter of Credit and any Credit Document, and shall indemnify Bank against all liabilities, costs, claims and expenses resulting from Bank having to pay or from any omission to pay or delay in paying any such taxes, except to the extent that such taxes are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of Bank. Any such indemnification payment shall be made within ten (10) days from the date Bank makes written demand therefor. "**Taxes**" means all taxes, fees, duties, levies, imposts, deductions, charges or withholdings of any kind (other than income taxes, franchise taxes and similar taxes imposed on Bank by any taxing authority and any U.S. federal withholding taxes imposed under FATCA). "**Other Taxes**" means all present or future stamp, documentary, excise, property or similar taxes, charges or levies that arise from any payment made hereunder or from the execution, delivery or registration of, performance under, or otherwise with respect to, this Agreement or any other Credit Document.
- a. **Automatic Debit and Set-Off.** Upon the occurrence and during the continuance of any Event of Default with respect to the Account Party, Bank (which term shall include Bank's branches and affiliates for purposes of this paragraph) may (but shall not be

required to), without demand for reimbursement or payment or notice to the Account Party, and in addition to any other right of set-off that Bank may have, debit any account or accounts, irrespective of the currency of such account or accounts, maintained by the Account Party with any office of Bank (now or in the future) and set-off and apply (i) any balance or deposits (general, special, time, demand, provisional, final, matured or absolute) in the account(s) and (ii) any sums due or payable from Bank, to the payment of any and all Obligations owed by the Account Party to Bank, irrespective of whether Bank shall have any demand under this Agreement and although such Obligations may be contingent or unmatured. Bank agrees promptly to notify the Account Party after any such set-off and application; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application.

- a. **Obligations Absolute.** The Account Party's reimbursement and payment obligations under this **Section 2** are absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever, including:
- i. any lack of validity, enforceability or legal effect of any Letter of Credit or any Credit Document or any term or provision therein;
 - i. payment against presentation of any draft, demand or claim for payment under any Letter of Credit or other document presented for purposes of drawing under any Letter of Credit (individually, a "**Drawing Document**" and collectively, the "**Drawing Documents**") that does not comply in whole or in part with the terms of the applicable Letter of Credit or which proves to be fraudulent, forged or invalid in any respect or any statement therein proving to be untrue or inaccurate in any respect, or which is signed, issued or presented by a Person or a transferee of such Person purporting to be a successor or transferee of the beneficiary of such Letter of Credit;
 - i. Bank or any of its branches or affiliates being the beneficiary of any Letter of Credit;
 - i. Bank or any correspondent bank honoring a drawing against a Drawing Document up to the amount available under any Letter of Credit even if such Drawing Document claims an amount in excess of the amount available under such Letter of Credit;
 - i. the existence of any claim, set-off, defense or other right that Account Party or any other Person may have at any time against any beneficiary or any assignee of proceeds, Bank or any other Person;
 - ii. if any other Person shall at any time have guaranteed or otherwise agreed to be liable for any of the Obligations or granted any security therefor, any change in the time, manner or place of payment of or any other term of the obligations of such other Person, or any exchange, change, waiver, release of, or failure or lapse of perfection of any grant of any collateral for, or any other Person's guarantee of or other liability for, any of the Obligations;
 - i. any other event, circumstance or conduct whatsoever, whether or not similar to any of the foregoing that might, but for this **Section 2(e)**, constitute a legal or equitable defense to or discharge of, or provide a right of set-off against, the Obligations, whether against Bank, the beneficiary or any other Person;

provided, however, that subject to **Section 5(b)** below, the foregoing shall not release Bank from such liability to the Account Party as may be determined by a court of competent jurisdiction by a final and nonappealable judgment against Bank following reimbursement and/or payment of the Obligations.

- a. **Computation of Interest and Fees; Maximum Rate.** All computations of interest and fees to be made hereunder and under any other Credit Document shall be made on the basis of a year consisting of 360 days, for the actual number of days elapsed (including the first day but excluding the last day) occurring in the period for which such interest or fee is payable. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest under this Agreement charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any applicable law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that Bank has charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by applicable law and Bank shall at its option (i) promptly refund to the Account Party any interest received by Bank in excess of the maximum lawful rate or (ii) apply such excess to any outstanding Obligations. It is the intent hereof that the Account Party not pay or contract to pay, and that Bank not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by the Account Party under applicable law.

- a. **Expiry Date of Letters of Credit.** Each Letter of Credit shall expire at or prior to the earlier of (i) the close of business on the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension), or (ii) the Final Maturity Date; provided, however, if the Account Party so requests in any applicable Application, Bank agrees to issue a Letter of Credit that provides for the automatic extension for successive periods of one year or less until Bank shall have delivered prior written notice of non-extension to the beneficiary of such Letter of Credit (a “**Notice of Non-Extension**”) no later than 60 days prior to the stated maturity date specified in such Letter of Credit (such time, the “**Non-Extension Notice Date**”). The Account Party acknowledges that Bank shall not be required to extend any Letter of Credit if Bank has determined that it would have no obligation at such time to issue such Letter of Credit (as extended) under the terms hereof.

- a. **Permanent Reduction of Commitment.** The Account Party shall have the right at any time and from time to time, upon at least three Business Days’ prior irrevocable written notice to Bank, to permanently reduce, without premium or penalty, (i) the entire Commitment at any time or (ii) portions of the Commitment, from time to time, in an aggregate principal amount not less than [*****] or any whole multiple of [*****] in excess thereof. All Commitment Fees accrued until the effective date of any termination of the Commitment shall be paid on the effective date of such termination.
 - i. [*****]

1. **ACCOUNT PARTY’S RESPONSIBILITY.** The Account Party is responsible for approving the final text of any Letter of Credit issued by Bank for its account, irrespective of any assistance Bank may provide such as drafting or recommending text or by Bank’s use or refusal to use text submitted by the Account Party. The Account Party is solely responsible for the suitability of the Letter of Credit for the Account Party’s purposes. The Account Party will examine the copy of each Letter of Credit issued for its account and any other documents sent by Bank in connection

with such Letter of Credit and shall promptly notify Bank in writing of any non-compliance with the Account Party's Instructions and of any discrepancy in any document under any presentment or other irregularity. The Account Party understands that the final form of any Letter of Credit may be subject to such revisions and changes as are deemed necessary or appropriate by Bank in accordance with standard industry practice and the Account Party hereby consents to such revisions and changes.

1. **CONDITIONS OF CLOSING AND ISSUANCE.**

a. **Conditions Precedent to Closing.** The obligation of Bank to close this Agreement and to issue any Letters of Credit on the Closing Date is subject to the satisfaction of each of the following conditions:

i. **Executed Credit Documents.** This Agreement, together with any other applicable Credit Documents, shall have been duly authorized, executed and delivered to Bank by the parties thereto, shall be in full force and effect and no Default or Event of Default shall exist hereunder or thereunder.

i. **Closing Certificates; Etc.** Bank shall have received each of the following in form and substance reasonably satisfactory to Bank:

1. **Officer's Certificate.** A certificate from a Responsible Officer of the Account Party to the effect that (I) all representations and warranties of the Account Party contained in this Agreement and the other Credit Documents are true, correct and complete in all material respects (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case such representation and warranty shall be true, correct and complete in all respects); and (II) as of the Closing Date, no Default or Event of Default has occurred and is continuing.

1. **Certificate of Secretary of the Account Party.** A certificate of a Responsible Officer of the Account Party certifying as to the incumbency and genuineness of the signature of each officer of the Account Party executing Credit Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of (I) the memorandum of association (or equivalent), as applicable, of the Account Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, (II) the by-laws or other governing document of the Account Party as in effect on the Closing Date, (III) resolutions duly adopted by the board of directors (or other governing body) of the Account Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and the other Credit Documents to which it is a party, and (D) each certificate required to be delivered pursuant to **Section 4(a)(ii)(C)**.

a. **Certificates of Good Standing.** Certificates as of a recent date of the good standing of the Account Party under the laws of its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, and, to the extent requested by Bank, each other jurisdiction where the Account Party is qualified to do business.

- a. **Opinions of Counsel.** Opinions of counsel to the Account Party addressed to Bank with respect to the Account Party, the Credit Documents and such other matters as Bank shall request (which such opinions shall expressly permit reliance by permitted successors and assigns of Bank). The Account Party requests that such counsel deliver such opinions.

- 1. **Consents; Defaults.**

- a. **Governmental and Third Party Approvals.** The Account Party shall have received all material governmental, shareholder and third party consents and approvals necessary (or any other material consents as determined in the reasonable discretion of Bank) in connection with the transactions contemplated by this Agreement and the other Credit Documents and all applicable waiting periods shall have expired without any action being taken by any Person that would reasonably be expected to restrain, prevent or impose any material adverse conditions on the Account Party or such other transactions or that could seek or threaten any of the foregoing, and no law or regulation shall be applicable which in the reasonable judgment of Bank would reasonably be expected to have such effect.

- a. **No Injunction, Etc.** No action, proceeding or investigation shall have been instituted, threatened in writing or proposed in writing before any Governmental Authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Agreement or the other Credit Documents or the consummation of the transactions contemplated hereby or thereby, or which, in Bank's sole discretion, would make it inadvisable to consummate the transactions contemplated by this Agreement or the other Credit Documents or the consummation of the transactions contemplated hereby or thereby.

- 1. [Reserved]

- 1. **Miscellaneous.**

- a. **PATRIOT Act, etc.** The Account Party shall have provided to Bank the documentation and other information requested by Bank in order to comply with requirements of any Anti-Money Laundering Laws, including the PATRIOT Act and any applicable "know your customer" rules and regulations.

- a. **Other Documents.** All opinions, certificates and other instruments and all proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory in form and substance to Bank. Bank shall have received copies of all other documents, certificates and instruments reasonably requested thereby, with respect to the transactions contemplated by this Agreement.

- i. **Conditions Precedent to Issuance of Letters of Credit.** The obligation of Bank to issue Letters of Credit (including any Letters of Credit issued on the Closing Date) is subject to the satisfaction of each of the following conditions:

1. **Continuation of Representations and Warranties.** The representations and warranties contained in this Agreement and the other Credit Documents shall be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects, on and as of such issuance with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects as of such earlier date).
1. **No Existing Default.** No Default or Event of Default shall have occurred and be continuing on the issuance date with respect to such Letter of Credit or after giving effect to the issuance of such Letter of Credit on such date.
1. **Miscellaneous.** In addition to the foregoing, Bank shall be under no obligation to issue any Letter of Credit if:
 - a. any order, judgment or decree of any Governmental Authority or arbitrator having jurisdiction over Bank shall by its terms enjoin or restrain the issuance of such Letter of Credit or any law applicable to Bank, or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over it shall prohibit, or request that it refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon it with respect to such Letter of Credit any restriction or reserve or capital or liquidity requirement (for which Bank is not otherwise compensated) not in effect on the Closing Date, or any unreimbursed loss, cost or expense which was not applicable or in effect as of the Closing Date and which Bank in good faith deems material to it;
 - a. Bank shall have delivered a Notice of Non-Extension with respect to such Letter of Credit;
 - a. the expiry date of such Letter of Credit would occur more than twelve months after the date of issuance or last extension unless Bank has approved such expiry date in writing;
 - a. the expiry date of such Letter of Credit occurs after the Final Maturity Date, unless Bank has approved such expiry date in writing;
 - a. such Letter of Credit is not substantially in form and substance reasonably acceptable to Bank;
 - b. immediately after giving effect thereto, the amount of Outstanding Letters of Credit would exceed the Commitment or the Collateral Value of the Collateral at such time; or
 - c. any proposed beneficiary of such Letter of Credit is the subject of a receivership or similar proceeding, including any conservation, rehabilitation, or liquidation proceeding, or is otherwise insolvent.

a. **INDEMNIFICATION; LIMITATION OF LIABILITY.**

- i. **Indemnification.** The Account Party agrees to indemnify and hold harmless Bank (including its branches and affiliates), its correspondent banks and each of their respective directors, officers, employees, attorneys and agents (each, including Bank, an “**Indemnified Person**”) from and against any and all claims, suits, judgments, liabilities, losses, fines, damages, penalties, interest, costs and expenses (including expert witness fees and reasonable out-of-pocket legal fees, charges and disbursements of any counsel (including outside counsel fees and expenses), and all expenses of arbitration or litigation and in preparation thereof), in each case, which are documented and may be incurred by or awarded against any Indemnified Person (collectively, the “**Costs**”), and which arise out of or in connection with or by reason of this Agreement, the other Credit Documents, the actual or proposed use of the proceeds of the Letters of Credit or any of the transactions contemplated thereby, including any Costs which arise out of or in connection with, or as a result of:
1. any Letter of Credit or amendment thereto, or any pre-advice of the issuance of a Letter of Credit;
 1. any transfer, sale, delivery, surrender or endorsement of any Drawing Document at any time(s) held by any Indemnified Person in connection with any Letter of Credit;
 1. any actual or prospective action or proceeding arising out of, or in connection with, any Letter of Credit or any Credit Document (whether administrative, judicial or in connection with arbitration, whether based on contract, tort or any other theory, and whether brought by a third party or by the Account Party, and regardless of whether any Indemnified Person is a party thereto), including any action or proceeding to compel or restrain any presentation or payment under any Letter of Credit, or for the wrongful dishonor of, or honoring a presentation under, any Letter of Credit;
 1. any independent undertakings issued by the beneficiary of any Letter of Credit;
 1. any unauthorized Instruction or error in computer or electronic transmission in connection with any Letter of Credit issued hereunder;
 1. an adviser, confirmer or other nominated person seeking to be reimbursed, indemnified or compensated in connection with any Letter of Credit issued hereunder;
 1. any third party seeking to enforce the rights of the Account Party, beneficiary, nominated person, transferee, assignee of Letter of Credit proceeds or holder of an instrument or document in connection with any Letter of Credit issued hereunder;
 1. the fraud, forgery or illegal action of parties other than any Indemnified Person in connection with any Letter of Credit issued hereunder;
 2. Bank’s performance of the obligations of a confirming institution or entity that wrongfully dishonors a confirmation in connection with any Letter of Credit issued hereunder; or
 3. the acts or omissions, whether rightful or wrongful, of any present or future *de jure* or *de facto* Governmental Authority or cause or event beyond the control of

such Indemnified Person in connection with any Letter of Credit issued hereunder;

in each case, including that resulting from Bank's own negligence; provided, however, that such indemnity shall not be available to any Person claiming indemnification under this **Section 5(a)** to the extent that such Costs (A) are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Person, (B) are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from a claim by the Account Party against an Indemnified Person for breach in bad faith of the obligations of such Indemnified Person hereunder or under any other Credit Document, or (C) result from any dispute solely between or among Indemnified Persons. The Account Party hereby agrees to pay Bank within fifteen (15) days after demand from time to time all amounts owing under this **Section 5(a)**. This indemnity provision shall survive termination of this Agreement and all Letters of Credit.

- i. **Direct Damages; No Punitive Damages.** The liability of Bank (or any other Indemnified Person) under, in connection with and/or arising out of any Credit Document or any Letter of Credit (or pre-advice), regardless of the form or legal grounds of the action or proceeding, shall be limited to direct damages suffered by the Account Party that are determined by a court of competent jurisdiction by a final and nonappealable judgment to have been caused directly by Bank's gross negligence, willful misconduct or breach in bad faith in (i) honoring a presentation under a Letter of Credit that on its face does not at least substantially comply with the terms and conditions of such Letter of Credit, (ii) failing to honor a presentation under a Letter of Credit that strictly complies with the terms and conditions of such Letter of Credit or (iii) retaining Drawing Documents presented under a Letter of Credit. Bank shall be deemed to have acted with due diligence and reasonable care if Bank's conduct is in accordance with Standard Letter of Credit Practice or in accordance with any Credit Document. No Indemnified Person shall be liable for any damages arising from any errors, omissions, interruptions or delays in transmission or delivery of any message, advice or document (regardless of how sent or transmitted) in connection with this Agreement or the other Credit Documents, except to the extent that any losses, claims, damages, liabilities or expenses result from the gross negligence or willful misconduct of such Indemnified Person in making any such transmission as determined by a final nonappealable judgment of a court of competent jurisdiction.
- i. **Waiver of Consequential Damages, etc.** Notwithstanding anything to the contrary in this Agreement or in any other Credit Document, no Indemnified Person shall be liable in contract, tort or otherwise for any punitive, exemplary, consequential, indirect or special damages or losses regardless of whether or not such party or Indemnified Person shall have been advised of the possibility thereof or the form of action in which such damages or losses may be claimed. The Account Party shall take commercially reasonable action to avoid and mitigate the amount of any damages claimed against Bank or any other Indemnified Person, including by enforcing its rights in appropriate proceedings diligently pursued in the underlying transaction.
- i. **No Responsibility or Liability.** Without limiting any other provision of this Agreement or any other Credit Document, Bank and each other Indemnified Person (if applicable) shall not be responsible to the Account Party for, and/or Bank's rights and remedies against the Account Party and the Obligations shall not be impaired by:

1. honor of a presentation under any Letter of Credit that on its face substantially complies with the terms and conditions of such Letter of Credit, even if the Letter of Credit requires strict compliance by the beneficiary;
 1. acceptance as a draft of any written or electronic demand or request for payment under a Letter of Credit, even if nonnegotiable or not in the form of a draft;
 1. the identity or authority of any presenter or signer of any Drawing Document or the form, accuracy, genuineness or legal effect of any Drawing Document (other than Bank's determination that such Drawing Document appears on its face to substantially comply with the terms and conditions of the Letter of Credit);
 1. acting upon any Instruction that it in good faith believes to have been given by a Person authorized to give such Instructions;
 1. any errors in interpretation of technical terms or in translation;
 1. any acts, omissions or fraud by, or the solvency of, any beneficiary, any nominated person or entity or any other Person, other than an Indemnified Person;
 1. any breach of contract between the beneficiary and the Account Party or any of the parties to the underlying transaction;
 1. payment to any paying or negotiating bank (designated or permitted by the terms of the applicable Letter of Credit) claiming that it rightfully honored or is entitled to reimbursement or indemnity under Standard Letter of Credit Practice applicable to it;
 1. acting as required or permitted, or failing to act as permitted, in each case under Standard Letter of Credit Practice applicable to where it has issued, confirmed, advised or negotiated such Letter of Credit, as the case may be;
 1. honor of a presentation after the expiration date of any Letter of Credit notwithstanding that a presentation was made prior to such expiration date and dishonored by Bank if subsequently Bank or any court or other finder of fact determines such presentation should have been honored;
 1. dishonor of any presentation that does not strictly comply or that is fraudulent, forged or otherwise not entitled to honor;
 1. honor of a presentation that is subsequently determined by Bank to have been made in violation of international, federal, state or local restrictions on the transaction of business with certain prohibited Persons; or
 1. amending a Letter of Credit to reflect any change of address or other contact information of any beneficiary
- i. Within 15 Business Days after the Closing Date, the Account Party shall pay to the Bank or its designee all reasonable and documented costs and expenses incurred by the Bank as of the Closing Date (including the reasonable fees and expenses of counsel) in

connection with this Agreement, the other Credit Documents and the transactions contemplated hereby.

- a. **REPRESENTATIONS AND WARRANTIES.** The Account Party hereby represents and warrants to Bank (all of which representations and warranties will be repeated as of the date of each new Application submitted by the Account Party to Bank and as of the date of issuance of any Letter of Credit requested in each such Application) as follows:
- i. **Organization, etc.** It is duly organized or formed, validly existing and (to the extent applicable under the laws of the relevant jurisdiction) in good standing under the laws of the jurisdiction of its organization or formation, and is duly qualified or licensed to do business (and in good standing as a foreign corporation or entity, if applicable) in all jurisdictions in which such qualification or licensing is required or in which the failure to so qualify or to be so licensed would have a Material Adverse Effect. It does not have any Subsidiaries.
 - i. **Power and Authority.** It has the requisite power and authority to execute and deliver this Agreement and each other Credit Document to which it is a party and to perform and observe the terms and conditions stated herein and therein, and it has taken all necessary corporate or other action to authorize its execution, delivery and performance of each such Credit Document.
 - i. **Valid and Binding Obligation.** This Agreement constitutes, and each other Credit Document when signed and delivered by it to Bank will constitute, its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights against it generally, by general equitable principles or by principles of good faith and fair dealing, and assuming that this Agreement and each such other Credit Document have been validly executed and delivered by each party thereto other than the Account Party.
 - i. **No Violation or Breach.** Its execution, delivery and performance of each Credit Document to which it is a party and the payment of all sums payable by it under each such Credit Document do not and will not: (i) violate or contravene its memorandum of association, by-laws or other organizational documents; (ii) violate or contravene any order, writ, law, treaty, rule, regulation or determination of any Governmental Authority, in each case applicable to or binding upon it or any of its property, the violation or contravention of which would have a Material Adverse Effect; or (iii) result in the breach of any provision of, or in the imposition of any Lien or encumbrance (except for Liens or encumbrances created under the Credit Documents) under, or constitute a default or event of default under, any agreement or arrangement to which it is a party or by which it or any of its property is bound, the contravention of which agreement or arrangement would have a Material Adverse Effect.
 - i. **Approvals.** No authorization, approval or consent of, or notice to or filing with, any Governmental Authority is required to be made by it in connection with the execution and delivery by it of any Credit Document to which it is a party or the issuance by Bank of any Letter of Credit for the account of the Account Party pursuant to this Agreement and the related Application, except for those which have been duly obtained, taken, given or made and are in full force and effect; and except where failure to obtain the foregoing could not reasonably be expected to have a Material Adverse Effect.

- i. **Compliance with Laws.** It is in compliance with all applicable laws and regulations, except where the noncompliance with which would not have a Material Adverse Effect, and no Application, Letter of Credit or transaction of the Account Party under any Credit Document to which it is a party will contravene any laws, treaties, rules or regulations of any Governmental Authority, including any foreign exchange control laws or regulations, U.S. foreign assets control laws or regulations or currency reporting laws and regulations, now or hereafter applicable to it, except where the noncompliance with which would not have a Material Adverse Effect.
- i. **No Default Under Other Agreements.** It is not in default under any agreement, obligation or duty to which it is a party or by which it or any of its property is bound, which would have a Material Adverse Effect.
- i. **No Arbitration Proceeding or Litigation.** There is no pending or, to the knowledge of the Account Party, threatened arbitration proceeding, litigation or action against it which (i) is reasonably likely to have a Material Adverse Effect or (ii) may affect the legality, validity or enforceability of this Agreement or the other Credit Documents.
- i. **Anti-Corruption Laws; Anti-Money Laundering Laws and Sanctions.**
 - 1. None of (i) the Account Party or, to the knowledge of the Account Party, any of its directors, officers, or employees, or (ii) any agent or representative of the Account Party that will act in any capacity in connection with this Agreement, (A) is a Sanctioned Person or currently the subject or target of any Sanctions, (B) is controlled by or is acting on behalf of a Sanctioned Person or (C) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions, in a manner that would result in the violation of applicable Sanctions by any party hereto.
 - 1. The Account Party has implemented and maintains in effect policies and procedures designed to ensure compliance by the Account Party and its directors, officers and employees with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.
 - 1. The Account Party and, to the knowledge of the Account Party, each director, officer, employee and agent of the Account Party, is in compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions in all material respects.
 - 1. No proceeds of any Letter of Credit have been used, directly or indirectly, by the Account Party or, to the knowledge of the Account Party, any of its directors, officers, employees and agents in violation of **Section 7(h)**.
- i. **Filed All Tax Returns and Paid All Taxes.** It has filed all required tax returns, and all Taxes, assessments and other governmental charges due from it have been fully paid, except for Taxes which are being contested in good faith or those which the failure to file or pay would not have a Material Adverse Effect. It has established on its books reserves adequate for the payment of all federal, state and other income tax liabilities, including those being contested in good faith.
- i. **Financial Statements.** The financial statements most recently furnished to Bank by the Account Party fairly present in all material respects the financial condition of the Account Party as at the date of such financial statements and for the periods then ended

in accordance with GAAP (except as disclosed therein and, in the case of interim financial statements for any fiscal quarter, subject to normal year-end adjustments and except that footnote and schedule disclosure may be abbreviated), and there has been no material adverse change in the Account Party's business or financial condition or results of operations since the date of the Account Party's most recent annual financial statements.

- i. **Margin Stock.** It is not engaged principally or as one of its activities in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin stock" (as each such term is defined or used, directly or indirectly, in Regulation U of the Board of Governors of the Federal Reserve System). No part of the proceeds of any Letters of Credit will be used for purchasing or carrying margin stock or for any purpose which violates, or which would be inconsistent with, the provisions of Regulation T, U or X of such Board of Governors.
 - i. **No Material Adverse Effect.** There has been no Material Adverse Effect since December 31, 2021, and there exists no event, condition or state of facts that could reasonably be expected to result in a Material Adverse Effect.
 - i. **Investment Company.** It is not an "investment company" or a company "controlled" by an "investment company" (as each such term is defined or used in the Investment Company Act).
 - ii. **Solvency.** It is Solvent.
 - iii. **ERISA.** It does not have any direct obligation or direct liability in respect of any Plan or Multiemployer Plan, and except as would not reasonably be expected to have a Material Adverse Effect, no ERISA Affiliate thereof has any obligation or liability in respect of any Plan or Multiemployer Plan. With respect to its obligations to each Plan, it is in compliance in all material respects with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder and other federal or state laws. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, has had or could reasonably be expected to result in a Material Adverse Effect.
- a. **AFFIRMATIVE COVENANTS.** Until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired without any pending drawing thereon, and the Commitment has been terminated, the Account Party covenants and agrees to the following:
- i. [*****] Quarterly Statement prepared for its board of directors in accordance with GAAP, in each case applied on a basis consistent with that of the preceding quarter or containing disclosure of the effect on the financial condition or results of operations of any change in the application of accounting principles and practices during such quarter; and
 - ii. [*****] Annual Statement prepared for its board of directors in accordance with GAAP, in each case applied on a basis consistent with that of the preceding year or containing disclosure of the effect on the financial condition or results of operations of any change in the application of accounting principles and practices during such year.
- b. **Certificates; Other Reports.** It shall deliver to Bank:
- i. at each time financial statements are delivered pursuant to **Section 7(a)**, a duly completed Officer's Compliance Certificate signed by the chief executive officer, chief financial officer, vice president—finance, principal accounting officer, treasurer or assistant treasurer of the Account Party, together with a Covenant Compliance

Worksheet reflecting the computation of the respective financial covenants set forth in such Covenant Compliance Worksheet;

- i. promptly upon receipt thereof, copies of all reports, if any, submitted to the Account Party, or any of its respective boards of directors by its respective independent public accountants in connection with their auditing function, including any management report and any management responses thereto;
 - i. promptly upon the request thereof, such other information and documentation required by bank regulatory authorities under applicable Anti-Money Laundering Laws (including any applicable “know your customer” rules and regulations and the PATRIOT Act), as from time to time reasonably requested by Bank; and
 - i. such other information regarding the operations, business affairs and financial condition of the Account Party thereof as Bank may reasonably request.
- a. **Notice of Litigation and Other Matters.** Promptly (but in no event later than ten (10) days after any Responsible Officer of the Account Party becoming aware thereof), it shall notify Bank in writing of:
- i. the occurrence of any Default or Event of Default;
 - i. the commencement of all proceedings and investigations by or before any Governmental Authority and all actions and proceedings in any court or before any arbitrator against or involving the Account Party or any of its respective properties, assets or businesses in each case that if adversely determined would reasonably be expected to result in a Material Adverse Effect;
 - i. any attachment, judgment, Lien, levy or order exceeding the Threshold Amount that has been assessed against the Account Party; and
 - i. any announcement by A.M. Best of any change in the Financial Strength Rating of the Account Party.

Each notice pursuant to **Section 7(c)** shall be accompanied by a statement of a Responsible Officer of the Account Party, setting forth details of the occurrence referred to therein and stating what action the Account Party has taken and proposes to take with respect thereto and shall describe with particularity any and all provisions of this Agreement and any other Credit Document that have been breached.

a. **[Reserved.]**

- a. **Payment of Taxes and Other Obligations.** Except where the failure to pay or perform such items described in this Section would not reasonably be expected to have a Material Adverse Effect, it will pay and perform all taxes, assessments and other governmental charges that may be levied or assessed upon it or any of its property; provided, that it may contest any item

described in this Section in good faith so long as adequate reserves are maintained with respect thereto in accordance with GAAP.

- a. **Compliance with Laws and Approvals.** It shall observe and remain in compliance in all material respects with all applicable laws and maintain in full force and effect all Governmental Approvals, in each case applicable to the conduct of its business except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.
- a. **Maintenance of Books and Records; Inspection.** It shall (i) maintain adequate books, accounts and records, in which full, true and correct entries in all material respects shall be made of all financial transactions in relation to its business and properties, and prepare all financial statements required under this Agreement, in each case in accordance with GAAP and in compliance with the requirements of any Governmental Authority having jurisdiction over it, and (ii) permit employees or agents of Bank, and after the occurrence and during the continuance of an Event of Default, Bank, to visit and inspect its properties and examine or audit its books, records, working papers and accounts and make copies and memoranda of them, and at its own cost and expense (other than after the occurrence of an Event of Default), and to discuss its affairs, finances and accounts with its officers and employees and, upon notice to it, its independent public accountants (and by this provision it authorizes such accountants to discuss its the finances and affairs), all at such times that will not materially interrupt or interfere with the operation of its business and from time to time, upon reasonable notice and during business hours, as may be reasonably requested; provided that except during the continuance of an Event of Default Bank shall not exercise such rights described in clause (ii) of this Section more than once per calendar year.
- a. **Use of Proceeds.** It shall comply with the following:
 - i. The Account Party shall use the Letters of Credit to support insurance obligations, obligations under reinsurance agreements and retrocession agreements and similar risk obligations.
 - i. The Account Party shall not request or use any issued Letter of Credit, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.
- a. **Accuracy of Information.** It will ensure that any information, including financial statements or other documents, furnished by it to Bank in connection with this Agreement or any amendment or modification hereof or waiver hereunder contains no material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading, and the furnishing of such information shall be deemed to be a representation and warranty by it on the date thereof as to the matters specified in this Section.
- a. **Compliance with Anti-Corruption Laws; Anti-Money Laundering Laws and Sanctions.** It shall maintain in effect and enforce policies and procedures designed to ensure compliance by it and its directors, officers, employees and agents with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws, and Sanctions.

- a. **Further Assurances.** It will execute and deliver to Bank such additional certificates, instruments and/or documents and take such additional action as may be reasonably requested by Bank to enable Bank to issue any Letter of Credit pursuant to this Agreement and the related Application, to protect, exercise and/or enforce Bank's rights and interests under any Credit Document and/or to give effect to the terms and provisions of any Credit Document.
- a. **Maintenance of Existence.** It shall (i) maintain its entity existence, and (ii) maintain in full force and effect all licenses, bonds, franchises, leases, trademarks, qualifications and authorizations to do business, and all patents, contracts and other rights necessary or advisable to the profitable conduct of its businesses, in each case except where failure to do so could not reasonably be expected to have a Material Adverse Effect.
- a. **Change in Nature of Business.** It shall will not, at any time from the date hereof until the Final Expiry Date, make any material change in the nature of its business as carried on at the date hereof that could be reasonably expected to have a Material Adverse Effect or enter into any new line of business that is not similar, corollary, related, ancillary, incidental or complementary, or a reasonable extension, development or expansion thereof or ancillary thereto the business as carried on as of the date hereof.
- a. **Payment of Liabilities.** It shall pay and discharge, in the ordinary course of business, all obligations and liabilities (including tax liabilities and other governmental charges), except where the same may be contested in good faith by appropriate proceedings and for which adequate reserves with respect thereto have been established in accordance with GAAP and except where the same could not reasonably be expected to have a Material Adverse Effect.
- 1. **FINANCIAL COVENANTS.** Until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired, without any pending drawing thereon, and the Commitment terminated, the Account Party covenants and agrees to the following:
 - a. **Minimum Total Shareholder's Equity.** The total shareholder's equity of the Account Party, determined in accordance with GAAP, shall be at all times an amount not less [*****].
 - a. **Financial Strength Ratings.** The Account Party shall at all times maintain a financial strength rating by A.M. Best Company and shall not permit such rating to be lower than [*****].
- 1. **NEGATIVE COVENANTS.**
 - a. [Reserved].
- 1. **EVENTS OF DEFAULT.** Each of the following shall be an "Event of Default" under this Agreement:
 - a. **Failure to Reimburse Draws.** The failure by the Account Party to reimburse or pay any drawing under any Letter of Credit or accrued interest thereon on the Due Date therefor.
 - a. **Failure to Pay Certain Other Amounts.** The failure by the Account Party to pay any fee or other amount when due under or in connection with any Credit Document or any Letter of Credit within three (3) Business Days after the same shall become due and payable.

- a. **Breach of Representation and Warranty.** Any representation, warranty, certification or statement made or furnished by the Account Party under or in connection with any Credit Document or as an inducement to Bank to issue a Letter of Credit shall be false, incorrect or misleading in any material respect when made (except to the extent any such representation, warranty, certification or statement is qualified by materiality or reference to Material Adverse Effect, in which case, such representation, warranty, certification or statement shall be true, correct and complete in all respects).

- a. **[Reserved.]**

- a. **Failure to Perform or Observe Covenants.**
 - i. The Account Party's failure to perform or observe any term, covenant or agreement contained in **Sections 7(c)(i), 7(h) or 8;** or

 - i. The Account Party's failure to perform or observe any term, covenant or agreement contained in any Credit Document (other than those referred to in subsections (a), (b), (c), (d) and (e)(i) of this **Section 10**), and with respect to any such failure or breach that by its nature can be cured, such failure or breach shall continue or remain unremedied for thirty (30) calendar days after the earlier of (1) Bank's delivery of written notice thereof to the Account Party, and (2) the Account Party having actual knowledge that such failure or breach has occurred.

- a. **Insolvency Proceedings, Etc.** The Account Party institutes or consents to the institution of any proceeding under any Bankruptcy Law; or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of the Account Party, and the appointment continues undischarged, undismissed or unstayed for sixty (60) calendar days; or any proceeding under any Bankruptcy Law relating to the Account Party or to all or any material part of their respective property is instituted without the consent of the Account Party, and continues undischarged, undismissed or unstayed for sixty (60) calendar days; or an order for relief is entered in any such proceeding; or the Account Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due.

- a. **Sale of Assets; Merger; Dissolution.** There shall occur in one or a series of transactions: (i) the sale, assignment or transfer of all or substantially all of the assets of the Account Party); (ii) a merger, amalgamation or consolidation of the Account Party without the prior written consent of Bank, except that the Account Party may merge, amalgamate or consolidate with any Person so long as the Account Party is the surviving entity in any such transaction; or (iii) the dissolution of the Account Party.

- a. **Credit Documents.** Any provision of any Credit Document to which the Account Party is a party shall for any reason cease to be valid and binding or enforceable; or the Account Party shall deny or disaffirm in writing the enforceability of any provision of any Credit Document to which it is a party.

- a. **Indebtedness Cross-Default.** The Account Party shall (i) default in the payment of any Indebtedness (other than the Obligations and other than Indebtedness solely among or between the Account Party and its affiliates) the aggregate principal amount (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge

Termination Value, of which is in excess of the Threshold Amount beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created, or (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (other than the Obligations and other than in respect of Indebtedness solely among or between the Account Party and its affiliates) the aggregate principal amount (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge Termination Value, of which is in excess of the Threshold Amount or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist other than in respect of an instrument, agreement, or condition solely among or between the Account Party and its affiliates, the effect of which default or other event or condition is to cause with the giving of notice and/or lapse of time, if required, any such Indebtedness to (A) become due, or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity (any applicable grace period having expired) or (B) be cash collateralized (it being understood that a pledge of cash collateral by the Account Party to secure a Hedge Agreement as initial or variation margin does not trigger a violation of this clause (B)).

- a. **Judgment.** One or more judgments, orders or decrees (excluding those entered against the Account Party in any arbitration or litigation related to (re)insurance coverage disputes arising in the ordinary course of business involving any reinsurance agreement (treaty or facultative), or direct insurance policy) shall be entered or filed against the Account Party by any court and continues without having been dismissed, discharged, vacated or stayed within sixty (60) days after the entry thereof or is not otherwise being appropriately contested in good faith and such judgments, orders or decrees are either (i) for the payment of money, individually or in the aggregate (not paid or fully covered by insurance as to which the relevant insurance company has acknowledged coverage), equal to or in excess of the Threshold Amount or (ii) for injunctive relief and could reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.
- a. **Employee Benefit Matters.** Except as would not reasonably be expected to result in a Material Adverse Effect, any Lien shall be imposed on the assets of the Account Party under ERISA with respect to any Plan or under any foreign laws similar to ERISA governing foreign pension plans.
- a. **Change in Control.** The occurrence of any Change in Control.
1. **REMEDIES.** Upon the occurrence and during the continuance of any Event of Default:
 - a. Bank may terminate the Commitment and declare all amounts owed to Bank under this Agreement or any of the other Credit Documents and all other Obligations, to be forthwith due and payable, whereupon the same shall promptly become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by the Account Party, anything in this Agreement or the other Credit Documents to the contrary notwithstanding; provided, that upon the occurrence of an Event of Default specified in **Section 10(f)**, the Commitment shall be automatically terminated and all Obligations shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by the Account Party, anything in this Agreement or in any other Credit Document to the contrary notwithstanding.
 - a. Solely with respect to the occurrence of an Event of Default under **Sections 10(a), (b), or (f)**, Bank may terminate any or all of the Letters of Credit or give Notices of Non-Extension in respect thereof, in each case if permitted in accordance with their terms.

- a. Bank may exercise from time to time any of the rights, powers and remedies available to Bank under any Credit Document to which the Account Party is a party, under any other documents now or in the future evidencing or securing the Obligations or under applicable law, and all such remedies shall be cumulative and not exclusive.
1. **SUBROGATION.** Without limiting any rights or remedies of Bank under applicable law, if an Event of Default is continuing regarding the Account Party's obligation to reimburse or pay any drawing under any Letter of Credit on the Due Date, Bank, at its option, shall be subrogated to the Account Party's rights against any Person who may be liable to the Account Party on any obligation underlying any Letter of Credit.
1. **TERM OF AGREEMENT.** This Agreement shall remain in effect from the Closing Date through and including the date upon which all Obligations (other than contingent indemnification obligations not then due) arising hereunder or under any other Credit Document shall have been indefeasibly and irrevocably paid and satisfied in full, all Letters of Credit have been terminated or expired without any pending drawing thereon, and the Commitment has been terminated. No termination of this Agreement shall affect the rights and obligations of the parties hereto arising prior to such termination or in respect of any provision of this Agreement which survives such termination.
1. **USA PATRIOT ACT; ANTI-MONEY LAUNDERING LAWS.** Bank hereby notifies the Account Party that pursuant to the requirements of the PATRIOT Act or any other Anti-Money Laundering Laws, it is required to obtain, verify and record information that identifies the Account Party, which information includes the name and address of the Account Party and other information that will allow Bank to identify the Account Party in accordance with the PATRIOT Act or such Anti-Money Laundering Laws.
1. **GOVERNING LAW; UCP; ISP; STANDARD LETTER OF CREDIT PRACTICE.** Each Credit Document and each Letter of Credit shall be governed by and construed in accordance with (a) in the case of each Credit Document (other than the Letters of Credit), the substantive laws of New York and (b) in the case of each Letter of Credit, such Letter of Credit will be governed by and construed in accordance with the governing law (if any) specified in such Letter of Credit, which governing law may be specified by Bank at the Account Party's request or with its approval (and which governing law may include the laws of a particular jurisdiction and may include specification of ISP or UCP as the practice rules to govern such Letter of Credit), and if any such practice rules are specified in such Letter of Credit then they are incorporated by reference into this Agreement and shall control (to the extent not prohibited by applicable law) to the extent of any conflict with the law applicable to such Letter of Credit. Unless the Account Party specifies otherwise in its Application for a Letter of Credit, the Account Party agrees that Bank may issue a Letter of Credit subject to the ISP or UCP. Bank's privileges, rights and remedies under the ISP and UCP, as applicable, shall be in addition to, and not in limitation of, its privileges, rights, and remedies expressly provided for herein. The ISP or UCP, as applicable, shall serve, in the absence of proof to the contrary, as evidence of Standard Letter of Credit Practice with respect to matters covered therein. To the extent permitted by applicable law, as between the Account Party and Bank, (i) this Agreement shall prevail in case of conflict between this Agreement, the UCC and/or Standard Letter of Credit Practice, (ii) the ISP shall prevail in case of conflict between the ISP and the UCC or other Standard Letter of Credit Practice if the Letter of Credit is governed by the ISP, and (iii) the UCP shall prevail in case of a conflict between the UCP and the UCC or other Standard Letter of Credit Practice if the Letter of Credit is governed by the UCP.
1. **CONSENT TO JURISDICTION AND VENUE.** THE ACCOUNT PARTY HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE COURT WITHIN NEW YORK COUNTY, NEW YORK OR ANY FEDERAL COURT LOCATED WITHIN THE SOUTHERN DISTRICT OF THE STATE OF NEW YORK OR ANY APPELLATE COURT THEREOF FOR ANY PROCEEDING INSTITUTED HEREUNDER OR

UNDER ANY OF THE OTHER CREDIT DOCUMENTS, OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER CREDIT DOCUMENTS, OR ANY PROCEEDING TO WHICH BANK OR THE ACCOUNT PARTY IS A PARTY, INCLUDING ANY ACTIONS BASED UPON, ARISING OUT OF, OR IN CONNECTION WITH ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER ORAL OR WRITTEN) OR ACTIONS OF BANK OR PROCEEDING TO WHICH BANK OR THE ACCOUNT PARTY IS A PARTY. THE BANK AND THE ACCOUNT PARTY IRREVOCABLY AGREE TO BE BOUND (SUBJECT TO ANY AVAILABLE RIGHT OF APPEAL) BY ANY JUDGMENT RENDERED OR RELIEF GRANTED THEREBY AND FURTHER WAIVES ANY OBJECTION THAT IT MAY HAVE BASED ON LACK OF JURISDICTION OR IMPROPER VENUE OR FORUM NON CONVENIENS TO THE CONDUCT OF ANY SUCH PROCEEDING. THE BANK AND THE ACCOUNT PARTY IRREVOCABLY AGREE THAT SERVICE OF PROCESS MAY BE DULY EFFECTED UPON IT BY MAILING A COPY THEREOF, BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO IT AT ITS ADDRESS SET FORTH OR REFERRED TO IN **SECTION 19** BELOW. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS AGREEMENT SHALL AFFECT THE RIGHT OF ANY PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR THE RIGHT OF BANK TO BRING ANY ACTION OR PROCEEDING AGAINST THE ACCOUNT PARTY OR ITS PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTION.

1. **WAIVER OF JURY TRIAL.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE ACCOUNT PARTY AND BANK KNOWINGLY AND VOLUNTARILY WAIVE ALL RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED ON, ARISING OUT OF, OR RELATING TO ANY CREDIT DOCUMENT OR LETTER OF CREDIT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (ORAL OR WRITTEN) OR ACTIONS OF THE ACCOUNT PARTY OR BANK WITH RESPECT THERETO. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BANK TO ISSUE LETTERS OF CREDIT.

1. **BANKRUPTCY AND FORFEITURE REINSTATEMENT.** If any consideration transferred to Bank in payment of, or as collateral for, or in satisfaction of the Obligations, shall be voided in whole or in part as a result of (a) a subsequent bankruptcy or insolvency proceeding; (b) any forfeiture or seizure action or remedy; (c) any fraudulent transfer or preference action or remedy; or (d) any other civil, criminal or equitable proceeding or remedy, then Bank's claim to recover the voided consideration shall be a new and independent claim arising under the applicable Credit Document and shall be due and payable immediately by the Account Party under the terms of the Credit Documents.
2. **NOTICES.** Unless otherwise expressly provided herein, all notices, instructions, approvals, requests, demands, consents and other communications provided for hereunder (collectively, "**notices**") shall be in writing (including by facsimile or other electronic transmission approved by Bank). All notices shall be sent by regular U.S. mail or registered or certified mail prepaid, by facsimile or other electronic transmission approved by Bank, by hand delivery, by *Federal Express* (or other comparable domestic or international delivery service) prepaid to the applicable address, facsimile number or electronic mail address set forth on the signature page hereof in the case of the Account Party. All notices to Bank (including notices by email, if Bank approves of receiving notices by email) shall be directed to Bayerische Landesbank, New York Branch, 560 Lexington Avenue, 22nd Floor, New York, New York 10022, Attention: Maddalena Scenna & Chris Catucci, email addresses: [*****] and [*****] with a copy to Bayerische Landesbank, New York Branch, 560 Lexington Avenue, 22nd Floor, New York, New York 10022, Attention: Credit Services, email address: [*****]. Bank may, but shall not be obligated to, require authentication of any electronic transmission. Notices sent by hand, *Federal Express* (or other comparable domestic or international delivery service) or registered or certified mail shall be deemed to have been given when received; notices sent by regular U.S. mail shall be deemed to have been received five (5) days after deposit into the U.S. mail; notices sent by facsimile or other electronic transmission shall be deemed to have been given upon receipt by sender of a transmission confirmation or read receipt. The Account Party or Bank may change its address (including email addresses) for notices by notifying the other of the new address in any manner permitted by this Section. The Account Party irrevocably consents that service of process may be made by registered or certified mail directed to it at the address of its agent for service of process, Conyers Corporate Services (Bermuda) Ltd., Clarendon House, 2 Church Street, Hamilton, HM 11 Bermuda.

1. **WAIVER AND AMENDMENTS.** No modification, amendment or waiver of, or consent to any departure by Bank or the Account Party from, any provision of any Credit Document will be effective unless made in a writing signed by the Account Party (in the case of Bank) or Bank (in the case of the Account Party) and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No party's consent to any amendment, waiver or modification shall mean that such party will consent or has consented to any other or subsequent request to amend, modify or waive a term of any Credit Document. No delay by any party in exercising any of its rights or remedies shall operate as a waiver, nor shall any single or partial waiver of any right or remedy preclude any other further exercise of that right or remedy, or the exercise of any other right or remedy.

1. **SUCCESSORS AND ASSIGNS.** Each Credit Document to which the Account Party is a party will be binding on the Account Party's successors and permitted assigns, as applicable, and shall inure to the benefit of the respective successors and permitted assigns of the Account Party and Bank. Except as provided in the last sentence of this **Section 21**, Bank may assign its rights and obligations under each Credit Document, including its rights to reimbursement regarding any Letter of Credit, in whole or in part, with the Account Party's consent; provided that the Account Party shall be deemed to have consented to any such assignment unless it objects by written notice to Bank within ten (10) Business Days after having received notice thereof; and, provided further, that the Account Party's consent to an assignment to any Person shall not be required if (i) the assignment is to an affiliate of Bank or (ii) an Event of Default has occurred and is continuing. Bank may sell to one or more Persons participations in or to all or a portion of its rights and obligations under the Credit Documents without the Account Party's consent. Any assignment in violation of this **Section 21** shall be void. The Account Party shall not assign or transfer any of its interests, rights or remedies related to any Credit Document, in whole or in part, without the prior written consent of Bank. Any Person to whom Bank delegates its obligation to issue a Letter of Credit must be a bank, or a branch or affiliate, that is on the List of Qualified U.S. Financial Institutions maintained by the Securities Valuation Office of the National Association of Insurance Commissioners.

1. **SEVERABILITY.** Whenever possible, each provision of each Credit Document shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision of any Credit Document shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any remaining provisions of such Credit Document.

1. **ENTIRE AGREEMENT.** This Agreement, together with the other Credit Documents and any other agreement, document or instrument referred to herein, constitute the final, exclusive and entire agreement and understanding of, and supersede all prior or contemporaneous, oral or written, agreements, understandings, representations and negotiations between, the parties relating to the subject matter of the Credit Documents, provided that this Agreement shall not supersede any reimbursement agreement (however titled) that has been entered into specifically with respect to any "direct pay" standby letter of credit or other similar standby letter of credit where the terms of such reimbursement agreement have been drafted to specifically address the particular attributes of, or the particular circumstances of the underlying transaction supported by, such standby letter of credit.
2. **SURVIVAL.** All covenants, agreements, representations and warranties made by the Account Party herein and in the other Credit Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Credit Documents shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Bank

may have had notice or knowledge of any Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2(b)(v), 2(b)(vi), 2(c) and 5 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

1. **INTERPRETATION; COUNTERPARTS; ELECTRONIC EXECUTION.** In this Agreement, (a) the term “including” means “including without limitation”; (b) the terms “will” and “shall” shall have the same meaning, (c) unless the context requires otherwise, references herein to Sections shall be construed to refer to Sections of this Agreement; (d) references to any laws, rules, or regulations include any amendments thereto or successor or replacement laws, rules, or regulations; and (e) references to actions Bank “may” take or omit to take mean “may in its sole discretion”.

1. **COUNTERPARTS; ELECTRONIC EXECUTION.** This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by any electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart hereof.

1. **NO FIDUCIARY DUTY, ETC.**

(a) The Account Party acknowledges and agrees that Bank will not have any obligations except those obligations expressly set forth herein and in the other Credit Documents and Bank is acting solely in the capacity of an arm’s length contractual counterparty to the Account Party with respect to the Credit Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, the Account Party or any other Person. The Account Party agrees that it will not assert any claim against Bank based on an alleged breach of fiduciary duty by Bank in connection with this Agreement and the transactions contemplated hereby. Additionally, the Account Party acknowledges and agrees that Bank is not advising the Account Party as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. The Account Party shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Credit Documents, and Bank shall have no responsibility or liability to the Account Party with respect thereto.

(b) The Account Party further acknowledges and agrees that Bank, together with its branches and affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, Bank may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, the Account Party and other companies with which the Account Party may have commercial or other relationships. With respect to any securities and/or financial instruments so held by Bank or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, the Account Party acknowledges and agrees that Bank and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which the Account Party may have conflicting interests regarding the transactions described herein and otherwise. Bank will not use confidential information obtained from

the Account Party by virtue of the transactions contemplated by the Credit Documents or its other relationships with the Account Party in connection with the performance by Bank of services for other companies, and Bank will not furnish any such information to other companies. The Account Party also acknowledges that Bank has no obligation to use in connection with the transactions contemplated by the Credit Documents, or to furnish to the Account Party, confidential information obtained from other companies.

1. **JUDGMENT CURRENCY.** The Account Party's obligation to make payments in any currency (the "Specified Currency") shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment or otherwise, which is expressed in or converted into any currency other than the Specified Currency, except to the extent that such tender or recovery results in the actual receipt by Bank of the full amount of the Specified Currency payable under this Agreement. The Account Party shall indemnify Bank for any shortfall and the Account Party's obligation to indemnify Bank and make payments in the Specified Currency shall be enforceable as an alternative or additional cause of action to the extent that such actual receipt is less than the full amount of the Specified Currency expressed to be payable hereunder, and shall not be affected by judgment being obtained for other sums due hereunder.

1. **ACKNOWLEDGEMENT AND CONSENT TO BAIL-IN OF AFFECTED FINANCIAL INSTITUTIONS.** Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:
(i) a reduction in full or in part or cancellation of any such liability;
(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Standby Letter of Credit as of the date first set forth above.

ACCOUNT PARTY:

EVEREST REINSURANCE (BERMUDA), LTD.

By: _____

Name:

Title:

Address for Notices:

Seon Place, 4th floor 141 Front Street
Hamilton HM19 Bermuda

BANK:

BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: _____

Name: Christopher Catucci

Title: Senior Director, Head of Financial Institutions, North America

By: _____

Name: Sylvia Szawrycka

Title: Vice President

[*****]

Certain information in the marked exhibit below has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential. Omissions are designated as “[*****].”

Amended and Restated Standby Letter of Credit Agreement
(Committed/Unsecured)

AMENDED AND RESTATED STANDBY LETTER OF CREDIT AGREEMENT (this “**Agreement**”), dated as of December 27, 2023, by and among Everest Reinsurance (Bermuda), Ltd., an exempted company incorporated and existing under the laws of Bermuda and registered as a Class 4 and Class C insurer pursuant to the Bermuda Insurance Act (as defined below) (the “**Initial Account Party**”), Everest Insurance (Ireland), DAC, a designated activity company incorporated under the laws of Ireland (the “**New Account Party**” and, together with the Initial Account Party, the “**Account Parties**”), and LLOYDS BANK CORPORATE MARKETS PLC (“**Bank**”).

The Initial Account Party and Bank are parties to that certain Standby Letter of Credit Agreement dated as of August 18, 2023 (the “**Original Letter of Credit Agreement**”).

The Initial Account Party has requested that Bank agree to amend and restate the Original Letter of Credit Agreement (including Schedule I and the Exhibits attached thereto) to make certain modifications as set forth herein, including to add the New Account Party as an Account Party with a \$15,000,000 sublimit for the issuance of Letters of Credit for the account of the New Account Party.

Bank has agreed to amend and restate the Original Letter of Credit Agreement (including Schedule I and the Exhibits attached thereto) upon the terms and conditions set forth in this Agreement (including Schedule I and the Exhibits attached hereto).

Accordingly, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the Account Parties and Bank hereby agree as follows.

1. **Defined Terms.**

- a. **Definitions.** For purposes of this Agreement, in addition to the terms defined elsewhere herein, the following terms have the meanings set forth below (such meanings to be equally applicable to the singular and plural forms thereof):

“**A.M. Best**” means A.M. Best Company, Inc.

“**Annual Statement**” means, with respect to any Account Party for any fiscal year, the annual financial statements of such Account Party as required to be filed with the Insurance Regulatory Authority of its jurisdiction of domicile and in accordance with the laws of such jurisdiction, together with all exhibits, schedules, certificates and actuarial opinions required to be filed or delivered therewith.

“**Anti-Corruption Laws**” means all laws, rules, and regulations of any jurisdiction applicable to any Account Party from time to time concerning or relating to bribery or corruption, including, to the extent applicable, the United States Foreign Corrupt Practices Act of 1977 and the rules and regulations thereunder and the U.K. Bribery Act 2010 and the rules and regulations thereunder.

“**Anti-Money Laundering Laws**” means any and all laws, rules and regulations applicable to any Account Party from time to time concerning or relating to terrorism financing or money laundering, including any applicable provision of the PATRIOT Act and The Currency and Foreign Transactions Reporting Act (also known as the “Bank Secrecy Act,” 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“**Applicable Account Party**” means (i) in respect of any Letters of Credit issued for the account of the Initial Account Party (including any such Letters of Credit issued prior to the Effective Date), the Initial Account Party, and (ii) in respect of any Letters of Credit issued for the account of the New Account Party, the New Account Party.

“**Application**” has the meaning set forth in **Section 2(a)**.

“**Auto-Extension Letter of Credit**” has the meaning given to such term in **Section 2(g)**.

“Bankruptcy Law” means the United States Bankruptcy Code (11 U.S.C. § 101 *et seq.*), as amended, modified, succeeded or replaced from time to time, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, examinership or similar debtor relief laws of the United States or any state thereof, Bermuda, Ireland or any other foreign or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Bermuda Insurance Act” means the Insurance Act 1978 of Bermuda and its related rules and regulations, each as amended.

“Business Day” means any day (other than a Saturday, Sunday or legal holiday) on which banks in Hamilton, Bermuda, New York City, New York, Dublin, Ireland and London, England are open for the conduct of their commercial banking business.

“Capital Stock” means (i) with respect to any Person that is a corporation, any and all shares, interests or equivalents in capital stock (whether voting or nonvoting, and whether common or preferred) of such corporation, and (ii) with respect to any Person that is not a corporation, any and all partnership, membership, limited liability company or other equity interests of such Person; and in each case, any and all warrants, rights or options to purchase any of the foregoing.

“Change in Law” means the occurrence after the Closing Date of: (a) the adoption or effectiveness of any law, rule, regulation, judicial ruling, judgment or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application by any Governmental Authority of any law, rule, regulation or treaty, or (c) the making or issuance by any Governmental Authority of any request, rule, guideline or directive, whether or not having the force of law; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives concerning capital adequacy promulgated by Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the U.S. federal or foreign regulatory authorities shall, in each case, be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), other than Everest Group, Ltd. and any of its direct or indirect Subsidiaries, of Capital Stock representing 25% or more of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of any Account Party; or (b) the acquisition of direct or indirect Control of any Account Party by any Person or group, other than Everest Group, Ltd. and any of its direct or indirect Subsidiaries. Notwithstanding the foregoing, no sale, assignment or transfer of the assets of, or merger, amalgamation or consolidation with respect to, Guarantor shall be a Change in Control hereunder unless a Rating Trigger or an Event of Default under Section 10(f) shall occur as a result thereof.

“Closing Date” means August 18, 2023.

“Code” means the Internal Revenue Code of 1986, and the rules and regulations promulgated thereunder.

“Commitment” means the obligation of Bank to Issue Letters of Credit for the account of an Account Party hereunder in an aggregate principal amount at any time outstanding not to exceed \$250,000,000, as such amount may be adjusted from time to time pursuant to the terms hereof; provided that Bank shall not be obligated to Issue Letters of Credit for the account of the New Account Party hereunder in an aggregate principal amount at any time outstanding exceeding \$15,000,000 (as such amount may be adjusted from time to time pursuant to the terms hereof).

[*****]

“Commitment Termination Date” means the earliest to occur of (a) subject to any extension agreed pursuant to **Section 2(j)**, the date that is two years after the Closing Date, (b) the date of termination of the entire Commitment by the Initial Account Party pursuant to **Section 2(h)**, and (c) the date of termination of the Commitment pursuant to **Section 11(a)**.

[*****]

[*****]

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “**Controlling**” and “**Controlled**” have the meanings correlative thereto.

[*****]

“**Credit Documents**” means, collectively, this Agreement, the Letter of Credit Documents, and the Guaranty Agreement.

“**Credit Parties**” means, collectively, each Account Party and the Guarantor (each a “**Credit Party**”).

“**Default**” means any of the events specified in **Section 10** which with the passage of time, the giving of notice or any other condition, would constitute an Event of Default.

“**Disqualified Capital Stock**” means, with respect to any Person, any Capital Stock of such Person that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event or otherwise, (i) matures or is mandatorily redeemable or subject to any mandatory repurchase requirement, pursuant to a sinking fund obligation or otherwise, (ii) is redeemable or subject to any mandatory repurchase requirement at the sole option of the holder thereof, or (iii) is convertible into or exchangeable for (whether at the option of the issuer or the holder thereof) (A) debt securities or (B) any Capital Stock referred to in clause (i) or (ii) above, in each case under clause (i), (ii) or (iii) above at any time on or prior to the Final Maturity Date; provided, however, that only the portion of Capital Stock that so matures or is mandatorily redeemable, is so redeemable at the option of the holder thereof, or is so convertible or exchangeable on or prior to such date shall be deemed to be Disqualified Capital Stock.

“**Dollars**” or “**\$**” means dollars of the United States of America.

“**Draw Date**” has the meaning specified in **Section 2(b)(i)**.

“**Due Date**” has the meaning specified in **Section 2(b)(i)**.

“**Effective Date**” means the first date on which all the conditions precedent set forth in **Section 4(a)** are satisfied or waived by Bank.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**ERISA Affiliate**” means any trade or business (whether or not incorporated) that, together with any Account Party, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(m) or (o) of the Code.

“**ERISA Event**” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the failure to satisfy the “minimum funding standard” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived with respect to any Plan; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by any Account Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by any Account Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by any Account Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal of any Account Party or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by any Account Party or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from, any Account Party, or any of its ERISA Affiliates of any notice, concerning the imposition upon any Account Party, or any of its ERISA Affiliates of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

“**Euro**” and “**EUR**” mean the single currency of the Participating Member States.

“**Event of Default**” has the meaning specified in **Section 10**.

“Exchange Act” means the Securities Exchange Act of 1934.

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“FATCA” means (a) Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the Code, (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction with the purpose (in either case) of facilitating the implementation of (a) above, or (c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the IRS, the United States government or any governmental or taxation authority in the United States.

“Final Expiry Date” means the date when the Final Maturity Date has occurred, all Letters of Credit have expired or terminated and all Obligations owing hereunder and in the other Credit Documents have been paid in full.

“Final Maturity Date” means the date that is one year following the Commitment Termination Date (as it may be extended pursuant to and in accordance with **Section 2(j)**); provided, however, that if such date is not a Business Day, the Final Maturity Date shall be the next preceding Business Day.

“Financial Strength Rating” means, as to any Person, the rating that has been most recently announced by A.M. Best as the “financial strength rating” of such Person.

“GAAP” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governmental Authority” means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guarantor” means Everest Group, Ltd., a Bermuda company.

“Guaranty Agreement” means the guaranty agreement, dated as of the Closing Date, made by the Guarantor in favor of the Bank, as amended, restated, modified or supplemented from time to time.

“Hedge Agreement” means any interest or foreign currency rate swap, cap, collar, option, hedge, forward rate or other similar agreement or arrangement designed to protect against fluctuations in interest rates or currency exchange rates, including any swap agreement (as defined in 11 U.S.C. § 101).

“Hedge Termination Value” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include Bank or any affiliate of Bank).

“Indebtedness” means, with respect to any Person (without duplication), (i) all indebtedness of such Person for borrowed money or in respect of loans or advances, (ii) all obligations of such Person evidenced by notes, bonds, debentures or similar instruments, (iii) all reimbursement

obligations of such Person with respect to surety bonds, letters of credit and bankers' acceptances (in each case, whether or not drawn or matured and in the stated amount thereof), (iv) all obligations of such Person to pay the deferred purchase price of property or services, (v) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (vi) all obligations of such Person as lessee under leases that are or are required to be, in accordance with GAAP, recorded as capital or finance leases, to the extent such obligations are required to be so recorded, (vii) all obligations and liabilities of such Person incurred in connection with any transaction or series of transactions providing for the financing of assets through one or more securitizations or in connection with, or pursuant to, any synthetic lease or similar off-balance sheet financing, (viii) all Disqualified Capital Stock issued by such Person, with the amount of Indebtedness represented by such Disqualified Capital Stock being equal to the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price, but excluding accrued dividends, if any (for purposes hereof, the "maximum fixed repurchase price" of any Disqualified Capital Stock that does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Capital Stock as if such Disqualified Capital Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to this Agreement, and if such price is based upon, or measured by, the fair market value of such Disqualified Capital Stock, such fair market value shall be determined reasonably and in good faith by the board of directors or other governing body of the issuer of such Disqualified Capital Stock), (ix) the Hedge Termination Value of such Person under any Hedge Agreements, calculated as of any date as if such agreement or arrangement were terminated as of such date, (x) all contingent obligations of such Person in respect of Indebtedness of other Persons and (xi) all indebtedness referred to in clauses (i) through (x) above secured by any Lien on any property or asset owned or held by such Person regardless of whether the indebtedness secured thereby shall have been assumed by such Person or is nonrecourse to the credit of such Person.

"**Instructions**" has the meaning set forth in **Section 2(a)**.

"**Insurance Regulatory Authority**" means, with respect to any Account Party or any Insurance Subsidiary, the insurance department or similar Governmental Authority charged with regulating insurance companies or insurance holding companies, in its jurisdiction of domicile and, to the extent that it has regulatory authority over such Account Party, in each other jurisdiction in which such Account Party conducts business or is licensed to conduct business.

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"**Investment Company Act**" means the Investment Company Act of 1940 (15 U.S.C. § 80(a)(1), *et seq.*).

"**IRS**" means the United States Internal Revenue Service.

"**Issue**" means, with respect to any Letter of Credit, to issue, to amend or to extend the expiry of, or to renew or increase the stated amount of, such Letter of Credit. The terms "**Issued**", "**Issuing**" and "**Issuance**" have corresponding meanings.

"**Letter of Credit Documents**" means, with respect to any Letter of Credit, collectively, any Applications, agreements, instruments, guarantees or other documents (whether general in application or applicable only to such Letter of Credit) governing or providing for the rights and obligations of the parties concerned or at risk with respect to such Letter of Credit.

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"**Letters of Credit**" means the collective reference to any standby letters of credit Issued pursuant to **Section 2** and shall include each Existing Letter of Credit.

"**Lien**" means any mortgage, pledge, hypothecation, assignment, security interest, lien (statutory or otherwise), preference, priority, charge or other encumbrance of any nature, whether voluntary or involuntary, including the interest of any vendor or lessor under any conditional sale agreement, title retention agreement, capital lease or any other lease or arrangement having substantially the same effect as any of the foregoing.

"**Material Adverse Effect**" means a material adverse effect upon (i) the financial condition, operations, business, properties or assets of any Account Party, (ii) the ability of the Credit Parties, taken as a whole, to perform any of their payment or other material obligations under any of

the Credit Documents or (iii) the legality, validity or enforceability of this Agreement or any of the other Credit Documents or the rights and remedies of Bank hereunder and thereunder.

“**Multiemployer Plan**” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

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“**Notice of Non-Extension**” has the meaning given to such term in **Section 2(g)**.

“**Obligations**” means all obligations and liabilities (including any interest and fees accruing after the filing of a petition or commencement of a case by or with respect to any Account Party seeking relief under any applicable Bankruptcy Laws, whether or not the claim for such interest or fees is allowed in such proceeding), including without limitation, reimbursement and other payment obligations and liabilities, of any Account Party to Bank arising under, or in connection with, the applicable Credit Document, including, without limitation, **Section 5** below, any Application or any Letter of Credit, in each case whether matured or unmatured, absolute or contingent, now existing or hereafter incurred.

“**OFAC**” means the U.S. Department of the Treasury’s Office of Foreign Assets Control.

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“**Other Taxes**” has the meaning specified in **Section 2(c)**.

“**Outstanding Letters of Credit**” means, as of any date, the sum of (a) the Stated Amount of all outstanding Letters of Credit at such time and, without duplication, (b) all reimbursement obligations in respect of Letters of Credit at such time.

“**Participating Member State**” means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**PATRIOT Act**” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“**Payment Date**” has the meaning specified in **Section 2(b)(i)**.

“**PBGC**” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

“**Plan Asset Rules**” means the regulations issued by the United States Department of Labor at Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the United States Code of Federal Regulations or any successor regulations, as modified by Section 3(42) of ERISA, and the rules and regulations thereunder.

“**Plan**” means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA and in respect of which any Credit Party or any ERISA Affiliate thereof is (or if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“**Prime Rate**” means the rate of interest last quoted by the Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board of Governors of the Federal Reserve System of the United States in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined reasonably by Bank) or any similar release by the Board of Governors of the Federal Reserve System of the United States (as determined reasonably by Bank); provided that if the Prime Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“**Quarterly Statement**” means, with respect to the Initial Account Party for any fiscal quarter, the quarterly financial statements of the Initial Account Party.

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“**Responsible Officer**” means, as to any Person, the chief executive officer, president, chief financial officer, controller, treasurer or assistant treasurer of such Person or any other officer or director of such Person designated in writing by such Person and reasonably acceptable to Bank;

provided that, to the extent requested thereby, Bank shall have received a certificate of such Person certifying as to the incumbency and genuineness of the signature of each such officer or director. Any document delivered hereunder or under any other Credit Document that is signed by a Responsible Officer of a Person shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

“**Sanctions**” means any and all economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and anti-terrorism laws, including but not limited to those imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC or the U.S. Department of State), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority.

“**Sanctioned Country**” means at any time, a country, territory or region which is itself the subject or target of any Sanctions.

“**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC (including, without limitation, OFAC’s Specially Designated Nationals and Blocked Persons List and OFAC’s Consolidated Non-SDN List), the U.S. Department of State, the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority, (b) any Person located, operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in clauses (a) and (b), including a Person that is deemed by OFAC to be a Sanctions target based on the ownership of such legal entity by Sanctioned Person(s).

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“**Standard Letter of Credit Practice**” means, for Bank, any U.S. federal or state or foreign law or letter of credit practices applicable in the city in which Bank Issued the applicable Letter of Credit or for its branch or correspondent banks, such laws and practices applicable in the city in which it has advised, confirmed or negotiated such Letter of Credit, as the case may be. Such practices shall be (i) of banks that regularly issue letters of credit in the particular city, and (ii) required or permitted under the ISP (as defined below) or UCP (as defined below), as chosen in the applicable Letter of Credit. “**ISP**” means, International Standby Practices 1998 (International Chamber of Commerce Publication No. 590) and any subsequent revision thereof adopted by the International Chamber of Commerce on the date such Letter of Credit is issued. “**UCP**” means, Uniform Customs and Practice for Documentary Credits 2007 Revision, International Chamber of Commerce Publication No. 600 and any subsequent revision thereof adopted by the International Chamber of Commerce on the date such Letter of Credit is issued.

“**Stated Amount**” means, with respect to any Letter of Credit at any time, the aggregate amount available to be drawn thereunder at such time (regardless of whether any conditions for drawing could then be met).

“**Subsidiary**” means as to any Person, any corporation, partnership, limited liability company or other entity of which more than fifty percent (50%) of the outstanding Capital Stock having ordinary voting power to elect a majority of the board of directors (or equivalent governing body) or other managers of such corporation, partnership, limited liability company or other entity is at the time owned by (directly or indirectly) such Person (irrespective of whether, at the time, Capital Stock of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency). Unless otherwise qualified, references to “Subsidiary” or “Subsidiaries” herein shall refer to those of each applicable Account Party. “Subsidiary”, in relation to the New Account Party, shall have the meaning given to it under Section 7 of the Companies Act 2014 of Ireland.

“**Taxes**” has the meaning specified in **Section 2(c)**.

“**Threshold Amount**” means [*****].

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“**U.S.**” means United States of America.

1. **LETTER OF CREDIT FACILITY.**

- a. **General.** At the request of an Account Party, Bank agrees, on and subject to the terms and conditions of this Agreement, to issue standby Letters of Credit for the account of such Account Party in Dollars from time to time during the period from the Closing Date to but not including the Commitment Termination Date. Letters of Credit may only be issued on Business Days. The request to issue a Letter of Credit (an “**Application**”) shall be in the form of Exhibit B or such other form as Bank shall from time to time require or agree to accept (including any type of electronic form or means of communication acceptable to Bank) and, upon the receipt of any Application, Bank shall process such Application in accordance with its customary procedures and shall, subject to **Section 4**, promptly issue the Letter of Credit requested thereby (but in no event shall Bank be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed by Bank and the applicable Account Party. Inquiries, communications and instructions (whether written, facsimile or in other electronic form approved by Bank) regarding a Letter of Credit, an Application and this Agreement are each referred to herein as “**Instructions**”. Bank’s records of the content of any Instruction will be conclusive, absent manifest error.
- b. **General Payment Obligations.** For each Letter of Credit, the Applicable Account Party shall, as to clause (i) below, reimburse Bank, and as to all other clauses below, pay Bank, in each case in Dollars:
- i. with respect to a drawing under any Letter of Credit, the amount of each drawing paid by Bank thereunder (such date of payment hereinafter referred to as the “**Draw Date**”) no later than the first succeeding Business Day after such Account Party’s receipt of notice of such payment by Bank (the “**Due Date**”), with interest as provided below on the amount so paid by Bank (to the extent not reimbursed prior to 2:00 p.m. Eastern Time on the Draw Date) for the period from the Draw Date to the date the reimbursement obligation created thereby is satisfied in full (the “**Payment Date**”). If the Payment Date is on or prior to the Due Date, such interest shall be payable at the Prime Rate as in effect from time to time during the period from the Draw Date to the Payment Date. If the Payment Date is after the Due Date, such interest shall be payable (x) as provided in the preceding sentence during the period from and including the Draw Date to and not including the Due Date, and (y) at the Prime Rate as in effect from time to time [*****] from and including the Due Date to and not including the Payment Date;
 - ii. the fees payable by such Account Party at such times and in such amounts as are set forth in **Section 2(i)**.
 - iii. except as otherwise provided in clause (i) above and clause (iv) below, interest on each amount payable by such Account Party under the applicable Credit Documents for each day from and including the date such payment is due to and not including the date of payment, on demand, at a rate per annum equal to the Prime Rate as in effect from time to time [*****];
 - iv. within ten (10) days of demand, Bank’s reasonable and documented out-of-pocket costs and expenses (including the reasonable and documented legal fees, charges and disbursements of outside counsel to Bank incurred in connection with the protection or enforcement of Bank’s rights against such Account Party under this Agreement and the other applicable Credit Documents and any correspondent bank’s documented charges related thereto), with interest from the date of demand by Bank to and not including the date of payment by such Account Party, at a rate per annum equal to the Prime Rate as in effect from time to time [*****];
 - v. if as a result of any Change in Law, Bank determines that the cost to Bank of Issuing or maintaining any Letter of Credit is increased (excluding, for purposes

of this clause (a)(v), any such increased costs resulting from (A) income taxes, franchise taxes and similar taxes imposed on Bank by any taxing authority, any U.S. federal withholding taxes imposed under FATCA and Other Taxes (in each case as to which **Section 2(c)** shall govern) and (B) changes in the basis of taxation of overall net income or overall gross income by the U.S. or by the foreign jurisdiction or state under the laws of which Bank is organized or has its lending office or any political subdivision thereof), then such Account Party will pay to Bank, from time to time, within ten (10) days after demand by Bank, which demand shall include a statement of the basis for such demand and a calculation in reasonable detail of the amount demanded, additional amounts sufficient to compensate Bank for such increased cost. A certificate as to the amount of such increased cost, submitted to the Applicable Account Party by Bank, shall be conclusive and binding for all purposes, absent manifest error; and

- vi. if Bank determines that any Change in Law affecting Bank or any lending office of Bank or Bank's holding company regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on Bank's capital or on the capital of Bank's holding company as a consequence of this Agreement or the Letters of Credit issued by Bank to a level below that which Bank or Bank's holding company could have achieved but for such Change in Law (taking into consideration Bank's or its holding company's policies with respect to capital adequacy), then from time to time such Account Party will pay to Bank within ten (10) days after demand by Bank, which demand shall include a statement of the basis for such demand and a calculation in reasonable detail of the amount demanded, such additional amount or amounts as will compensate Bank or Bank's holding company for any such reduction suffered. A certificate as to such amounts submitted to the Applicable Account Party by Bank shall be conclusive and binding for all purposes, absent manifest error.

Bank shall use reasonable efforts to designate a different lending office if such designation will avoid (or reduce the cost to each Applicable Account Party of) any event described in the preceding sentence and such designation will not, in Bank's good faith judgment, subject Bank to any unreimbursed cost or expense and would not otherwise be disadvantageous to Bank.

Notwithstanding the provisions of clause (v) or (vi) above or **Section 2(c)** below (and without limiting the immediately preceding paragraph), Bank shall not be entitled to compensation from any Account Party for any amount arising prior to the date which is 180 days before the date on which Bank notifies such Account Party of such event or circumstance (except that if such event or circumstance is retroactive, then such 180-day period shall be extended to include the period of retroactive effect thereof).

Any payments received by Bank pursuant to the Credit Documents after 2:00 p.m. Eastern Time shall be deemed to have been made on the next succeeding Business Day for all purposes under the Credit Documents.

- a. **Immediately Available Funds; No Withholding.** All reimbursements and payments by or on behalf of the Account Parties shall be made in immediately available funds, free and clear of and without deduction for any present or future Taxes, set-off or other liabilities, to such location as Bank may reasonably designate from time to time. The Applicable Account Party shall pay all withholding taxes and Other Taxes imposed by any taxing authority on reimbursement or payment under any Letter of Credit and any Credit Document, and shall indemnify Bank against all liabilities, costs, claims and expenses resulting from Bank having to pay or from any omission to pay or delay in paying any such taxes, except to the extent that such taxes are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of Bank. Any such indemnification payment shall be made within ten (10) days from the date Bank makes written demand therefor.

“**Taxes**” means all taxes, fees, duties, levies, imposts, deductions, charges or withholdings of any kind (other than income taxes, franchise taxes and similar taxes imposed on Bank by any taxing authority and any U.S. federal withholding taxes imposed under FATCA). “**Other Taxes**” means all present or future stamp, documentary, excise, property or similar taxes, charges or levies that arise from any payment made hereunder or from the execution, delivery or registration of, performance under, or otherwise with respect to, this Agreement or any other Credit Document.

- b. **Automatic Debit and Set-Off.** Upon the occurrence and during the continuance of any Event of Default with respect to any Account Party, Bank may (but shall not be required to), without demand for reimbursement or payment or notice to the Account Parties, and in addition to any other right of set-off that Bank may have, debit any account or accounts maintained by such Account Party with any office of Bank (now or in the future) and set-off and apply (i) any balance or deposits (general, special, time, demand, provisional, final, matured or absolute) in the account(s) and (ii) any sums due or payable from Bank, to the payment of any and all Obligations owed by such Account Party to Bank, irrespective of whether Bank shall have made any demand under this Agreement and although such Obligations may be contingent or unmatured. Bank agrees promptly to notify the applicable Account Party after any such set-off and application; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application.
- c. **Obligations Absolute.** The obligations of the Account Parties under this Agreement are several (and not joint) in all respects and no Account Party shall be liable for any breach by any other Account Party for that Account Party’s breach of this Agreement. The reimbursement and payment obligations of each Account Party under this **Section 2** are absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever, including, without limitation:
 - i. any lack of validity, enforceability or legal effect of any Letter of Credit or any Credit Document or any term or provision therein;
 - ii. payment against presentation of any draft, demand or claim for payment under any Letter of Credit or other document presented for purposes of drawing under any Letter of Credit (individually, a “**Drawing Document**” and collectively, the “**Drawing Documents**”) that does not comply in whole or in part with the terms of the applicable Letter of Credit or which proves to be fraudulent, forged or invalid in any respect or any statement therein proving to be untrue or inaccurate in any respect, or which is signed, issued or presented by a Person or a transferee of such Person purporting to be a successor or transferee of the beneficiary of such Letter of Credit;
 - iii. Bank or any of its branches or affiliates being the beneficiary of any Letter of Credit;
 - iv. Bank or any correspondent bank honoring a drawing against a Drawing Document up to the amount available under any Letter of Credit even if such Drawing Document claims an amount in excess of the amount available under such Letter of Credit;
 - v. the existence of any claim, set-off, defense or other right that any Account Party or any other Person may have at any time against any beneficiary or any assignee of proceeds, Bank or any other Person; or
 - vi. any other event, circumstance or conduct whatsoever, whether or not similar to any of the foregoing that might, but for this **Section 2(e)**, constitute a legal or equitable defense to or discharge of, or provide a right of set-off against, the Obligations, whether against Bank, the beneficiary or any other Person;

provided, however, that subject to **Section 5(b)** below, the foregoing shall not release Bank from such liability to any Account Party as may be determined by a court of competent jurisdiction by a final and nonappealable judgment against Bank following reimbursement and/or payment of the Obligations.

- a. **Computation of Interest and Fees; Maximum Rate.** All computations of interest and fees to be made hereunder and under any other Credit Document shall be made on the basis of a year consisting of (i) in the case of interest determined with reference to the Prime Rate, 365/366 days, as the case may be, or (ii) in all other instances, 360 days; and in each case under (i) and (ii), for the actual number of days elapsed (including the first day but excluding the last day) occurring in the period for which such interest or fee is payable. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest under this Agreement charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any applicable law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that Bank has charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by applicable law and Bank shall at its option (i) promptly refund to each applicable Account Party any interest received by Bank in excess of the maximum lawful rate or (ii) apply such excess to any outstanding Obligations of each such Account Party. It is the intent hereof that the Account Parties not pay or contract to pay, and that Bank not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by the Account Parties under applicable law.
 - b. **Expiry Date of Letters of Credit.** Each Letter of Credit shall expire at or prior to the earlier of (i) the close of business on the date one year after the date of the Issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension), or (ii) the Final Maturity Date; provided, however, if the Applicable Account Party so requests in any applicable Application, Bank agrees to issue a Letter of Credit that has automatic extension provisions (each, an “**Auto-Extension Letter of Credit**”); provided that any such Auto-Extension Letter of Credit (1) must permit Bank to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof (any such notice, a “**Notice of Non-Extension**”) not later than a day in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued, and (2) shall expire on or before the Final Maturity Date.
 - a. **Permanent Reduction of Commitment.** The Initial Account Party shall have the right at any time and from time to time, upon at least five Business Days’ prior irrevocable written notice to Bank, to permanently reduce, without premium or penalty, (i) the entire Commitment at any time or (ii) portions of the Commitment, from time to time, in an aggregate principal amount not less than [*****] or any whole multiple of [*****] in excess thereof. All Commitment Fees accrued until the effective date of any termination of the Commitment shall be paid on the effective date of such termination.
 - b. [*****]
 - c. [*****]
2. **Account Parties’ Responsibility.** The Applicable Account Party is responsible for approving the final text of any Letter of Credit Issued by Bank for its account, irrespective of any assistance Bank may provide such as drafting or recommending text or by Bank’s use or refusal to use text submitted by such Applicable Account Party. Each Applicable Account Party is solely responsible for the suitability of the Letters of Credit for such Applicable Account Party’s purposes. The Applicable Account Party will examine the copy of each Letter of Credit Issued for its account

and any other documents sent by Bank in connection with such Letter of Credit and shall promptly notify Bank of any non-compliance with such Applicable Account Party's Instructions and of any discrepancy in any document under any presentment or other irregularity. The Account Parties understand that the final form of any Letter of Credit may be subject to such revisions and changes as are deemed necessary or appropriate by Bank in accordance with standard industry practice and the Account Parties hereby consent to such revisions and changes.

3. **CONDITIONS OF CLOSING AND ISSUANCE.**

a. **Conditions Precedent to Closing.** This amendment and restatement of the Original Letter of Credit Agreement shall become effective upon satisfaction of each of the following conditions (the "Effective Date"):

i. **Executed Credit Documents.** This Agreement and the Guaranty Agreement, together with any other applicable Credit Documents, shall have been duly authorized, executed and delivered to Bank by the parties thereto, shall be in full force and effect and no Default or Event of Default shall exist hereunder or thereunder.

ii. **Closing Certificates; Etc.** Bank shall have received each of the following in form and substance reasonably satisfactory to Bank:

a. **Officer's Certificate.** A certificate from a Responsible Officer of each Account Party to the effect that (A) all representations and warranties of such Account Party contained in the Credit Documents to which it is a party are true, correct and complete in all material respects (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true, correct and complete in all respects); and (B) as of the Effective Date, no Default or Event of Default has occurred and is continuing.

a. **Certificate of Secretary of each Account Party.** A certificate of a Responsible Officer of each Account Party certifying as to the incumbency and genuineness of the signature of each officer or other authorized signatory of such Account Party executing Credit Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of (A) the memorandum of association (or equivalent), as applicable, of such Account Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, (B) the bye-laws or other governing document of such Account Party as in effect on the Effective Date, (C) resolutions duly adopted by the board of directors (or other governing body) of such Account Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of the Credit Documents to which it is a party, and (D) in the case of the Initial Account Party, each certificate required to be delivered in relation to the Initial Account Party pursuant to **Section 4(a)(ii)(C)**.

b. **Certificates of Good Standing.** Certificates as of a recent date of the good standing of each Account Party under the laws of its jurisdiction (where the issuance of such certificates is customary) of incorporation, organization or formation (or equivalent), as applicable, and, to the extent requested by Bank,

each other jurisdiction where any Account Party is qualified to do business.

- c. **Opinions of Counsel.** Opinions of counsel to the Credit Parties addressed to Bank with respect to the Credit Parties, the Credit Documents and such other matters as Bank shall request (which such opinions shall expressly permit reliance by permitted successors and assigns of Bank).

1. **Consents; Defaults.**

- a. **Governmental and Third Party Approvals.** Each Credit Party shall have received all material governmental, shareholder and third party consents and approvals necessary (or any other material consents as determined in the reasonable discretion of Bank) in connection with the transactions contemplated by this Agreement and the other Credit Documents and all applicable waiting periods shall have expired without any action being taken by any Person that would reasonably be expected to restrain, prevent or impose any material adverse conditions on such Credit Party or such transactions or that could seek or threaten any of the foregoing, and no law or regulation shall be applicable which in the reasonable judgment of Bank would reasonably be expected to have such effect.
- b. **No Injunction, Etc.** No action, proceeding or investigation shall have been instituted, threatened in writing or proposed in writing before any Governmental Authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Agreement or the other Credit Documents or the consummation of the transactions contemplated hereby or thereby, or which, in Bank's sole discretion, would make it inadvisable to consummate the transactions contemplated by this Agreement or the other Credit Documents or the consummation of the transactions contemplated hereby or thereby.

2. **Payments at Closing.** The Account Parties shall have paid to Bank all fees and reasonable and documented expenses of Bank required hereunder or under any other Credit Document to be paid on or prior to the Effective Date (including reasonable and documented fees and expenses of counsel) in connection with this Agreement, the other Credit Documents and the transactions contemplated hereby.

3. **Miscellaneous.**

- a. **PATRIOT Act, etc.** Each Credit Party shall have provided to Bank the documentation and other information requested by Bank in order to comply with requirements of any Anti-Money Laundering Laws, including, without limitation, the PATRIOT Act and any applicable "know your customer" rules and regulations.
- b. **Other Documents.** All opinions, certificates and other instruments and all proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory in form and substance to Bank. Bank shall have received copies of all other documents, certificates and instruments reasonably requested thereby, with respect to the transactions contemplated by this Agreement.

- i. **Conditions Precedent to Issuance of Letters of Credit.** The obligation of Bank to Issue Letters of Credit (including any Letters of Credit Issued on the Effective Date) is subject to the satisfaction of each of the following conditions:

- 1. **Continuation of Representations and Warranties.** The representations and warranties contained in this Agreement and the other Credit Documents shall

be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects, on and as of such issuance with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects as of such earlier date).

2. **No Existing Default.** No Default or Event of Default shall have occurred and be continuing on the Issuance date with respect to such Letter of Credit or after giving effect to the issuance of such Letter of Credit on such date.
 3. **Notice.** Bank shall have received an Application from the Applicable Account Party.
 4. **Miscellaneous.** In addition to the foregoing, Bank shall be under no obligation to Issue any Letter of Credit if:
 - a. any order, judgment or decree of any Governmental Authority or arbitrator having jurisdiction over Bank shall by its terms enjoin or restrain the Issuance of such Letter of Credit or any law applicable to Bank, Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over it shall prohibit, or request that it refrain from, the Issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon it with respect to such Letter of Credit any restriction or reserve or capital requirement (for which Bank is not otherwise compensated) not in effect on the Closing Date, or any unreimbursed loss, cost or expense which was not applicable or in effect as of the Closing Date and which Bank in good faith deems material to it;
 - b. Bank shall have delivered a Notice of Non-Extension with respect to such Letter of Credit;
 - c. the expiry date of such Letter of Credit would occur more than twelve months after the date of issuance or last extension unless Bank has approved such expiry date in writing;
 - d. the expiry date of such Letter of Credit occurs after the Final Maturity Date, unless Bank has approved such expiry date in writing;
 - e. such Letter of Credit is not substantially in form and substance reasonably acceptable to Bank;
 - f. immediately after giving effect thereto, the amount of Outstanding Letters of Credit would exceed the Commitment at such time; or
 - g. immediately after giving effect thereto, the aggregate Stated Amount of all outstanding Letters of Credit Issued for the account of the New Account Party would exceed \$15,000,000 at such time.
- a. **Indemnification; Limitation of Liability; Expenses.**
- i. **Indemnification.** Each Applicable Account Party agrees to indemnify and hold harmless Bank (including its branches and affiliates), its correspondent banks and each of their respective directors, officers, employees, attorneys and agents (each, including Bank, an “**Indemnified Person**”) from and against any and all claims, suits, judgments, liabilities, losses, fines, damages, penalties, interest, costs and expenses (including expert witness fees and reasonable out-of-pocket legal fees, charges and disbursements of any counsel (including outside counsel fees and expenses), and all expenses of arbitration or litigation and in preparation thereof), in each case, which are documented and may be incurred by or awarded against any Indemnified Person (collectively, the “**Costs**”), and

which arise out of or in connection with or by reason of this Agreement, the other Credit Documents, the actual or proposed use of the proceeds of the Letters of Credit issued for the account of such Applicable Account Party or any of the transactions contemplated thereby, including, without limitation, any Costs which arise out of or in connection with, or as a result of:

1. any such Letter of Credit or any pre-advice of its Issuance;
2. any transfer, sale, delivery, surrender or endorsement of any Drawing Document at any time(s) held by any Indemnified Person in connection with any such Letter of Credit;
3. any actual or prospective action or proceeding arising out of, or in connection with, any such Letter of Credit or any Credit Document (whether administrative, judicial or in connection with arbitration, whether based on contract, tort or any other theory, and whether brought by a third party or by the Applicable Account Party or any Subsidiary thereof, and regardless of whether any Indemnified Person is a party thereto), including any action or proceeding to compel or restrain any presentation or payment under any such Letter of Credit, or for the wrongful dishonor of, or honoring a presentation under, any such Letter of Credit;
4. any independent undertakings issued by the beneficiary of any such Letter of Credit;
5. any unauthorized Instruction or error in computer or electronic transmission in connection with any such Letter of Credit Issued hereunder;
6. an adviser, confirmer or other nominated person seeking to be reimbursed, indemnified or compensated in connection with any such Letter of Credit Issued hereunder;
7. any third party seeking to enforce the rights of the Applicable Account Party, beneficiary, nominated person, transferee, assignee of such Letter of Credit proceeds or holder of an instrument or document in connection with any such Letter of Credit Issued hereunder;
8. the fraud, forgery or illegal action of parties other than any Indemnified Person in connection with any such Letter of Credit Issued hereunder;
9. Bank's performance of the obligations of a confirming institution or entity that wrongfully dishonors a confirmation in connection with any such Letter of Credit Issued hereunder; or
10. the acts or omissions, whether rightful or wrongful, of any present or future *de jure* or *de facto* Governmental Authority or cause or event beyond the control of such Indemnified Person in connection with any such Letter of Credit Issued hereunder;

in each case, including that resulting from Bank's own negligence; provided, however, that such indemnity shall not be available to any Person claiming indemnification under this Section 5(a) to the extent that such Costs (A) are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Person, (B) are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from a claim by an Account Party against an Indemnified Person for breach in bad faith of the obligations of such Indemnified Person hereunder or under any other Credit Document, or (C) result from any dispute solely between or among Indemnified Parties. Each Account Party hereby agrees to pay Bank within thirty (30) days after demand from time to time all amounts owing from such Account Party under this **Section 5(a)**. This indemnity provision shall survive termination of this Agreement and all Letters of Credit.

- i. **Direct Damages; No Punitive Damages.** The liability of Bank (or any other Indemnified Person) under, in connection with and/or arising out of any Credit Document or any Letter of Credit (or pre-advice), regardless of the form or legal grounds of the action or

proceeding, shall be limited to direct damages suffered by the Applicable Account Party that are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from Bank's gross negligence or willful misconduct or breach in bad faith of its obligations hereunder or under any Letter of Credit (including pre-advice) or other Credit Document. Bank shall be deemed to have acted with due diligence and reasonable care if Bank's conduct is in accordance with Standard Letter of Credit Practice or in accordance with any Credit Document. No Indemnified Person shall be liable for any damages arising from any errors, omissions, interruptions or delays in transmission or delivery of any message, advice or document (regardless of how sent or transmitted) in connection with this Agreement or the other Credit Documents, except to the extent that any losses, claims, damages, liabilities or expenses result from the gross negligence or willful misconduct of such Indemnified Person in making any such transmission as determined by a final nonappealable judgment of a court of competent jurisdiction.

Notwithstanding anything to the contrary in this Agreement or in any other Credit Document, no Indemnified Person shall be liable in contract, tort or otherwise for any punitive, exemplary, consequential, indirect or special damages or losses regardless of whether or not such party or Indemnified Person shall have been advised of the possibility thereof or the form of action in which such damages or losses may be claimed. The Account Parties shall take commercially reasonable action to avoid and mitigate the amount of any damages claimed against Bank or any other Indemnified Person, including by enforcing its rights in appropriate proceedings diligently pursued in the underlying transaction.

- i. **No Responsibility or Liability.** Without limiting any other provision of this Agreement or any other Credit Document, Bank and each other Indemnified Person (if applicable) shall not be responsible to the Account Parties for, and/or Bank's rights and remedies against the Account Parties and the Obligations shall not be impaired by:
 1. honor of a presentation under any Letter of Credit that on its face substantially complies with the terms and conditions of such Letter of Credit, even if the Letter of Credit requires strict compliance by the beneficiary;
 2. acceptance as a draft of any written or electronic demand or request for payment under a Letter of Credit, even if nonnegotiable or not in the form of a draft;
 3. the identity or authority of any presenter or signer of any Drawing Document or the form, accuracy, genuineness or legal effect of any Drawing Document (other than Bank's determination that such Drawing Document appears on its face to substantially comply with the terms and conditions of the Letter of Credit);
 4. acting upon any Instruction that it in good faith believes to have been given by a Person authorized to give such Instructions;
 5. any errors in interpretation of technical terms or in translation;
 6. any acts, omissions or fraud by, or the solvency of, any beneficiary, any nominated person or entity or any other Person, other than an Indemnified Person;
 7. any breach of contract between the beneficiary and the Applicable Account Party or any of the parties to the underlying transaction;
 8. payment to any paying or negotiating bank (designated or permitted by the terms of the applicable Letter of Credit) claiming that it rightfully honored or is entitled to reimbursement or indemnity under Standard Letter of Credit Practice applicable to it;
 9. acting as required or permitted, or failing to act as permitted, in each case under Standard Letter of Credit Practice applicable to where it has issued, confirmed, advised or negotiated such Letter of Credit, as the case may be;

10. honor of a presentation after the expiration date of any Letter of Credit notwithstanding that a presentation was made prior to such expiration date and dishonored by Bank if subsequently Bank or any court or other finder of fact determines such presentation should have been honored;
11. dishonor of any presentation that does not strictly comply or that is fraudulent, forged or otherwise not entitled to honor; or
12. honor of a presentation that is subsequently determined by Bank to have been made in violation of international, federal, state or local restrictions on the transaction of business with certain prohibited Persons.

provided, however, that such limitation of liability shall not be available to the extent that such actions in (i) – (xii) (A) are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person or (B) are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from a claim by an Account Party against an Indemnified Person for breach in bad faith of the obligations of such Indemnified Party hereunder or under any other Credit Document.

- i. **Costs and Expenses.** Within thirty (30) days of receipt of an invoice from Bank, the Account Parties shall pay (i) all reasonable and documented costs and expenses incurred by Bank and its affiliates (including the reasonable and documented fees, charges and disbursements of counsel for Bank) in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Credit Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented costs and expenses incurred by Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all costs and expenses incurred by Bank (including the fees, charges and disbursements of any counsel for Bank) during the existence of an Event of Default in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Credit Documents, including its rights under this **Section 5**, or (B) in connection with the Letters of Credit issued hereunder, including all such costs and expenses incurred during any workout, restructuring or negotiations in respect of such Letters of Credit.
- b. **Representations and Warranties.** Each Account Party hereby represents and warrants to Bank (all of which representations and warranties will be repeated as of the date of each new Application submitted by an Account Party to Bank and as of the date of Issuance of any Letter of Credit requested in each such Application) as follows:
 - i. **Organization, etc.** Such Account Party is duly organized or formed, validly existing and (to the extent applicable under the laws of the relevant jurisdiction) in good standing under the laws of the jurisdiction of its organization or formation, and is duly qualified or licensed to do business (and in good standing as a foreign corporation or entity, if applicable) in all jurisdictions in which such qualification or licensing is required or in which the failure to so qualify or to be so licensed would have a Material Adverse Effect. Such Account Party does not have any Subsidiaries.
 - ii. **Power and Authority.** Such Account Party has the requisite power and authority to execute and deliver this Agreement and each other Credit Document to which it is a party and to perform and observe the terms and conditions stated herein and therein, and such Account Party has taken all necessary corporate or other action to authorize its execution, delivery and performance of each such Credit Document.
 - iii. **Valid and Binding Obligation.** This Agreement constitutes, and each other Credit Document when signed and delivered by such Account Party to Bank will constitute, its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights against such Account Party

generally, by general equitable principles or by principles of good faith and fair dealing, and assuming that this Agreement and each such other Credit Document have been validly executed and delivered by each party thereto other than such Account Party.

- iv. **No Violation or Breach.** Such Account Party's execution, delivery and performance of each Credit Document to which it is a party and the payment of all sums payable by it under each such Credit Document do not and will not: (i) violate or contravene its memorandum of association, bye-laws or other organizational documents; (ii) to its knowledge, violate or contravene any order, writ, law, treaty, rule, regulation or determination of any Governmental Authority, in each case applicable to or binding upon it or any of its property, the violation or contravention of which would have a Material Adverse Effect; or (iii) result in the breach of any provision of, or in the imposition of any lien or encumbrance (except for liens or encumbrances created under the Credit Documents) under, or constitute a default or event of default under, any agreement or arrangement to which it is a party or by which it or any of its property is bound, the contravention of which agreement or arrangement would have a Material Adverse Effect.
- v. **Approvals.** No authorization, approval or consent of, or notice to or filing with, any Governmental Authority is required to be made by such Account Party in connection with the execution and delivery by such Account Party of any Credit Document to which it is a party or the Issuance by Bank of any Letter of Credit for the account of such Account Party pursuant to this Agreement and the related Application, except for those which have been duly obtained, taken, given or made and are in full force and effect, and except where failure to obtain the foregoing could not reasonably be expected to have a Material Adverse Effect.
- vi. **Compliance with Laws.** Such Account Party is in compliance with all applicable laws and regulations, except where the noncompliance with which would not have a Material Adverse Effect, and no Application, Letter of Credit or transaction of such Account Party under any Credit Document to which it is a party will in any material respect contravene any laws, treaties, rules or regulations of any Governmental Authority, including, without limitation, any foreign exchange control laws or regulations, U.S. foreign assets control laws or regulations or currency reporting laws and regulations, now or hereafter applicable to it.
- vii. **No Default Under Other Agreements.** Such Account Party is not in default under any agreement, obligation or duty to which it is a party or by which it or any of its property is bound, which would have a Material Adverse Effect.
- viii. **No Arbitration Proceeding or Litigation.** There is no pending or, to the knowledge of such Account Party, threatened arbitration proceeding, litigation or action against it which (i) is reasonably likely to have a Material Adverse Effect or (ii) may affect the legality, validity or enforceability of this Agreement or the other Credit Documents.
- ix. **Anti-Corruption Laws; Anti-Money Laundering Laws and Sanctions.**
 - i. None of (i) such Account Party or, to its knowledge, any of its directors, officers, or employees, or (ii) any agent or representative of such Account Party that will act in any capacity in connection with this Agreement, (A) is a Sanctioned Person or currently the subject or target of any Sanctions, (B) is controlled by or is acting on behalf of a Sanctioned Person or (C) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions, in a manner that would result in the violation of applicable Sanctions by any party hereto.
 - ii. Such Account Party has implemented and maintains in effect policies and procedures designed to ensure compliance by such Account Party and its directors, officers and employees with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

- iii. Such Account Party and, to the knowledge of such Account Party, each director, officer, employee and agent of such Account Party, is in compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions in all material respects.

- i. No proceeds of any Letter of Credit have been used, directly or indirectly, by such Account Party or, to the knowledge of such Account Party, any of its respective directors, officers, employees and agents in violation of **Section 7(h)**.
- i. **Filed All Tax Returns and Paid All Taxes.** Such Account Party has filed all required tax returns, and all Taxes, assessments and other governmental charges due from it have been fully paid, except for Taxes which are being contested in good faith or those which the failure to file or pay would not have a Material Adverse Effect. Such Account Party has established on its books reserves adequate for the payment of all federal, state and other income tax liabilities, including those being contested in good faith.
- ii. **Financial Statements.** The financial statements most recently furnished to Bank by such Account Party, if any, fairly present in all material respects the financial condition of such Account Party as at the date of such financial statements and for the periods then ended in accordance with GAAP (except as disclosed therein and, in the case of interim financial statements for any fiscal quarter, subject to normal year-end adjustments and except that footnote and schedule disclosure may be abbreviated), and there has been no material adverse change in such Account Party's business or financial condition or results of operations since the date of such Account Party's most recent annual financial statements.
- iii. **Margin Stock.** Such Account Party is not engaged principally or as one of its activities in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin stock" (as each such term is defined or used, directly or indirectly, in Regulation U of the Board of Governors of the Federal Reserve System). No part of the proceeds of any Letters of Credit will be used for purchasing or carrying margin stock or for any purpose which violates, or which would be inconsistent with, the provisions of Regulation T, U or X of such Board of Governors.
- iv. **No Material Adverse Effect.** There has been no Material Adverse Effect since December 31, 2022, and there exists no event, condition or state of facts that could reasonably be expected to result in a Material Adverse Effect.
- v. **Investment Company.** Such Account Party is not an "investment company" or a company "controlled" by an "investment company" (as each such term is defined or used in the Investment Company Act).
- vi. **Insurance.** The properties of such Account Party and its Subsidiaries are insured with financially sound and reputable insurance companies not affiliates of such Account Party, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where such Account Party and its Subsidiaries operate.
- vii. **Disclosure.** No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of such Account Party to Bank in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Credit Document (in each case, as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading.
- viii. **Certain Bermuda Matters:** As of the Effective Date, (i) such Account Party's insurance licenses are not the subject of any direction issued by an Insurance Regulatory Authority, proceeding for suspension or revocation, there is no sustainable basis for such suspension or revocation, and to such Account Party's knowledge, no such suspension or revocation has been threatened by any applicable Insurance Regulatory

Authority; (ii) such Account Party does not transact any insurance business, directly or indirectly, in any jurisdiction where it would be unlawful for it to do so; and (iii) such Account Party has not received any direction or other notification from the Bermuda Monetary Authority pursuant to Section 32 of the Bermuda Insurance Act.

- ix. **ERISA.** It does not have any direct obligation or direct liability in respect of any Plan or Multiemployer Plan, and except as would not reasonably be expected to have a Material Adverse Effect, no ERISA Affiliate thereof has any obligation or liability in respect of any Plan or Multiemployer Plan. With respect to its obligations to each Plan, it is in compliance in all material respects with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder and other federal or state laws. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, has had or could reasonably be expected to result in a Material Adverse Effect.
- c. **AFFIRMATIVE Covenants.** Until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired and the Commitment terminated, each Account Party shall:
- i. **GAAP Financial Statements.** Deliver to Bank, in form and detail satisfactory to Bank:
 - i. [*****] Quarterly Statement prepared for its board of directors in accordance with GAAP, in each case applied on a basis consistent with that of the preceding quarter or containing disclosure of the effect on the financial condition or results of operations of any change in the application of accounting principles and practices during such quarter; and
 - ii. [*****] Annual statement prepared for its board of directors in accordance with GAAP, in each case applied on a basis consistent with that of the preceding year or containing disclosure of the effect on the financial condition or results of operations of any change in the application of accounting principles and practices during such year.
 - i. **Certificates; Other Reports.** Deliver to Bank:
 - i. at each time financial statements are delivered pursuant to **Section 7(a)**, a duly completed Officer's Compliance Certificate from each applicable Account Party signed by the chief executive officer, chief financial officer, vice president—finance, principal accounting officer, treasurer or assistant treasurer of such Account Party, together with a Covenant Compliance Worksheet reflecting the computation of the respective financial covenants set forth in such Covenant Compliance Worksheet;
 - ii. promptly upon receipt thereof, copies of all reports, if any, submitted to such Account Party, or any of its boards of directors by its independent public accountants in connection with their auditing function, including, without limitation, any management report and any management responses thereto;
 - i. promptly upon the request thereof, such other information and documentation required by bank regulatory authorities under applicable Anti-Money Laundering Laws (including, without limitation, any applicable "know your customer" rules and regulations and the PATRIOT Act), as from time to time reasonably requested by Bank; and
 - ii. such other information regarding the operations, business affairs and financial condition of the Credit Parties as Bank may reasonably request.
 - i. **Notice of Litigation and Other Matters.** Promptly (but in no event later than ten (10) days after any Responsible Officer of any Account Party becoming aware thereof) notify Bank in writing of:
 - i. the occurrence of any Default or Event of Default;
 - ii. the commencement of all proceedings and investigations by or before any Governmental Authority and all actions and proceedings in any court or before any arbitrator against or involving any Credit Party or any of its respective properties, assets or businesses in each case as to which there is a reasonable probability of an adverse

determination and that, if adversely determined would reasonably be expected to result in a Material Adverse Effect;

- iii. any judgment or order exceeding the Threshold Amount that has been assessed against any Credit Party; and
- iv. any announcement by A.M. Best of any change in the Financial Strength Rating of any Account Party.

Each notice pursuant to this **Section 7(c)** shall be accompanied by a statement of a Responsible Officer of the applicable Account Party setting forth details of the occurrence referred to therein and stating what action such Account Party has taken and proposes to take with respect thereto and shall describe with particularity any and all provisions of this Agreement and any other Credit Document that have been breached.

- i. **Payment of Taxes and Other Obligations.** Except where the failure to pay or perform such items described in this Section would not reasonably be expected to have a Material Adverse Effect, pay and perform all taxes, assessments and other governmental charges that may be levied or assessed upon it or any of its property; provided, that such Account Party may contest any item described in this Section in good faith so long as adequate reserves are maintained with respect thereto in accordance with GAAP.
- ii. **Compliance with Laws and Approvals.** Observe and remain in compliance with (i) in all material respects, all applicable laws and maintain in full force and effect all Governmental Approvals, in each case applicable to the conduct of its business and (ii) the Bermuda Insurance Act, except, in the case of clause (i) above only, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.
- iii. **Maintenance of Books and Records; Inspection.** (i) maintain adequate books, accounts and records, in which full, true and correct entries in all material respects shall be made of all financial transactions in relation to its business and properties, and prepare all financial statements required under this Agreement, in each case in accordance with GAAP and in compliance with the requirements of any Governmental Authority having jurisdiction over it, and (ii) permit employees or agents of Bank to visit and inspect its properties and examine or audit its books, records, working papers and accounts and make copies and memoranda of them, and at its own cost and expense (other than after the occurrence of an Event of Default), and to discuss its affairs, finances and accounts with its officers and employees and, upon notice to such Account Party, the independent public accountants of such Account Party (and by this provision such Account Party authorizes such accountants to discuss the finances and affairs of such Account Party), all at such times that will not interrupt or interfere with the operation of such Account Party's business and from time to time, upon reasonable notice and during business hours, as may be reasonably requested; provided that except during the continuance of an Event of Default Bank shall not exercise such rights described in clause (ii) of this Section more than once per calendar year.
- iv. **Use of Proceeds.** Comply with the following:
 - i. Such Account Party shall use the Letters of Credit to support insurance obligations, obligations under reinsurance agreements and retrocession agreements and similar risk obligations.
 - ii. Such Account Party shall not request or use any issued Letter of Credit, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

- i. **Compliance with Anti-Corruption Laws; Anti-Money Laundering Laws and Sanctions.** Maintain in effect and enforce policies and procedures designed to ensure compliance by such Account Party and its directors, officers, employees and agents with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws, and Sanctions.

- i. **Maintenance of Existence.** Take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.
- ii. **Maintenance of Property and Insurance.** Comply with the following:
 - i. maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted, and make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and
 - ii. maintain with financially sound and reputable insurance companies not affiliates of such Account Party, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons.
- i. **ERISA.** Ensure that the affairs of each Credit Party are conducted so that the underlying assets of each Credit Party do not constitute "plan assets" within the meaning of the Plan Asset Rules.
- ii. **Further Assurances.** At such Account Party's cost and expense, such Account Party will execute and deliver to Bank such additional certificates, instruments and/or documents and take such additional action as may be reasonably requested by Bank to enable Bank to Issue any Letter of Credit pursuant to this Agreement and the related Application, to protect, exercise and/or enforce Bank's rights and interests under any Credit Document and/or to give effect to the terms and provisions of any Credit Document.
- d. **Financial Covenants.** Until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired and the Commitment terminated, the Account Parties covenant and agree to the following:
 - i. **Minimum Consolidated Tangible Net Worth.** The Consolidated Tangible Net Worth at any time shall not be less than [*****].
 - ii. **Financial Strength Ratings.** Each Account Party shall at all times maintain a financial strength rating by A.M. Best Company and shall not permit such rating to be lower than [*****].
- e. **NEGATIVE COVENANTS.** Until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired and the Commitment terminated, the Account Parties shall not:
 - i. **Changes in Business.** At any time from the date hereof until the Final Expiry Date, make any material change in the nature of their business as carried on at the date hereof that could be reasonably expected to have a Material Adverse Effect or enter into any new line of business that is not similar, corollary, related, ancillary, incidental or complementary, or a reasonable extension, development or expansion thereof or ancillary thereto the business as carried on as of the date hereof.
 - ii. **Accounting Changes.** At any time make, or permit or cause any of their respective Subsidiaries to make, any material change in its accounting policies or reporting practices, except as may be required or permitted by GAAP or SAP, as applicable.
- f. **Events of Default.** Each of the following shall be an "Event of Default" under this Agreement:

- i. **Failure to Reimburse Draws.** The failure by any Account Party to reimburse or pay any drawing under any Letter of Credit or accrued interest thereon on the Due Date therefor.
- ii. **Failure to Pay Certain Other Amounts.** The failure by any Credit Party to pay any fee or other amount when due under or in connection with any Credit Document or any Letter of Credit within five (5) Business Days after the same shall become due and payable.
- iii. **Breach of Representation and Warranty.** Any representation, warranty, certification or statement made or furnished by any Credit Party under or in connection with any Credit Document or as an inducement to Bank to Issue a Letter of Credit shall be false, incorrect or misleading in any material respect when made.
- iv. **Failure to Perform or Observe Covenants.**
 - 1. The failure of any Account Party to perform or observe any term, covenant or agreement contained in **Section 7(c)(i), Section 7(g), Section 8** or **Section 9**; or
 - 2. The failure of any Credit Party to perform or observe any term, covenant or agreement contained in any Credit Document to which it is a party (other than those referred to in subsections (a), (b), (c), and (d)(i) of this **Section 10**), and with respect to any such failure or breach that by its nature can be cured, such failure or breach shall continue or remain unremedied for thirty (30) calendar days after the earlier of (1) Bank's delivery of written notice thereof to the Account Parties and (2) any Credit Party having actual knowledge that such failure or breach has occurred.
- v. **Insolvency Proceedings, Etc.** Any Credit Party institutes or consents to the institution of any proceeding under any Bankruptcy Law; or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator, examiner, process adviser or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator, examiner, process adviser or similar officer is appointed without the application or consent of any Credit Party, as the case may be, and the appointment continues undischarged, undismissed or unstayed for sixty (60) calendar days; or any proceeding under any Bankruptcy Law relating to any Credit Party or to all or any material part of its property is instituted without the consent of such Credit Party, as the case may be, and continues undischarged, undismissed or unstayed for sixty (60) calendar days; or an order for relief is entered in any such proceeding; or any Credit Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due.
- vi. **Sale of Assets; Merger; Dissolution.** There shall occur in one or a series of transactions: (i) the sale, assignment or transfer of all or substantially all of the assets of any Credit Party which could reasonably be expected to result in a Rating Trigger; (ii) a merger, amalgamation or consolidation of any Credit Party (other than a merger, amalgamation or consolidation of an Account Party into the Guarantor) without the prior written consent of Bank, except that any Credit Party may merge, amalgamate or consolidate with any Person so long as; (A) either (x) such Credit Party is the surviving entity or (y) the Person formed by or surviving any such consolidation, amalgamation or merger is an entity organized or existing under the laws of the United States, any state of the United States or the District of Columbia or Bermuda, or any other jurisdiction that would not result in any violation of Sanctions by the Bank; (B) the Person formed by or surviving any such consolidation, amalgamation or merger (if other than a Credit Party) assumes all the obligations of the applicable Credit Party under the Credit Documents pursuant to agreements reasonably satisfactory to the Bank; and (C) such merger, amalgamation or consolidation could not reasonably be expected to result in a Rating Trigger; or (iii) the dissolution of any Credit Party.

- vii. **Credit Documents.** Any provision of any Credit Document shall for any reason cease to be valid and binding or enforceable; or any Credit Party shall deny or disaffirm in writing the enforceability of any provision of any Credit Document to which it is a party.
- viii. **Indebtedness Cross-Default.** Any Credit Party shall (i) default in the payment of any Indebtedness (other than the Obligations and obligations amongst such Credit Party and its affiliates) the aggregate principal amount (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge Termination Value, of which is in excess of the applicable Threshold Amount beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created, or (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (other than the Obligations and obligations amongst such Credit Party and its affiliates) the aggregate principal amount (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge Termination Value, of which is in excess of the applicable Threshold Amount or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist (other than the Obligations and obligations amongst such Credit Party and its affiliates), the effect of which default or other event or condition is to cause, with the giving of notice and/or lapse of time, if required, any such Indebtedness to (A) become due, or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity (any applicable grace period having expired) or (B) be cash collateralized (it being understood that a pledge of cash collateral by a Credit Party to secure a Hedge Agreement as initial or variation margin does not trigger a violation of this clause (B)).
- ix. **Judgment.** One or more judgments, orders or decrees (excluding those entered against a Credit Party in any arbitration or litigation related to (re)insurance coverage disputes arising in the ordinary course of business involving any reinsurance agreement (treaty or facultative), or direct insurance policy) shall be entered or filed against any Credit Party by any court and continues without having been dismissed, discharged, vacated or stayed within sixty (60) days after the entry thereof or is not otherwise being appropriately contested in good faith and such judgments, orders or decrees are either (i) for the payment of money, individually or in the aggregate (not paid or fully covered by insurance as to which the relevant insurance company has acknowledged coverage), equal to or in excess of the applicable Threshold Amount or (ii) for injunctive relief and could reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.
 - i. **Employee Benefit Matters.** Except as would not reasonably be expected to result in a Material Adverse Effect, any Lien shall be imposed on the assets of any Credit Party under ERISA with respect to any Plan or under any foreign laws similar to ERISA governing foreign pension plans.
 - ii. **Change in Control.** There occurs any Change in Control.
- g. **REMEDIES.** Upon the occurrence and during the continuance of any Event of Default:
 - i. Bank may terminate the Commitment and declare all amounts owed to Bank under this Agreement or any of the other Credit Documents and all other Obligations, to be forthwith due and payable, whereupon the same shall promptly become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by the Account Parties, anything in this Agreement or the other Credit Documents to the contrary notwithstanding; provided, that upon the occurrence of an Event of Default specified in **Section 10(e)**, the Commitment shall be automatically terminated and all Obligations shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly

waived by the Account Parties, anything in this Agreement or in any other Credit Document to the contrary notwithstanding.

- ii. Solely with respect to the occurrence of an Event of Default under Section 10(a), Section 10(b) or Section 10(e), Bank may (i) demand that each Account Party deposit with Bank an amount of cash (or a cash equivalent acceptable to the Bank) equal to [*****] of the aggregate Outstanding Letters of Credit issued for the account of such Account Party to be held and applied to the Obligations of such Account Party and/or (ii) Bank may terminate any or all of the Letters of Credit or give Notices of Non-Extension in respect thereof, in each case if permitted in accordance with their terms; provided that upon the occurrence of an Event of Default specified in Section 10(e), the requirement to deliver cash collateral pursuant to the foregoing clause (i) shall automatically become due without demand or other notice of any kind, all of which are expressly waived by the Account Parties, anything in this Agreement or in any other Credit Document to the contrary notwithstanding. Such cash collateral from each Account Party shall be applied by Bank to the payment of drafts drawn under any Letters of Credit issued for the account of such Account Party, and the unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay the other Obligations of such Account Party. After all such Letters of Credit shall have expired or been fully drawn upon and all such Obligations shall have been paid in full, the balance, if any, of such cash collateral shall be returned to such Account Party.
- iii. Bank may exercise from time to time any of the rights, powers and remedies available to Bank under any Credit Document to which any Credit Party is a party, under any other documents now or in the future evidencing or securing the Obligations or under applicable law, and all such remedies shall be cumulative and not exclusive.
- h. **SUBROGATION.** Without limiting any rights or remedies of Bank under applicable law, if an Event of Default is continuing regarding an Account Party's obligation to reimburse or pay any drawing under any Letter of Credit on the Due Date, Bank, at its option, shall be subrogated to such Account Party's rights against any Person who may be liable to such Account Party on any transaction or obligation underlying any Letter of Credit.
- i. **TERM OF AGREEMENT.** This Agreement shall remain in effect through and including the date upon which all Obligations (other than contingent indemnification obligations not then due) arising hereunder or under any other Credit Document shall have been indefeasibly and irrevocably paid and satisfied in full, all Letters of Credit have been terminated or expired and the Commitment has been terminated. No termination of this Agreement shall affect the rights and obligations of the parties hereto arising prior to such termination or in respect of any provision of this Agreement which survives such termination.
- j. **USA PATRIOT Act; Anti-Money Laundering Laws.** Bank hereby notifies the Credit Parties that pursuant to the requirements of the PATRIOT Act or any other Anti-Money Laundering Laws, it is required to obtain, verify and record information that identifies the Credit Parties, which information includes the name and address of each Credit Party and other information that will allow Bank to identify the Credit Parties in accordance with the PATRIOT Act or such Anti-Money Laundering Laws.
- k. **Governing Law; UCP; ISP; Standard Letter of Credit Practice.** Each Credit Document and each Letter of Credit shall be governed by and construed in accordance with (a) in the case of each Credit Document (other than the Letters of Credit), the substantive laws of New York and (b) in the case of each Letter of Credit, the governing law specified in the applicable Letter of Credit as determined by Bank and the Applicable Account Party (which may include the laws of a particular jurisdiction and the ISP or UCP, if applicable), which is, as applicable, incorporated herein by reference into this Agreement and which shall control (to the extent not prohibited by the laws of New York) in the event of any inconsistent provisions of such law. Unless the Applicable Account Party specifies otherwise in its Application for a Letter of Credit, the Applicable Account Party agrees that Bank may issue a Letter of Credit subject to the ISP or UCP. Bank's privileges, rights and remedies under the ISP and UCP, as applicable, shall be in addition

to, and not in limitation of, its privileges, rights, and remedies expressly provided for herein. The ISP or UCP, as applicable, shall serve, in the absence of proof to the contrary, as evidence of Standard Letter of Credit Practice with respect to matters covered therein. To the extent permitted by applicable law, as between any Account Party and Bank, (i) this Agreement shall prevail in case of conflict between this Agreement, the UCC and/or Standard Letter of Credit Practice, (ii) the ISP shall prevail in case of conflict between the ISP and the UCC or other Standard Letter of Credit Practice if the Letter of Credit is governed by the ISP, and (iii) the UCP shall prevail in case of a conflict between the UCP and the UCC or other Standard Letter of Credit Practice if the Letter of Credit is governed by the UCP.

- I. **Consent to Jurisdiction and Venue; Service of process.** EACH Account PARTY HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE COURT WITHIN NEW YORK COUNTY, NEW YORK OR ANY FEDERAL COURT LOCATED WITHIN THE SOUTHERN DISTRICT OF THE STATE OF NEW YORK OR ANY APPELLATE COURT THEREOF FOR ANY PROCEEDING INSTITUTED HEREUNDER OR UNDER ANY OF THE OTHER CREDIT DOCUMENTS, OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER CREDIT DOCUMENTS, OR ANY PROCEEDING TO WHICH BANK OR ANY Account PARTY IS A PARTY, INCLUDING ANY ACTIONS BASED UPON, ARISING OUT OF, OR IN CONNECTION WITH ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER ORAL OR WRITTEN) OR ACTIONS OF BANK OR PROCEEDING TO WHICH BANK OR ANY ACCOUNT PARTY IS A PARTY. BANK AND EACH Account PARTY IRREVOCABLY AGREE TO BE BOUND (SUBJECT TO ANY AVAILABLE RIGHT OF APPEAL) BY ANY JUDGMENT RENDERED OR RELIEF GRANTED THEREBY AND FURTHER WAIVES ANY OBJECTION THAT IT MAY HAVE BASED ON LACK OF JURISDICTION OR IMPROPER VENUE OR FORUM NON CONVENIENS TO THE CONDUCT OF ANY SUCH PROCEEDING. BANK AND EACH ACCOUNT PARTY IRREVOCABLY AGREE THAT SERVICE OF PROCESS MAY BE DULY EFFECTED UPON IT BY MAILING A COPY THEREOF, BY CERTIFIED MAIL, POSTAGE PREPAID, TO IT AT ITS ADDRESS SET FORTH IN **SECTION 19** BELOW. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS AGREEMENT SHALL AFFECT THE RIGHT OF ANY PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR THE RIGHT OF BANK TO BRING ANY ACTION OR PROCEEDING AGAINST ANY ACCOUNT PARTY OR ITS PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTION.

On or prior to the Effective Date, each Account Party shall appoint C T Corporation System (the “**Process Agent**”), with an office on the date hereof at 28 Liberty Street, New York, NY 10005 USA, as its agent to receive on its behalf service of the summons and complaints and any other process which may be served in any such action or proceeding, provided that a copy of such process is also mailed to such Account Party in the manner provided in Section 19. Such service may be made by mailing or delivering a copy of such process to the applicable Account Party in care of the Process Agent at the Process Agent's above address, and each Account Party hereby authorizes and directs the Process Agent to receive such service on its behalf. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

If the appointment of any person mentioned in this Section 16 ceases to be effective with respect to any Account Party, such Account Party must immediately appoint a further person in the State of New York to accept service of process on its behalf in the State of New York and, if such Account Party does not appoint a process agent within 15 days, such Account Party authorizes Bank to appoint a process agent for such Account Party.

- a. **WAIVER OF JURY TRIAL.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE ACCOUNT PARTIES AND BANK KNOWINGLY AND VOLUNTARILY WAIVE ALL RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED ON, ARISING OUT OF, OR RELATING TO ANY CREDIT DOCUMENT OR LETTER OF CREDIT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (ORAL OR WRITTEN) OR ACTIONS OF ANY ACCOUNT PARTY OR BANK WITH RESPECT THERETO. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BANK TO ISSUE LETTERS OF CREDIT.
- b. **Bankruptcy and Forfeiture Reinstatement.** If any consideration transferred to Bank in payment of, or as collateral for, or in satisfaction of the Obligations, shall be voided in whole or in part as

a result of (a) a subsequent bankruptcy or insolvency proceeding; (b) any forfeiture or seizure action or remedy; (c) any fraudulent transfer or preference action or remedy; or (d) any other civil, criminal or equitable proceeding or remedy, then Bank's claim to recover the voided consideration shall be a new and independent claim arising under the applicable Credit Document and shall be due and payable immediately by each Account Party that is obligated therefor under the terms of the Credit Documents.

- c. **Notices.** Unless otherwise expressly provided herein, all notices, Instructions, approvals, requests, demands, consents and other communications provided for hereunder (collectively, "notices") shall be in writing (including by facsimile or other electronic transmission approved by Bank). All notices shall be sent by regular U.S. mail or certified mail prepaid, by facsimile or other electronic transmission approved by Bank, by hand delivery, by *Federal Express* (or other comparable domestic or international delivery service) prepaid to the applicable address, facsimile number or electronic mail address set forth on the signature page hereof of the Account Parties or the Bank, as applicable. Bank may, but shall not be obligated to, require authentication of any electronic transmission. Notices sent by hand, *Federal Express* (or other comparable domestic or international delivery service) or certified mail shall be deemed to have been given when received; notices sent by regular U.S. mail shall be deemed to have been received five (5) days after deposit into the U.S. mail; notices sent by facsimile or other electronic transmission shall be deemed to have been given when sent and receipt has been confirmed. Any Account Party or Bank may change its address for notices by notifying the other of the new address in any manner permitted by this Section. Unless otherwise agreed by Bank, Bank in its discretion may accept an Application or seek or receive Instruction from, or give or send notice to, an Account Party regarding a Letter of Credit issued for the account of such Account Party, including, without limitation, any amendment thereto or waiver of any discrepancy thereunder, and the applicable Account Party shall be bound by and hereby affirms any such Instructions. The Initial Account Party irrevocably consents that service of process may be made by registered or certified mail directed to the Initial Account Party at the address of its agent for service of process in Bermuda, Seon Place, 4th floor, 141 Front Street, Hamilton HM19 Bermuda.
- d. **Waiver and Amendments.** No modification, amendment or waiver of, or consent to any departure by Bank or any Account Party from, any provision of any Credit Document will be effective unless made in a writing signed by the Account Parties (in the case of Bank) or Bank (in the case of any Account Party), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No party's consent to any amendment, waiver or modification shall mean that such party will consent or has consented to any other or subsequent request to amend, modify or waive a term of any Credit Document. No delay by any party in exercising any of its rights or remedies shall operate as a waiver, nor shall any single or partial waiver of any right or remedy preclude any other further exercise of that right or remedy, or the exercise of any other right or remedy.
- e. **Successors and Assigns.** Each Credit Document to which any Account Party is a party will be binding on such Account Party's successors and permitted assigns, and shall inure to the benefit of the respective successors and permitted assigns of such Account Party and Bank. Except as provided in the last sentence of this **Section 21**, Bank may assign its rights and obligations under each Credit Document, including its rights to reimbursement regarding any Letter of Credit, in whole or in part, with the Account Parties' consent; provided that an Account Party shall be deemed to have consented to any such assignment unless it objects by written notice to Bank within ten (10) Business Days after having received notice thereof; and, provided further, that the Account Parties' consent to an assignment to any Person shall not be required if (i) the assignment is to an affiliate of Bank or (ii) an Event of Default has occurred and is continuing. Bank may sell to one or more Persons participations in or to all or a portion of its rights and obligations under the Credit Documents without the Account Parties' consent. Any assignment in violation of this **Section 21** shall be void. The Account Parties shall not assign or transfer any of their respective interests, rights or remedies related to any Credit Document, in whole or in

part, without the prior written consent of Bank. Any Person to whom Bank delegates its obligation to issue a Letter of Credit must be a bank that is on the List of Qualified U.S. Financial Institutions maintained by the Securities Valuation Office of the National Association of Insurance Commissioners.

- f. **Severability.** Whenever possible, each provision of each Credit Document shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision of any Credit Document shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any remaining provisions of such Credit Document.
- g. **Entire Agreement.** This Agreement, together with the other Credit Documents and any other agreement, document or instrument referred to herein, constitute the final, exclusive and entire agreement and understanding of, and supersede all prior or contemporaneous, oral or written, agreements, understandings, representations and negotiations between, the parties relating to the subject matter of the Credit Documents, provided that this Agreement shall not supersede any reimbursement agreement (however titled) that has been entered into specifically with respect to any “direct pay” standby letter of credit or other similar standby letter of credit where the terms of such reimbursement agreement have been drafted to specifically address the particular attributes of, or the particular circumstances of the underlying transaction supported by, such standby letter of credit.
- h. **Acknowledgement and Consent to Bail-In.** Notwithstanding anything to the contrary in any Credit Documents or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:
 - i. the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
 - ii. the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

- i. Capitalized terms used in this Section 24 that are not otherwise defined in this Agreement have the meanings assigned to them below.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Bail-In Action**” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“**Bail-In Legislation**” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“**EEA Financial Institution**” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution

Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Resolution Authority" means, with respect to any EEA Financial Institution, an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

- a. **Amendment and Restatement.** This Agreement shall become effective on the Effective Date and shall supersede all provisions of the Original Letter of Credit Agreement as of such date. From and after the Effective Date all references made to the Original Letter of Credit Agreement in any Credit Document or in any other instrument or document shall, without more, be deemed to refer to this Agreement (including Schedule I and the Exhibits attached hereto). This Agreement (including Schedule I and the Exhibits attached hereto) amends and restates the Original Letter of Credit Agreement (including Schedule I and the Exhibits attached thereto) and is not intended to be or operate as a novation or an accord and satisfaction of the Original Letter of Credit Agreement or the indebtedness, obligations and liabilities of any Account Party evidenced or provided for thereunder.
- b. **Counterparts; Electronic Execution.** This Agreement may be executed (including by email with scan attachment or by DocuSign) in separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement in electronic format shall be effective as delivery of a manually executed counterpart of this Agreement. The words "executed," "signed," "signature," "delivery," and words of like import in or relating to this Agreement or any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic

Signatures and Records Act, or any other state laws based on the Uniform Electronic Transactions Act, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

(Signature pages to follow)

ACCOUNT PARTIES:

Everest Reinsurance (Bermuda), Ltd.

By: _____

Name:

Title:

Notice Details:

Everest Reinsurance (Bermuda), Ltd.

Seon Place, 4th floor

141 Front Street

Hamilton HM19 Bermuda

[*****]

EVEREST INSURANCE (IRELAND), DAC

By: _____

Name:

Title:

Notice Details:

Everest Insurance (Ireland), DAC

3rd Floor, Huguenot House

35-38 St Stephen's Green

Dublin 2, D02 NY63 Ireland

[*****]

BANK:

LLOYDS BANK CORPORATE MARKETS PLC

By: _____
Name:
Title:

By: _____
Name:
Title:

Notice Details:

For payments, bills and all other operation related issues:

Lloyds Bank Corporate Markets plc
1095 Avenue of the Americas, 34th Floor
New York, NY 10036
Email: [*****]

For financial information, credit and amendment/waiver requests:

Lloyds Bank Corporate Markets plc
1095 Avenue of the Americas, 34th Floor
New York, NY 10036
Tel: [*****]
Email: [*****]

For all L/C issuances or extension requests:

Lloyds Bank Corporate Markets plc
1095 Avenue of the Americas, 34th Floor
New York, NY 10036
Email: [*****]

SCHEDULE I

Existing Letters of Credit

[***]**

EXHIBIT A

FORM OF

OFFICER'S COMPLIANCE CERTIFICATE

[*****]

Exhibit B

FORM OF APPLICATION

[*****]

Exhibit C

[*****]

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is made and effective as of June 12, 2023 between Everest Global Services, Inc., a Delaware corporation (the “Company”), and Ricardo A. Anzaldúa (the “Executive”).

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company, on the terms and conditions provided below; and

WHEREAS, this Agreement shall govern the employment relationship between the Executive and the Company and supersedes all previous agreements and understandings with respect to such employment relationship; and

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **ENGAGEMENT.**

The Company agrees to employ the Executive, and the Executive accepts such employment, on the terms and conditions set forth in this Agreement, unless and until such employment shall have been terminated as provided in this Agreement or as may otherwise be agreed to by the parties.

1. **TITLE AND DUTIES.**

During his employment by the Company, the Executive shall serve as Executive Vice President and General Counsel of Everest Re Group, Ltd. (“Group”) and shall be responsible for providing strategic legal counsel, support and services to Group and all of its affiliates worldwide. Executive will report to the Group Chief Executive Officer (“Group CEO”) and shall perform duties consistent with this position and as the Group CEO shall request, shall abide by Company policies as such policies may be amended from time to time, and shall devote his full business time and best efforts to his duties hereunder and the business and affairs of the Company (except during vacation periods and periods of illness or other incapacity). The Executive may volunteer a reasonable portion of his non-working time to charitable, civic and professional organizations, to the extent as shall not interfere with the proper performance of his duties and obligations hereunder, provided the Executive shall not serve on any other board of directors of a public or private “for profit” company without the prior consent of the Group CEO. The Executive will be based at the Company’s principal headquarters facility currently located in Warren, New Jersey, subject to customary travel and business requirements.

1. **TERM.**

The Executive’s employment under the terms of this agreement shall commence as of June 12, 2023 (“Term Commencement Date”) and shall continue indefinitely unless sooner terminated

in accordance with the Agreement or as may otherwise agreed to by the Parties (such period of employment hereunder, the “Term”).

4. **COMPENSATION.**

- a. Base Salary. During the Term, the Executive's base salary ("Base Salary") shall be \$680,000 per annum, subject to increases, if any, as determined and approved by the Compensation Committee of Group's Board of Directors (the "Compensation Committee"). The Base Salary shall be paid in accordance with the Company's normal payroll practices in effect from time to time.
- b. Annual Incentive Bonus. During the Term, the Executive shall be eligible to participate in an annual incentive bonus program or plan established by Group, and subject to the approval of Group's shareholders if required by law, or in an alternative bonus to be consistent with current market industry practice. The Executive's target annual incentive bonus will be 130% of Base Salary.
- c. Executive Stock Based Incentive Plan. During the Term, the Executive shall be eligible to participate in and receive such equity incentive compensation as may be granted by the Compensation Committee from time to time pursuant to the Everest Re Group, Ltd. 2020 Stock Incentive Plan, as such plan may then be in effect and as it may be amended or superseded from time to time or any successor plan (the "Stock Plan"). The Executive's target grant date value for equity compensation shall be 150% of the Executive's Base Salary as applicable to the fiscal year prior to the calendar year in which the Compensation Committee makes its determination to grant such a share award. All equity awards to the Executive under the Stock Plan shall be determined by the Compensation Committee in its sole discretion. All equity awards shall be subject to the terms of the Stock Plan and any related award agreements governing the terms of such equity awards.

5. **BENEFITS.**

- a. Employer Benefit Plans. While in the employ of the Company during the Term, the Executive shall be eligible to participate, on terms which are generally available to the other senior executives of the Company and subject to the eligibility requirements of the applicable Company plans as in effect from time to time, in the Company's deferred compensation, medical, dental, vacation, life insurance and disability programs and other benefits that may become generally available to the Company's senior executives from time to time.
- b. Business Expenses. During the Term, the Executive is authorized to incur and the Company shall either pay directly or reimburse the Executive for ordinary and reasonable expenses in connection with the performance of his duties hereunder including, but not limited to, expenses for transportation, business meals, travel and lodging, professional fees, and similar items. The Executive agrees to comply with Company policies with respect to reimbursement and record keeping in connection with such expenses.
- c. Retirement Benefits. During the Term, the Executive shall be eligible to participate in the Company's existing tax-qualified defined contribution retirement plan and the Company's

defined contribution supplemental retirement and excess benefit plans (collectively "SERP"), as they may be in effect from time to time.

(d) Travel Allowance. During the Term, the Executive shall receive an annual travel allowance to assist with travel and lodging expenses for travel to Warren, New Jersey in an amount equal to \$40,000 (after applicable taxes and withholdings) subject to periodic review and adjustment, in the Company's reasonable discretion, based on changes to the location of Executive's primary residence or other factors the Company determines to be relevant (the "Travel Allowance"). The Travel Allowance will be paid in equal monthly installments as part of the standard payroll, and will be reported as income on the Executive's year-end W-2 form. The Travel Allowance will not be deemed to be part of the Executive's Base Salary or other compensation taken into account for purposes of determining the Executive's annual incentive bonus, any long-term incentive compensation awards or for determining benefits under any employee benefit plan of the Company and its affiliates.

6. **TERMINATION OF EMPLOYMENT**.

The Term and the employment of the Executive hereunder may be terminated by the Company at any time, subject to the Company providing the compensation and benefits in accordance with the terms of this Section 6, which shall constitute the Executive's sole and exclusive remedy and legal recourse upon any such termination of employment[, and the Executive hereby waives and releases any and all other claims against the Company and its parent entities, affiliates, officers, directors and employees in such event]. For the avoidance of doubt, the Term shall terminate automatically upon the Executive's termination of employment for any reason.

(a) Termination Due To Death Or Disability. In the event of the Executive's death, the Executive's employment shall automatically cease and terminate as of the date of death. If the Executive shall become incapacitated by reason of sickness, accident or other physical or mental disability, as such incapacitation is certified in writing by a physician chosen by the Company and reasonably acceptable to the Executive (or his spouse or representative if in the Company's reasonable determination the Executive is not then able to exercise sound judgment), and shall therefore be unable to perform his duties hereunder for a period of either (i) one hundred twenty consecutive days, or (ii) more than six months in any twelve month period, with reasonable accommodation as required by law, then to the extent consistent with applicable law, the Executive shall be considered "Disabled" and the employment of the Executive hereunder and this Agreement may be terminated by the Executive or the Company upon thirty (30) days' written notice to the other party following such certification.

In the event of the termination of employment due to the Executive's death or disability, Executive or his estate or legal representatives shall be entitled to receive:

- a. payment for all accrued but unpaid Base Salary as of the date of the Executive's termination of employment;
- b. reimbursement for expenses incurred by the Executive pursuant to Section 5(b) up to and including the date on which employment is terminated;

- a. any earned benefits to which the Executive may be entitled as of the date of termination pursuant to the terms of any compensation or benefit plans (including, for the avoidance of doubt, any equity plans) to the extent permitted by such plans (with the payments described in subsections (i) through (iii) of this Section 6(a), in each case payable at the time they would have been payable but for such termination, collectively called the “Accrued Payments”);
 - b. any annual incentive bonuses earned but not yet paid for any completed full fiscal year immediately preceding the employment termination date;
 - c. if employment termination occurs prior to the end of any fiscal year, a pro rata annual incentive bonus for such fiscal year in which employment termination occurs (based on actual business days in such fiscal year prior to such employment termination, divided by the total annual business days) determined and paid based on actual performance achieved for that fiscal year against the performance goals for that fiscal year, at the time such annual incentive bonuses are paid to the Company’s other senior executives (but in any event no later than March 15 following the year in which the employment termination occurs).
- a. Termination For Cause. The Company may, at any time, terminate the Executive’s employment for Cause upon written notice to the Executive. Such notice shall specify the effective date of the termination of the Executive’s employment, which may be immediate, subject to the sentence of this paragraph. The term “Cause” for purpose of this Agreement shall mean (i) repeated and gross negligence in fulfillment of, or repeated failure of the Executive to fulfill, his material obligations under this Agreement, (ii) material willful misconduct by the Executive in respect of his obligations hereunder, (iii) commission of any felony, or any crime of moral turpitude, or (iv) a material breach in trust committed in willful or reckless disregard of the interests of the Company or its affiliates or undertaken for personal gain. Notwithstanding the foregoing, no such determination may be made until the Executive has been given written notice detailing the specific event(s) constituting such Cause, and in the case of clause (i) if possible, cure to the Group Board’s satisfaction, a ten (10) day-period following written notice to the Executive during which to cure such circumstances.

In the event of the termination of the Executive’s employment hereunder by the Company for Cause, then the Executive shall be entitled to receive only payment of the Accrued Payments. The Company shall have no further obligations to the Executive.

- a. Termination without Cause or for Good Reason. The Company may terminate the Executive’s employment hereunder without Cause at any time upon written notice to the Executive. Such notice shall specify the effective date of the termination of the Executive’s employment. The Executive may terminate his employment for Good Reason by providing 30 days’ prior written notice to the Company. In the event of the termination of the Executive’s employment under this Section 6(c) without Cause or by the Executive for Good Reason, in each case prior to or more than 24 months following a Material Change (as defined in the Everest Reinsurance Group, Ltd. Senior Executive

Change of Control Plan, as amended and restated effective November 17, 2015 (the "Change of Control Plan"), then the Executive shall be entitled to:

4

- a. payment of the Accrued Payments;
- b. a cash separation allowance, payable in equal installments in accordance with normal payroll practices over a 12-month period beginning immediately following the date of termination, equal to (2) times the Executive's then applicable Base Salary;
- c. payment of any annual incentive bonuses earned but not yet paid for any completed full fiscal year immediately preceding the employment termination date;
- d. all of the Executive's then unvested restricted stock or restricted stock units granted to the Executive will continue to vest and restrictions lapse in accordance with their respective terms over the 12-month period immediately following such termination date, conditioned on the Company receiving from the Executive the release of claims referred to in Section 6(h) below;
- e. the Company shall arrange for the Executive to continue to participate on substantially the same terms and conditions as in effect for the Executive (including any required contribution) immediately prior to such termination, in the disability and life insurance programs, if any, provided to the Executive pursuant to Section 5(a) hereof (to the extent permitted by the then applicable terms of such programs) until the earlier of (i) the end of the 12 month period beginning on the effective date of the termination of the Executive's employment hereunder, or (ii) such time as the Executive is eligible to be covered by comparable benefit(s) of a subsequent employer. The foregoing of this Section 6(c)(v) is referred to as "Benefits Continuation". In addition, the Company agrees to pay the Executive a lump sum cash payment (subject to applicable taxes and withholdings) in order to enable the Executive to pay for medical and dental coverage (through COBRA or otherwise) that is comparable to the medical and dental coverage in effect for Executive (and his dependents, if any) immediately prior to his termination of employment, with such cash amount equal to the cost of the premiums for such coverage that would apply if Executive were to elect COBRA continuation coverage under the Company's medical and dental plans following his termination of employment and continue such coverage for the 12 month period beginning on the date of the Executive's termination of employment. The Executive agrees to notify the Company promptly if and when he begins employment with another employer and if and when he becomes eligible to participate in any benefit or other welfare plans, programs or arrangements of another employer.

For purposes of this Agreement, the term "Good Reason" means, without the Executive's written consent: (i) a materially adverse change in the nature or status of his position or responsibilities; (ii) a change in the reporting structure where the Executive finds himself no longer reporting to the Group CEO; (iii) a material reduction by the Company in the Base Salary set forth in this Agreement; or (iv) a material breach of this Agreement by the Company. Provided that the Executive may only exercise his right to terminate this Agreement

for Good Reason within the 60 day period immediately following the occurrence of any of the events described in subsections (i) through (iv) above, and only if:

the Executive provides written notice of such event or breach to the Company during such period;

5

- a. such breach is not remedied by the Company or the parties fail to renegotiate the pertinent terms of the Agreement in good faith within 30 days after the Company receiving written notice of the breach from the Executive; and
- b. to the extent such breach remains uncured, the Executive actually terminates employment within 60 days following the occurrence of the applicable event.
- a. Termination of Employment without Cause or for Good Reason following a Change of Control. If the Company terminates the Executive's employment without Cause or the Executive terminates his employment for Good Reason, in each case within 24 months following a Material Change (as defined in Change of Control Plan), the Company's sole obligation will be to provide to the Executive the benefits provided in the Change of Control Plan.
- b. Voluntary Termination by the Executive without Good Reason. In the event the Executive terminates his employment without Good Reason, he shall provide 90 days prior written notice of such termination to the Company. Upon such voluntary termination, the Executive will be entitled to the Accrued Payments. Without limiting all other rights and remedies of the Company under this Agreement or otherwise, a termination of employment by the Executive without Good Reason upon proper notice, will not constitute a breach by the Executive of this Agreement.
- c. Resignation from all Boards. Upon any termination or cessation of the Executive's employment with the Company, for any reason, the Executive agrees immediately to resign, and any notice of termination or actual termination or cessation of employment shall act automatically to effect such resignation, from any position on the Board or as an officer, and on any board of directors or as an officer of any subsidiary or affiliate of the Company. In connection with any employment termination, the Executive agrees to execute such instruments as may be requested by the Company to evidence or effect such resignation.
- d. Non-Disparagement. Subject to Section 11(d), during and after the Executive's termination or cessation of employment with the Company, the Executive shall not make any comments, oral or written, or take any other action that could be construed as materially disparaging to the Company, its parents, subsidiaries or affiliates or their respective officers and directors and employees.
- e. Release of Claims as Condition. The Company's obligation to pay the separation allowance and provide all other benefits and rights (including equity vesting and Benefits Continuation) referred to in this Agreement shall be conditioned upon the Executive having delivered to the Company an executed full and unconditional release of claims against the Company, its parent entities, affiliates, employee benefit plans and

fiduciaries, officers, employees, directors, agents and representatives satisfactory in form and content to the Company's counsel, in accordance with Section 13(d).

- f. Termination and Clawback. Notwithstanding anything in this Agreement to the contrary, if the Executive engages in material willful misconduct in respect of his obligations hereunder, including, but not limited to, fraudulent misconduct, during the term of this Agreement or during the period in which he is otherwise entitled to receive payments hereunder following his

6

termination of employment, then (1) the Executive shall be required to repay to the Company any incentive compensation (including equity awards) paid to the Executive during or with respect to the period in which he engaged in such misconduct, as determined by a majority of the Board of Directors of Group in its sole discretion, provided that no such determination may be made until the Executive has been given written notice detailing the specific event constituting such material willful misconduct and an opportunity to appear before the Group Board (with legal counsel if so requested in writing by the Executive) to discuss, and if possible cure to the Group Board's satisfaction, the specific circumstances alleged to give rise to the material willful misconduct; and (2) upon such determination, if the Executive has begun to receive payments or benefits under Section 6(c)(ii), (iii), (iv) and (v), then such payments and benefits shall immediately terminate, and the Executive shall be required to repay to the Company the payments and the value of the benefits previously provided to him hereunder.

- a. No Mitigation. Except as provided in section 6(c)(v), in no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, nor shall the amount of any payment hereunder be reduced by any compensation earned by the Executive as a result of subsequent employment.
- b. Time for Payment. Subject to the terms and conditions set forth in Section 13, and except as otherwise expressly stated herein, benefits payable pursuant to this Section 6, if any, shall be paid within sixty (60) days following the Executive's termination of employment.

1. **INDEMNIFICATION**.

The Company agrees that the Executive shall be covered and insured up to the full limits provided by all directors and officers insurance which the Company then maintains to indemnify its directors and officers (and to indemnify the Company for any obligations which it incurs as a result of its undertaking to indemnify its officers and directors), subject to applicable deductibles and to the terms and conditions of such policies.

1. **ARBITRATION**.

The parties shall use their best efforts and good will to settle all disputes by amicable negotiations. The Company and the Executive agree that, with the express exception of any dispute or controversy arising under Sections 11 and 12 of this Agreement, any controversy or claim arising out of or in any way relating to the Executive's employment with

the Company, including, without limitation, any and all disputes concerning this Agreement and the termination of this Agreement that are not amicably resolved by negotiation, shall, to the fullest extent permitted by applicable law, be submitted to and decided by arbitration in New Jersey, or such other place agreed to by the parties, as follows:

Any such arbitration shall be heard by a single arbitrator. Except as the parties may otherwise agree, the arbitration, including the procedures for the selection of an arbitrator, shall be conducted in accordance with the National Rules for the Resolution of Employment Disputes of the American Arbitration Association (“AAA”). To the fullest extent permitted by applicable law, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to

7

resolve any dispute relating to the enforceability or formation of the arbitration requirement contained in this Section and the arbitrability of any dispute between the parties.

All attorneys’ fees and costs of the arbitration shall in the first instance be borne by the respective party incurring such costs and fees, but the arbitrator shall have the discretion to award costs and/or attorneys’ fees as he or she deems appropriate under the circumstances. The parties hereby expressly waive punitive damages, and under no circumstances shall an award contain any amounts that are in any way punitive in nature.

Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

It is intended that controversies or claims submitted to arbitration under this Section 8 shall remain confidential, and to that end it is agreed by the parties that neither the facts disclosed in the arbitration, the issues arbitrated, nor the view or opinions of any persons concerning them, shall be disclosed to third persons at any time, except to the extent necessary to enforce an award or judgment or as required by law or in response to legal process or in connection with such arbitration.

Notwithstanding anything in this Agreement to the contrary, nothing in this Section 8 or this Agreement shall be construed to prevent the Executive from filing a complaint or charge with the U.S. Equal Employment Opportunity Commission, the New Jersey Division on Civil Rights or any similar federal or state administrative agency.

Notwithstanding the foregoing, each of the parties agrees that, prior to submitting a dispute under this Agreement to arbitration, the parties agree to submit for a period of sixty (60) days, to voluntary mediation before a jointly selected neutral third party mediator under the auspices of JAMS, New York, New York Resolutions Center (or any successor location), pursuant to the procedures of JAMS International Mediation Rules conducted in New Jersey (however, such mediation or obligation to mediate shall not suspend or otherwise delay any termination or other action of the Company or affect the Company’s other rights).

9. **ENFORCEABILITY.**

It is the intention of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of each state and

jurisdiction in which such enforcement is sought, but that the unenforceability (or the modification to conform with such laws or public policies) of any provisions hereof, shall not render unenforceable or impair the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be determined to be invalid or unenforceable, either in whole or in part, this Agreement shall be deemed amended to delete or modify, as necessary, the offending provisions and to alter the balance of this Agreement in order to render the same valid and enforceable to the fullest extent permissible.

1. **ASSIGNMENT.**

This Agreement is personal in nature to the Company and the rights and obligations of the Executive under this Agreement shall not be assigned or transferred by the Executive. The Company may assign this Agreement to any of its affiliates, or any successor to the Group's or the Company's business or assets, without the Executive's prior written approval. This Agreement and all of the provisions hereof shall be binding upon, and inure to the benefit of, the parties hereto and their successors (including successors by merger, consolidation, sale or similar transaction, permitted assigns, executors, administrators, personal representatives, heirs and distributees).

1. **NON-DISCLOSURE; NON-SOLICITATION; COVENANTS OF THE EXECUTIVE; COOPERATION.**

- a. The Executive acknowledges that as a result of the services to be rendered to the Company, its parents, subsidiaries and affiliates hereunder, the Executive will be brought into close contact with many confidential affairs of the Company, its parents, subsidiaries and affiliates, not readily available to the public. The Executive further acknowledges that the services to be performed under this Agreement are of a special, unique, unusual, extraordinary and intellectual character; that the business of the Company, its parents, subsidiaries and affiliates is international in scope; that its goods and services are marketed throughout the United States and other countries; and that the Company, its parents, subsidiaries and affiliates competes with other organizations that are or could be located in any part of the United States or the world.
- b. In recognition of the foregoing, the Executive covenants and agrees that, subject to Section 11(d) and except as is necessary in providing services under this Agreement, or as required by law or pursuant to legal process or in connection with an administrative proceeding before a governmental agency, the Executive will not knowingly use for his own benefit nor knowingly divulge any Confidential Information and Trade Secrets of the Company, its parents, subsidiaries and affiliated entities, which are not otherwise in the public domain and, so long as they remain Confidential Information and Trade Secrets not in the public domain, will not disclose them to anyone outside of the Company either during or after his employment. For the purposes of this Agreement, "Confidential Information" and "Trade Secrets" of the Company mean information which is proprietary and secret to the Company, its parents, subsidiaries and affiliated entities. It may include, but is not limited to, information relating to present and future

concepts and business of the Company, its parents, subsidiaries and affiliates, in the form of memoranda, reports, computer software and data banks, customer lists, employee lists, books, records, financial statements, manuals, papers, contracts and strategic plans. As a guide, the Executive is to consider information originated, owned, controlled or possessed by the Company, its subsidiaries or affiliated entities which is not disclosed in printed publications stated to be available for distribution outside the Company, its parents, subsidiaries and affiliated entities as being secret and confidential. In instances where doubt does or should reasonably be understood to exist in the Executive's mind as to whether information is secret and confidential to the Company, its parents, subsidiaries and affiliated entities, the Executive agrees to request an opinion, in writing, from the Company as to whether such information is secret and confidential.

9

- a. The Executive will deliver promptly to the Company on termination of his employment with the Company, or at any other time the Company may so request, all memoranda, notes, records, reports and other documents relating to the Company, its parents, subsidiaries and affiliated entities, and all property owned by the Company, its parents, subsidiaries and affiliated entities, which the Executive obtained while employed by the Company, and which the Executive may then possess or have under his control.
- b. The Executive acknowledges and agrees that the Company owns all right, title and interest in and to all inventions, processes, original works of authorship, copyrights, "moral rights", trademarks, trade secrets, patents, improvements, discoveries and other intellectual property rights and proprietary rights of any kind existing now or in the future, all applications and registrations for any of the foregoing, all goodwill associated with any of the foregoing, and all rights to sue, enforce and collect royalties or other amounts for past, current and future infringement, misappropriation or other violation of the foregoing, in each case, related to the business of the Company, its parents, subsidiaries and affiliated entities and made, conceived, created, developed or reduced to practice by the Executive, whether solely or jointly with others, during the Executive's employment with the Company, whether or not conceived during regular working hours, through the use of Company time, information, materials or facilities (collectively "Developments"). The Executive further acknowledges and agrees that by reason of being employed by the Company at the relevant times, to the extent permitted by law, all Developments consisting of copyrightable subject matter is "work made for hire" as defined in the Copyright Act of 1976 (17 U.S.C. § 101) and shall be owned by the Company. To the extent that the foregoing does not apply, the Executive hereby irrevocably and unconditionally assigns to the Company all of the Executive's right, title and interest in and to all Developments (including all intellectual property rights therein). Upon request, the Executive shall deliver to the Company all documentation, outlines, descriptions and other data and records relating to such Developments and shall execute any documents deemed necessary by the Company to evidence, register,

record, maintain, enforce and protect the Company's rights hereunder. If the Company is unable because of the Executive's unavailability or any other reason to secure the Executive's signature with respect to any of the foregoing documents, the Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as its agent and attorney in fact, to act for and on the Executive's behalf and stead to execute and file any documents and to do all other lawfully permitted acts to further the application for or prosecution, issuance, maintenance or transfer of any intellectual property rights or to otherwise carry out the purposes of this Agreement with the same legal force and effect as if executed by the Executive. The foregoing designation is irrevocable. Notwithstanding the foregoing, the Developments shall not include the case study of the Executive's sponsorship-focused leadership diversity program to be published in the Harvard Business Review, and the Executive shall own the right, title and interest to such work of authorship. The Company agrees to consider in good faith any future written requests by the Executive to exclude from the Developments any future works of authorship developed by the Executive that are not related to the Company. The Company may grant or deny any such future request in its sole discretion.

- c. Notwithstanding anything in this Agreement to the contrary, nothing in this Section 11 of this Agreement shall be construed to (i) prohibit the Executive from lawfully making reports to or communicating with any governmental agency or law enforcement entity regarding possible

10

violations of federal law or regulation in accordance with the provisions and rules promulgated under Section 21F of the Securities Exchange Act of 1934, or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other express "whistleblower" protection provisions of state or federal law or regulation, or (ii) require notification or prior approval by the Company of any reporting described in clauses (i) hereof.

(f) In accordance with the United States Defend Trade Secrets Act of 2016, 18 U.S.C. Section 1833(b), the Executive understands that: (i) the Executive shall not be held criminally or civilly liable under any U.S. federal or U.S. state trade secret law for the disclosure of a trade secret that is made in confidence to a U.S. federal, U.S. state, or U.S. local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) the Executive shall not be held criminally or civilly liable under any U.S. federal or U.S. state trade secret law or under this agreement for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if the Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, the Executive may disclose a trade secret to the Executive's attorney and use the trade secret information in the court proceeding, provided the Executive files any document containing the trade secret under seal and does not disclose the trade secret other than pursuant to court order.

(g) The Executive agrees that, for a period of twelve (12) months after the termination or cessation of the Executive's employment with the Company for any reason, (except that the time period of such restrictions shall be extended by any period during which the Executive is in violation of this Section 11(g) the Executive will not:

- a. directly or indirectly solicit, attempt to hire, or hire any employee of the Company (or any person who may have been employed by the Company, its subsidiaries or affiliates, during the last year of the Executive's employment with the Company), or assist in such hiring by any other person or business entity or encourage, induce or attempt to induce any such employee to terminate his or her employment with the Company, its subsidiaries or affiliates; or
- b. take action intended to encourage any vendor, supplier, broker, customer, client or trading partner of the Company, its subsidiaries or affiliates to cease to do business with the Company or its subsidiaries or affiliates or materially reduce the amount of business the vendor, supplier, broker, customer, client or trading partner does with the Company or its subsidiaries or affiliates.

(h) The Executive agrees to cooperate with the Company, during the term of this Agreement and at any time thereafter (including following the Executive's termination of employment for any reason), by making himself reasonably available to testify on behalf of the Company, its parents, subsidiaries and affiliates in any action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and to assist the Company or its affiliates, in any such action, suit, or proceeding, by providing information and meeting and consulting with the representatives or counsel to the Company or its affiliates, as requested; provided, however that it does not materially interfere with his then current professional activities. The Company agrees to reimburse the Executive for all reasonable expenses actually incurred in connection with his provision of testimony or assistance.

11

1. **NON-COMPETITION AGREEMENT.**

The Executive agrees that throughout the term of his employment, and for a period of twelve (12) months after termination or cessation of employment for any reason (except that the time period of such restrictions shall be extended by any period during which the Executive is in violation of this Section 12), the Executive will not engage in, participate in, carry on, own, or manage, directly or indirectly, either for himself or as a partner, stockholder, investor, officer, director, employee, agent, independent contractor, representative or consultant of any person, partnership, corporation or other enterprise, in any "Competitive Business" in any jurisdiction in which the Company or its affiliates and subsidiaries actively conducts business. For purposes of this Section 12, "Competitive Business" means the property and casualty insurance or property and casualty reinsurance business.

The Executive's engaging in the following activities will not be deemed to be engaging or participating in a Competitive Business: (i) investment banking; (ii) passive ownership of less than 2% of any class of securities of a company; and (iii) engaging or participating solely in a noncompetitive business of an entity which also separately operates a

business which is a “Competitive Business”. Notwithstanding anything to the contrary contained herein, to the extent required by the rules of professional responsibility applicable to the Executive (including without limitation Rule 5.6 of the New Jersey Rules of Professional Conduct (the “RPC”)), nothing herein shall be deemed to restrict the Executive’s ability to practice law following termination of the Executive’s employment, provided that the “ability to practice law” shall be interpreted in accordance with the applicable RPC and shall not be deemed to include, for example, providing business advice or business counsel to a Competitive Business.

The Executive acknowledges, with the advice of legal counsel, that he understands the foregoing provisions of this Section 12 and that these provisions are fair, reasonable, and necessary for the protection of the Company’s business.

The Executive agrees that the remedy at law for any breach or threatened breach of any covenant contained in Sections 11 and 12 will be inadequate and that the Company, in addition to such other remedies as may be available to it, in law or in equity, shall be entitled to injunctive relief without bond or other security.

1. **TAXES.**

- a. All payments and benefits to be made to and on behalf of the Executive under this Agreement will be subject to required withholding of federal, state and local income, employment and excise taxes, and to related reporting requirements, and any other withholdings applicable to such payments or benefits.
- b. Notwithstanding anything in this Agreement to the contrary, it is the intention of the parties that this Agreement comply with or be exempt from Section 409A of the Internal Revenue Code (the “Code”) and any regulations and other guidance issued thereunder, and this Agreement and the payment of any benefits hereunder shall be operated and administered accordingly. Specifically, but not by limitation, the Executive agrees that if, at the time of termination of employment, the Company is considered to be publicly traded and he is considered

12

to be a “specified employee,” as defined in Section 409A of the Code, then such payments to be made hereunder as a result of his termination of employment that are deferred compensation for purposes of Section 409A of the Code shall be deferred to the end of the six-month period beginning on the date of such termination or, if earlier, within 15 days after the appointment of the personal representative or executor of the Executive’s estate following his death, if and to the extent the delay in such payment is necessary in order to comply with the requirements of Section 409A of the Code.

- a. With respect to any amount of expenses eligible for reimbursement that is required to be included in the Executive’s gross income for federal income tax purposes, such expenses shall be reimbursed to the Executive no later than December 31 of the year following the year in which the Executive incurs the related expenses. In no event shall the amount of expenses (or in-kind benefits) eligible for reimbursement in one taxable year affect the amount of expenses (or in-kind benefits) eligible for reimbursement in

any other taxable year (except for those medical reimbursements referred to in Section 105(b) of the Internal Revenue Code of 1986), nor shall the Executive's right to reimbursement or in-kind benefits be subject to liquidation or exchange for another benefit.

- b. The Executive shall execute and deliver to the Company the general release referenced in Section 6(h) of this Agreement within 60 days following the receipt of the general release (which shall be provided on or prior to termination), or if later, immediately following the expiration of any revocation period required by law. Amounts that would have otherwise been payable during such 60-day period shall be accumulated and paid on the 60th day following the Executive's termination (or, if not a business day, the next following business day), provided such release shall have been executed and such revocation periods shall have expired (subject to the six-month delay provision under Section 409A of the Code, if applicable). If a bona fide dispute exists, then the Executive shall deliver a written notice of the nature of the dispute to the Company within 30 days following receipt of such general release. Benefits shall be deemed forfeited if the release (or a written notice of a bona fide dispute) is not executed and delivered to the Company within the time specified herein.
- c. Termination of employment, or words of similar import, used in this Agreement means, for purposes of any payments under this Agreement that are payments of deferred compensation subject to Section 409A of the Code, "separation from service" as defined in Section 409A of the Code and the regulations promulgated thereunder.
- d. For purposes of Section 409A of the Code, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

14. SURVIVAL.

Anything in Section 6 hereof to the contrary notwithstanding, the provisions of Section 7 through 16 shall survive the expiration or termination of this Agreement, regardless of the reasons therefor.

1. NO CONFLICT; REPRESENTATIONS AND WARRANTIES.

The Executive represents and warrants that, to the best of his knowledge and belief, (i) the information (written and oral) provided by the Executive to the Company in connection with obtaining employment with the Company or in connection with the Executive's former employments, work history, circumstances of leaving former employments, and educational background, is true and complete, (ii) he has the legal capacity to execute and perform this Agreement, (iii) this Agreement is a valid and binding obligation of the Executive enforceable against him in accordance with its terms, (iv) the Executive's execution, delivery or performance of this Agreement will not conflict with or result in a breach of any agreement, understanding, order, judgment or other obligation to which the Executive is a party or by which he may be bound, written or oral, and (v) the Executive is not subject to or bound by any covenant against competition, non-solicitation, non-disclosure or confidentiality obligation, or any other agreement, order, judgment or other obligation, written or oral, which would conflict

with, restrict or limit the performance of the services to be provided by him hereunder. The Executive agrees not to use, or disclose to anyone within the Company, its parents, subsidiaries or affiliates, at any time during his employment hereunder, any trade secrets or any confidential information of any other employer or other third party. The Executive has provided to the Company a true copy of any non-competition or non-solicitation obligation or agreement to which he may be subject.

1. **MISCELLANEOUS.**

- a. Any notice to be given hereunder shall be in writing and delivered personally or sent by overnight mail, addressed to the party concerned at the address indicated below or to such other address as such party may subsequently give notice of hereunder in writing:

If to the Company or Holdings:

Everest Global Services, Inc.

100 Everest Way

Warren, NJ 07059

Attention: Human Resources Department

If to the Executive: To the most recent address on the books and records of the Company.

Any notice given as set forth above will be deemed given on the business day sent when delivered by hand during normal business hours, on the business day after the business day sent if delivered by a nationally-recognized overnight courier, or on the third business day after the business day sent if delivered by registered or certified mail, return receipt requested.

- a. Law Governing. This Agreement shall be deemed a contract made under and for all purposes shall be construed in accordance with, the laws of the State of New Jersey without reference to the principles of conflict of laws.
- b. Jurisdiction. Subject to Section 8 above, (i) in any suit, action or proceeding seeking to enforce any provision of this Agreement or for purposes of resolving any dispute arising out of or related to this Agreement (including Sections 11 and 12 or the transactions contemplated 14

by this Agreement), the Company and the Executive each hereby irrevocably consents to the exclusive jurisdiction of any federal court located in the State of New Jersey or any of the state courts of the State of New Jersey; (ii) the Company and the Executive each hereby waives, to the fullest extent permitted by applicable law, any objection which it or he may now or hereafter have to the laying of venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; (iii) process in any such suit, action or proceeding may be served on either party anywhere in the world, whether within or without the jurisdiction of such court, and, without limiting the foregoing, each of the Company and the Executive irrevocably agrees that service of process on such party, in the same manner as provided for notices in Section 16(a) above, shall be deemed effective service of process on such party in any such suit," action or proceeding; and (iv) WAIVER OF JURY TRIAL: EACH OF THE COMPANY AND

THE EXECUTIVE HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

- a. Headings. The Section headings contained in this Agreement are for convenience of reference only and are not intended to determine, limit or describe the scope or intent of any provision of this Agreement.
- b. Number and Gender. Whenever in this Agreement the singular is used, it shall include the plural if the context so requires, and whenever the feminine gender is used in this Agreement, it shall be construed as if the masculine, feminine or neuter gender, respectively, has been used where the context so dictates, with the rest of the sentence being construed as if the grammatical and terminological changes thereby rendered necessary have been made.
- c. Entire Agreement. This Agreement contains the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any prior or contemporaneous understandings and agreements, written or oral, between and among them respecting such subject matter.
- d. Counterparts. This Agreement may be executed in counterparts (including via electronic delivery such as facsimile, DocuSign or .pdf), each of which shall be deemed an original but both of which taken together shall constitute one instrument.
- e. Amendments. This Agreement may not be amended except by a writing executed by each of the parties to this Agreement.
- f. No Waiver. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and such officer as may be specifically designated by the Company. No waiver by either party at any time of any breach by the other party of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

15

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

EVEREST GLOBAL SERVICES, INC.

THE EXECUTIVE

/S/ JUAN C. ANDRADE
Juan C. Andrade
President & CEO

/S/ RICARDO A. ANZALDUE
Ricardo A. Anzaldua

16



Ethics Guidelines and Index to

Compliance Policies and Procedures

Everest Group LTD. and Its Affiliated Companies

Updated September 2023

Table of Contents

Company Ethics Guidelines	1
Our Commitment to Ethical Conduct	1
Compliance with The Law, Rules and Regulations	2
General	2
Fair Dealing.....	3
Fair Competition	3
Treatment of Confidential Information	4
Guideline on Trading in Company Stock or Other Securities	5
Inside Information and Restrictions on Trading.....	5
Additional Provisions Applicable to Restricted Persons.....	7
Pre-Clearance of Trading for Certain Restricted Persons.....	8
10b5-1 Plans	8
Consequences of Violating this Guideline	8
Stock Retention Guidelines	9
Electronic and Voice Mail	10
No Privacy Rights in Electronic Communications.....	10
Special Considerations.....	11
Use of the Internet	12
Conflicts of Interest	13
Corporate Opportunity	14
Protection and Proper Use of Company Assets	14
Annual Questionnaires	14
Financial Transactions.....	15
Procedures for Disclosure and Approvals.....	15
Gifts.....	16
Political Contributions	17
Complaint Procedures	17
Accounting Complaints - Access to Audit Committee of Board of Directors.....	17
Receipt of Employee Complaints.....	17
Scope of Matters Covered by These Procedures.....	18
Treatment of Complaints.....	19

We underwrite opportunity.

Everest Group, Ltd. ("Everest") is a leading global provider of reinsurance and insurance, operating for close to 50 years through subsidiaries in the U.S., Europe, Singapore, Canada, Bermuda and other territories. Everest offers property, casualty, and specialty products through its various operating affiliates located in key markets around the world. Everest common stock (NYSE:EG) is a component of the S&P 500 index. Additional information about Everest, our people, and our products can be found on our website at www.everestglobal.com.

Reporting and Retention of Complaints and Investigations	19
Amendment, Modification and Waiver	20
Index of Significant Compliance Policies and Procedures	21
Index - Purpose and Use	21
Americans With Disabilities Act (ADA)	21
Copyright	21
Corporate Clawback Policy	22
Equal Employment Opportunity Employer	23
Family & Medical Leave Act of 1993 (FMLA)	23
International Boycott	24
Money Laundering	24
I. Anti-Money Laundering and OFAC Compliance Procedures.....	24
II. Procedures for Preventing Transactions with Blocked Persons.....	29
Privacy Policy: Treatment of Individuals' Personal Information	33
Non-Discrimination and Anti-Harassment Policy	35
Sexual Harassment Defined	36
Other Types of Prohibited Harassment.....	37
Protection Against Retaliation	37
Complaint Procedure	38
Manager's Responsibility.....	39
Good Faith	39
Support for Individuals Impacted by Harassment or Retaliation	40
Whistle Blowing	40
Appendix A	42
Guidance on Implementing the Policy on Confidential Information	42
Disclosure of Material Nonpublic Information General	42
Disclosures to Shareholders	44
Disclosures to Customers	44
Communications with the Press, Investment Analysts and Other Members of the Public	46
Appendix B	48
Everest Group, Ltd. Code of Ethics for Chief Executive Officer and Senior Financial Officers	48

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Appendix C	50
Everest Group, Ltd. Statement Pursuant to Section 54 of the United Kingdom’s Modern Slavery Act 2015	50
Our Supply Chain	50
Due Diligence	50

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Company Ethics Guidelines

Our Commitment to Ethical Conduct

As used in these Guidelines, “Company” includes Everest Group, Ltd. and all affiliated companies. It is critical to our success that the Company, its officers, directors and employees act in accordance with high ethical standards. Our shareholders, customers, others with whom we do business, and the various governmental entities which oversee the Company, all expect us to act ethically. Even more important, however, are the expectations we have for ourselves. Only if we set high standards for ourselves, and work to maintain those standards, can the Company meet the expectations of others.

Our commitment is to be honest and forthright in our communications, both inside and outside the Company, to comply with the laws, rules and regulations governing our conduct and, beyond that, to do what is right. This standard applies not only to the Company itself, but to all of the officers, directors and employees of the Company. Being honest and complying with the law are self-evident standards, and the Law Department is available to help interpret legal requirements when needed. Doing “what is right” is sometimes less clear. Although no statement of ethics can address every possible circumstance, this statement and the various compliance policies identified in the index provide a great deal of guidance. In addition, senior management, the Law Department and Human Resources are available to help.

In nurturing and maintaining the Company’s ethical standards, it will be the responsibility of Company management to promote an environment in which high ethical standards are the norm, clarifying and offering guidance to employees on ethical issues when necessary. Management is also committed to a working environment in which all employees are treated with respect, personal information concerning individuals is treated confidentially, individuals are encouraged to develop to their fullest potential and advancement is based on merit. In turn, it is the responsibility of all employees to live up to these high ethical standards, seek guidance when they are unsure of what is right, treat other employees with due respect and take individual responsibility for their development.

The Company can only act through its directors, officers and employees. Each and every director, officer and employee has a role in maintaining the Company's reputation for the highest ethical conduct through the actions which he or she takes every day. The following guidelines are intended to help each director, officer and employee make the day-to-day decisions which will protect and enhance the Company's standing and success.

Compliance with The Law, Rules and Regulations

General

It is the Company's policy to be in compliance with all laws, rules and regulations applying to our business. Because these laws, rules and regulations may vary from state to state and country to country, and may be ambiguous and difficult to interpret, it is important that directors, officers and employees seek advice from the Law Department if there is any question on the applicable legal rules. We expect good faith efforts from all directors, officers and Company personnel in following the spirit and intent of the law.

We do not permit our staff or resources to be used for any purposes that contravene the laws, rules and regulations of any country. Nor do we permit improper payments of any sort to be made to any governmental, political, labor, or businessperson or organization. Gifts of insubstantial value to minor government officials of foreign countries where such gifts are customary and legal and comply with the Foreign Corrupt Practices Act are permissible. Such gifts should not be made, however, unless approved in advance by senior management.

All directors, officers and employees should be guided by these principles:

- No unrecorded funds or assets may be established or maintained.
- All accounting entries must be accurate and must properly describe each transaction.
- No payment may be made with the intention that the funds will be used for any purpose other than that described in the supporting documents.

- All agreements with customers, representatives, consultants, or others should be in writing and should include all applicable fee schedules.

If a director, officer or employee has doubts about the propriety of a transaction or payment, he or she should discuss the matter with management or the Law Department.

As a public company, it is of critical importance that the Company's filings with and submissions to the Securities and Exchange Commission and any other public communication by the Company be full, fair, accurate, timely and understandable. Depending on their position with the Company, an employee, officer or director may be called upon to provide necessary information to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt accurate answers to inquiries related to the Company's public disclosure requirements.

Fair Dealing

Each director, officer and employee should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Fair Competition

A fundamental tenet of our society is that the public is best served by vigorous competitive activity. Federal and state antitrust laws are intended to facilitate free and open competition and prohibit any activity or conduct that improperly reduces or eliminates such competition in the marketplace. The Company has a long-standing policy of support for and compliance with these antitrust laws and expects all directors, officers and employees to comply with them fully. Penalties for their violation can be severe.

The Company's antitrust compliance depends on the commitment of every director, officer and employee to learn about and carry out the Company's antitrust policy. The antitrust laws are complex and are discussed in detail in the Company's "Antitrust

Compliance Manual”, which is referred to in the [Index of Compliance Policies](#). The Antitrust Compliance Manual is available on the Company’s Intranet and may also be obtained at any time from the Law Department. Any Company personnel with questions as to the legality of a particular decision or action should contact the Law Department for advice.

Treatment of Confidential Information

In the course of the Company’s business and in addition to Company confidential information, we also obtain personal, business, financial and other information concerning many of our customers and potential customers. We have an obligation to respect our customers’ interests by protecting the confidentiality of that information. Unauthorized or improper disclosure could result in liability on the part of the Company. More importantly, improper disclosure could undermine the trust our clients place in the Company. In addition, various jurisdictions have enacted laws, rules and regulations addressing the confidentiality of information concerning individuals and customers. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Senior management of the Company has been charged with the development, maintenance and implementation of appropriate confidential information and privacy policy standards to guide the Company, its directors, officers and employees. The Company has established a Data Risk and Privacy Council to provide central oversight of privacy and data protection compliance at the Company. These policies and standards can be found in the Company’s Privacy Policy, Data Classification Policy and Data Handling Guidelines on the Company’s Intranet. Such policy standards recognize the following principles, bearing in mind the Company’s contracts with and need to interact with various outside parties, including, without limitation, insureds, brokers, cedents, agents, reinsurers, attorneys, vendors, regulators, and law enforcement personnel, in the conduct of its businesses:

- Information requested and used should be related to the Company’s business needs. Such information that is obtained should be revealed and discussed only within the scope of Company business;
- Access to confidential or private records should be limited to those with a legitimate business need; and
- Files used as a basis for making business decisions should include only data believed to be relevant and accurate.

Because the Company is publicly owned, the legal requirements associated with public ownership require us to be cautious in maintaining the confidentiality of information about the Company itself. Therefore:

- All material, nonpublic information concerning the Company, including trade secrets or other proprietary, commercial or financial information is to be treated as strictly confidential.
- Material nonpublic information may be disclosed within the Company only to those officers, directors and employees who have a legitimate need to know such information.
- Material nonpublic information concerning the Company may be disclosed outside of the Company only in the manner and under the circumstances set forth in guidelines issued by the General Counsel.

"Material" information means information which might reasonably be expected to affect an investor's decision to buy, hold or sell a company's stock. "Nonpublic" information is information which has not been generally disclosed to the public.

- Disclosures of any information to the press, investment analysts or other members of the public may be made only by the Chief Executive Officer, or his designees, the President, the Chief Financial Officer, the General Counsel or the Vice President, Investor Relations. Any employee receiving a contact from the press should refer that contact to the General Counsel. Any employee receiving a contact from investment analysts or other members of the public should refer such contacts to the Chief Financial Officer, the Vice President, Investor Relations or the General Counsel.

Additional guidance on the implementation of this policy is provided in [Appendix A](#) to these Guidelines and in the Company's Privacy Policy, Data Classification Policy and Data Handling Guidelines which can be found on the Company's Intranet. Employees should contact the General Counsel, other members of the Law Department or the Data Risk and Privacy Council with any questions.

Guideline on Trading in Company Stock or Other Securities

Inside Information and Restrictions on Trading

Confidential or proprietary information obtained about the Company should not be used for personal gain, either of the director, officer or employee who learned the information or of others to whom the director, officer or employee may give the information. It is for that reason that the Company's Ethics Guidelines emphasize the proper treatment of confidential information and set out guidelines for the handling and disclosure of such information. For an "insider" such as a Company director, officer or employee to trade in the Company's stock or other securities while in possession of

confidential information, or to give that information to someone else to allow them to trade is known as “insider trading.” Insider trading is unlawful and could lead to legal liability not only for any individuals involved but also for the Company.

In order to protect against and reduce the risk of insider trading, except as provided in the paragraph titled “10b5-1 Plans” below, the following restrictions apply to all transactions in stock or other securities issued by the Company by directors, officers and employees of the Company (collectively, “insiders,” which term includes others living in the same household as insiders):

1. At no time may purchases or sales of Everest Group, Ltd.'s securities, or any other publicly traded security, be made if, at the time, the insider is in possession of material non-public information concerning Group or its subsidiaries or the issuer of another publicly traded security (all such information referred to in this Guideline as “MNPI”);

2. Insiders may not communicate MNPI to anyone other than as necessary to meet their duties to the Company. Such “tipping” may violate laws against insider trading, whether or not the insider is receiving any monetary or other tangible benefit.

3. Subject to the provisions above and to Additional Provisions Applicable to Restricted Persons (defined below), and unless otherwise advised to the contrary by the General Counsel or the Chief Financial Officer, trades are permitted at all times other than during the “blackout period” beginning at the close of normal trading on the last day of each calendar quarter and ending at the opening of normal trading on the second business day after the release of Everest Group, Ltd.’s quarterly or annual earnings relating to that calendar quarter;

4. Trading is allowed in the blackout period only with prior clearance from the General Counsel or Chief Financial Officer, which clearance shall be in effect until the end of the second full business day following its receipt by the individual unless rescinded in the interim. Clearance will only be given in cases where a) the insider is not in possession of MNPI and b) not allowing the insider to trade, viewed under all of the circumstances, would subject the insider to significant financial hardship;

5. The exercise of Company-granted stock options or other compensation-related awards is not covered by this Guideline, but the sale of shares of restricted stock or of stock received upon the exercise of a stock option is covered;

6. There is a total prohibition on insiders trading in options in Everest Group, Ltd.’s stock other than the exercise of compensation-related options. Options covered

by this trading prohibition include “put” options and “call” options on Company-issued stock or other securities and options awarded under any Company stock incentive plan, including any expired stock incentive plan. The prohibition also covers transactions geared toward “shorting” the Company’s stock, straddles, equity swaps or other derivative securities that are directly linked to Company-issued securities;

7. From time to time the Company may make announcements of material information, other than normal quarterly and annual earnings reports, in a press release or public announcement and related filing with the Securities and Exchange Commission. In this or any other appropriate case the General Counsel may put in place temporary measures suitable to mitigate potential insider trading and to protect the interests of the Company. Such measures include but are not limited to designation of additional Restricted Persons or an additional blackout period of specified duration.

Additional Provisions Applicable to Restricted Persons

“Restricted Persons” are those insiders whose roles make them exceptionally likely to possess MNPI and who therefore must exercise greater diligence to comply with insider trading prohibitions. This group includes a) all members of the Board of Directors, b) the Chief Executive Officer, Chief Financial Officer, all other members of the management Executive Committee, as organized and maintained by the Chief Executive Officer, and all persons with any direct reporting relationship with those individuals, and c) any other insider designated by the General Counsel upon consultation with the Chief Financial Officer. The list of insiders designated under c) will be updated on a quarterly basis by the Chief Compliance Officer in consultation with the General Counsel and Chief Financial Officer. All Restricted Persons will be notified of their designation under this Guideline. Restricted Person status will end when the person no longer qualifies under a) or b), because of change in role or leaving the Company, or for c) when they are notified by the Chief Compliance Officer that they are no longer Restricted Persons or when they leave the Company. The prohibition on insider trading in any security, whether trading while in possession of MNPI, tipping, or any other conduct, remains in effect after any insider leaves the Company.

Pre-Clearance of Trading for Certain Restricted Persons

Except as provided in the paragraph titled "10b5-1 Plans" below, Restricted Persons qualifying under clauses a) and b) of the preceding paragraph who do not have possession of MNPI may trade in Company stock or other securities only if they receive prior clearance for that trade from the General Counsel or the Chief Financial Officer, or from the Chief Compliance Officer as designee of the General Counsel and Chief Financial Officer. Restricted Persons seeking clearance must provide the following information: (1) the individual's position within the Company and general job responsibilities (so that an evaluation can be made as to what Company information the person may have access to), (2) the nature of the trading activity (i.e., identify intermediary for the trade, whether buying, selling, exercising options, or other, and specify any particular trading instructions given to the intermediary) for which the person seeks approval, and 3) a certification in a form required by the Company that the Restricted Person making the trade does not possess MNPI. Decisions on clearance will depend upon the circumstances of each particular request. Clearance will be given for a transaction to occur only within a specified time period.

10b5-1 Plans

Any insider (including any Restricted Person) who enters into a trading plan with an intermediary pursuant to SEC Rule 10b5-1 that is pre-cleared and approved by the General Counsel or his/her designee will not be subject to this Guideline for any transaction executed in accordance with the terms of the approved plan. As required by Rule 10b5-1, insiders may enter into a trading plan only when they are not in possession of MNPI. In addition, insiders may not enter into a trading plan during a blackout period. Transactions effected pursuant to an approved trading plan will not require pre-clearance otherwise required by this Guideline or be subject to the Company's blackout period so long as the plan specifies the dates, prices and amounts of the contemplated trades, or establishes a formula for determining the dates, prices and amounts.

Consequences of Violating this Guideline

In addition to the serious sanctions imposed by law or regulation, employee violations of this Guideline are grounds for disciplinary action, up to and including termination of employment.

Stock Retention Guidelines

In February 2015 the Board of Directors of Everest Group, Ltd. adopted stock ownership and retention guidelines for all senior officers with the title of Executive Vice President or above (“Senior Executives”), in order to further align the personal interests of Senior Executives with those of our shareholders.

Ownership guidelines require each Senior Executive to own shares of our stock with a value equal to the following multiples of his or her base salary:

<u>Title</u>	<u>Multiple of Base Salary</u>
Chief Executive Officer	6x
Executive Vice President	3x

The following types of holdings shall satisfy the ownership requirement guidelines:

- (i) All shares owned (however acquired);
- (ii) Unvested restricted shares granted under our stock incentive plans; and
- (iii) Performance shares that have been earned or “banked” during the performance period but not yet paid out.

The individual ownership amounts are determined by dividing the applicable multiple of base salary as of the beginning of the fiscal year by the average end-of-quarter stock price over the trailing four quarters resulting in a fixed number of shares for each Senior Executive. The calculation will be performed annually to take into account any changes in base salary.

Any Senior Executive who does not meet the stock ownership guidelines must hold at least 50% of the “net shares” received upon the exercise of stock options, payout of performance shares or vesting of time-based restricted shares until the ownership guidelines are met. For this purpose, “net shares” means the number of shares obtained by exercising the option or upon restricted shares vesting, less the number of shares sold to pay the exercise price of the option and any taxes or transaction costs due upon the exercise of or vesting. Because Senior Executives must hold at least 50% of the net shares received from any exercise of stock options, payout of performance shares or vesting of time-based restricted stock until they achieve the specified guidelines, there is no minimum time period required to achieve the guidelines.

In addition, any Senior Executive who does not meet the stock ownership guidelines must also refrain from selling any owned shares until the guidelines are met.

The guidelines may be waived for Senior Executives upon the approval of both the CEO and the Compensation Committee of the Board of Directors in very limited circumstances upon a showing of financial hardship.

Each year, the Company will calculate the stock ownership level of each Senior Executive and will notify them of their status against the applicable minimum stock ownership requirement. The Company will also report to the Compensation Committee on an annual basis with respect to compliance with this Policy.

Electronic and Voice Mail

The Company maintains an electronic mail system ("E-Mail) and also provides Voice Mail on the telephone system used by the company. Both E-Mail and Voice Mail are provided exclusively to assist in the conduct of business on behalf of the Company.

Electronic communications through E-Mail and Voice Mail are subject to all of the Company's policies regarding communications generally. Thus, for example, Company policies regarding solicitation and harassment all apply to the use of E-Mail and Voice Mail. Employees who fail to comply with the E-Mail and Voice Mail policies as set forth herein or other Company policies are subject to disciplinary action, up to and including termination.

Any communications by employees via E-Mail or Voice Mail that may constitute verbal abuse, slander or defamation or may be considered offensive, harassing, vulgar, obscene or threatening are strictly prohibited. Offensive content would include, but would not be limited to, sexual comments or images, racial slurs, gender-specific comments or any comments that would tend to offend someone on the basis of his or her age, race, sex, color, religion, national origin, handicap, disability or veteran status. The communication, dissemination or printing of any copyrighted materials in violation of copyright laws is also strictly prohibited.

No Privacy Rights in Electronic Communications

Because E-Mail and Voice Mail are means of communication provided by the Company for purposes of conducting Company business, employees have no privacy rights in E-Mail or Voice Mail communications. The Company retains the right to access an employee's E-Mail or Voice Mail at any time for any reason whatsoever without notice to the employee. Such reasons include, but are not limited to, determining and/or preventing personal use of E-Mail or Voice Mail, assuring compliance with Company policies, conducting Company business and/or investigating conduct or behavior that

may be illegal or adversely affect the Company, Company employees or customers. The Company may override any individual passwords and/or codes or require employees to disclose any passwords and/or codes to facilitate access by the Company to E-Mail or Voice Mail. The approval of the Chief Executive Officer, President, Chief Operating Officer, General Counsel or Chief Administrative Officer must be obtained prior to any access to E-Mail or Voice Mail communications.

Since the purpose of this policy is to notify employees that they are to have no expectation of privacy regarding E-Mail or Voice Mail, an employee's permission to access his or her own E-Mail or Voice Mail by others is not required, except where provided by local law.

By using the Company's E-Mail and Voice Mail systems, employees knowingly and voluntarily consent to their usage of the systems being monitored and acknowledge the Company's right to conduct such monitoring. Employees should not expect that E-Mail or Voice Mail is confidential or private, and, therefore, should have no expectation of privacy whatsoever related to their usage of the systems.

Special Considerations

Because of the technology involved in E-Mail communications, certain special considerations apply which deserve highlighting:

- Although most E-Mail communications will be internal to the Company and will be made via the Company-provided E-Mail system, external communications via E-Mail are also possible, both via the Company-sponsored system where we have enabled an outside entity to obtain access to our system or via internet-based E-Mail mechanisms. This policy applies to all E-Mail communications, regardless of whether they are internal or external to the Company and regardless of the system on which such communications are made;
- Because many forms of E-Mail allow for greater ease of copying material, employees must be especially sensitive to copyright restrictions when using E-Mail;
- E-Mail connections with individuals or entities outside of the Company present special security considerations. Such connections offer the possibility that individuals outside the Company could have access to Company systems; and introduce the risks (1) that confidential Company information could be obtained by individuals outside the Company and (2) that computer viruses could be introduced to the Company through such E-Mail connections; and

- E-Mail messages and Voice Mail messages are considered business records of the Company, and therefore are subject to the same document retention policies as are paper records. For additional information and guidance on records managements, employees should consult the Record Management Policy on the Company intranet and contact the Law Department with any questions.

Use of the Internet

The collection of publicly available databases, data exchanges and means of communication generally known as the Internet and the World Wide Web (collectively, "the Internet") contains sources of information which are relevant and useful to the conduct of the Company's business. Accordingly, all individuals within the Company have been provided, at Company expense, with the means to access the Internet. Employee use of the Internet is limited to the conduct of Company business and at all times those employees are subject to all of the Ethics Guidelines and policies applicable to the conduct of Company business.

In addition, because access to the Internet is provided to employees for Company business purposes, Internet access is prohibited for:

- Personal use;
- Viewing or transferring of obscene, pornographic, abusive, slanderous, defamatory, harassing, vulgar, threatening and/or offensive material;
- Viewing or transferring frivolous material or any material not appropriate for business purposes;
- Unauthorized viewing or transferring of material that is confidential or proprietary to the Company;
- Unauthorized posting of any material on the Internet; or
- Communicating, disseminating, downloading or printing of any copyrighted materials in violation of copyright laws.

Because use of the Internet is a specialized form of electronic communication, the Company's policy on E-Mail applies in full to use of the Internet. Therefore, employees are specifically advised that they should have no expectation of privacy in Internet-based communications or activities, and that the Company retains the right to access any Internet materials or communications at any time for any reason whatsoever, with or without prior notice to the employee. In addition, all material obtained from the Internet is the sole property of the Company and does not belong to employees.

All employees given access to the Internet will be required to sign an Employee Internet Usage Agreement which incorporates and elaborates upon this policy.

Conflicts of Interest

Directors, officers and Company personnel should avoid actual or apparent conflicts of interest, which arise when personal interests outside of the Company could be placed ahead of your obligations to the Company and its customers. Conflicts of interest also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to or guarantees of obligations of such persons are of special concern. It is important to recognize that the appearance of a conflict of interest may be just as damaging to a company's reputation as a real conflict, even when no wrong is done. The opportunity to act improperly may be enough to create the appearance of a conflict.

We value the privacy of our directors, officers and employees, and their right to conduct their personal lives without interference. However, the Company must require full and timely disclosure of any situation that may result in a conflict of interest or the appearance of a conflict. It is important to note that the decision as to whether there is a conflict, or the appearance of one, will be determined by the Company, not by the individual(s) involved.

To reinforce the Company's commitment to avoid conflicts of interest or their appearance, the following rules have been adopted:

- Company officers or employees may not serve as an outside director, officer, employee, partner or trustee - - nor hold any other position in any outside business enterprise -- without prior approval from the Company.
- Involvement in any outside business activity is unacceptable when it interferes with a director, officer or employee's ability to perform the duties of his or her job.

The requirement for prior approval of outside business activities applies to officers or employees considering service as an expert witness, mediator or arbitrator in connection with any disputes, including insurance or reinsurance related.

No prior approval is needed, however, if the enterprise is a business owned principally by other members of an officer or employee's family, if it is not doing business with the Company, if it is not engaged in business similar to any business engaged in by the

Company, and if the services required of the officer or employee will not interfere with his or her duties to the Company.

In addition, most non-management employees do not need prior approval to accept outside employment, if permitted under applicable administrative policies. However, employees may not circulate catalogs, solicit sales, or otherwise promote their business on Company time or Company premises.

Corporate Opportunity

Employees, officers and directors are prohibited from (a) taking for themselves personally, opportunities that properly belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company by using any information obtained as a result of his or her position as an employee, officer or director. Employees, officers and directors owe a duty to the Company to advance its legitimate interest when the opportunity to do so arises.

Protection and Proper Use of Company Assets

All employees, officers and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes. Trade secrets and proprietary, commercial or financial information, whose disclosure might cause competitive harm, must be considered Company assets.

Annual Questionnaires

Each year, officers and employees, designated by the Compliance Officer, who are in areas that are considered particularly sensitive, will be required to complete an ethics guideline questionnaire which discloses any outside interests and potential conflicts with their position with the Company. Those individuals will also be required to complete a form certifying that they have read the Company Ethics Guidelines and that they understand their compliance responsibilities. The compliance responsibilities of all officers and employees include the reporting to the General Counsel or the Compliance Officer of any possible violation of the Company's Ethics Guidelines and Compliance Policies. Officers and employees who fail to comply with these guidelines and the Compliance Policies are subject to disciplinary action, up to and including

termination. Company personnel are encouraged to consult these Guidelines or the Law Department to assure that they understand their responsibilities and are in compliance with the requirements set forth in the Ethics Guidelines. There will be no retaliation against any person who in good faith reports any violation or suspected violation of the Guidelines by any third party.

Financial Transactions

Company officers or employees may not act on behalf of the Company in connection with any transaction in which they have a personal interest.

Officers and employees may not, without prior approval, have a substantial interest in any outside business that, to their knowledge, is involved currently in a business transaction with the Company or is engaged in businesses similar to any business engaged in by the Company.

A substantial interest includes:

- any investment in an outside business involving an amount greater than 10 percent of an employee's gross assets.
- any investment involving an ownership interest greater than 2 percent of the outstanding equity interests.

No approval is needed for bank deposits and investments in mutual funds, partnerships, and similar enterprises that are publicly owned and engaged primarily in the business of investing in securities, real estate, or other investment assets.

Officers and employees may not, without prior approval, borrow an amount greater than 10 percent of their gross assets on an unsecured basis from any bank, financial institution, or other business that, to their knowledge, currently does business with the Company or with which the Company has an outstanding investment relationship.

This rule does not apply to residential mortgage loans (including bridge loans in anticipation of a residential mortgage loan), margin accounts, and other adequately secured loans.

Procedures for Disclosure and Approvals

Any Company personnel involved in a conflict or potential conflict situation should advise the management of their unit, or the General Counsel, as soon as the situation arises. Employees should immediately report violations or suspected violations of laws,

rules, regulations or the Code of Ethics by any director, officer or employee to their supervisor, the General Counsel, the Company's Compliance Officer or to the Company's Audit Committee Chairwoman. There will be no retaliation against any person who in good faith makes such a report of a violation or suspected violation by any third party. Employees in sensitive areas, designated by the Compliance Officer, will be surveyed annually with respect to disclosure of conflicts or potential conflicts. Disclosures with respect to financial holdings or transactions involving Company Directors will be in a form to be determined by the General Counsel and the Compliance Officer. All approvals under these Guidelines must be in writing; employees seeking required approvals should speak to the management of their unit or to the General Counsel.

Gifts

Directors, officers and Company personnel should not accept or provide any gifts or favors that might influence the decisions which Company personnel or the recipients of gifts make in business transactions involving the Company, or that others might reasonably believe would influence those decisions. Even a nominal gift should not be accepted if, to a reasonable observer, it might appear that the gift would influence business decisions.

Modest gifts and favors, which would not be regarded by others as improper, may be accepted or given on an occasional basis. Entertainment that satisfies these requirements and conforms to generally accepted business practices is also permissible. However, no gifts, including entertainment, may be given to federal, state or foreign regulators or legislators without prior approval by the Law Department.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should be offered, given, provided or accepted by any Company officer or employee, family member of an officer or employee or agents unless it: (a) is not a cash gift, (b) is consistent with customary business practices, (c) is not excessive in value, (d) cannot be construed as a bribe or payoff and (e) does not violate any laws or regulations. Discuss with your supervisor any gifts or proposed gifts, which you are not certain are appropriate.

Where there is any local law that affects the conduct of a particular business and the acceptance of gifts of nominal value, that law must be followed.

Political Contributions

The Company does not contribute financial or other support to political parties or candidates for public office except where permitted by law and approved in advance by the Board of Directors or the Chief Executive Officer.

Company officers and personnel may, of course, make political contributions, but only on their own behalf. They will not be reimbursed by the Company for such contributions.

Company officers and personnel are also free to seek and hold an elective or appointive public office, provided that they do not do so as a representative of the Company. However, Company officers and personnel will be expected to conduct campaign activities and perform the duties of the office in a manner that does not interfere with his or her responsibilities to the Company.

Complaint Procedures

Accounting Complaints - Access to Audit Committee of Board of Directors

Any employee of the Company may submit a good faith complaint regarding accounting or auditing matters to the management of the Company without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws, rules, and regulations, accounting standards, accounting controls and auditing practices. The Company's Audit Committee will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, the Company's Audit Committee has established the following procedures for: (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Accounting Matters"); and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Receipt of Employee Complaints

Employees with concerns regarding Accounting Matters may report their concerns to the Chief Audit Officer of the Company or alternatively, directly to the Chairwoman of the Audit Committee of the Board of Directors.

Employees may forward complaints (anonymously, confidentially or otherwise) to the Chief Audit Officer through the hotline, an e-mail or regular mail. That contact is:

Petra Blignaut

Vice President and Chief Audit Officer

Warren Corporate Center

100 Everest Way

Warren, NJ 07059

Hotline - (800) 456-2902

E-Mail - EAACDept@everestglobal.com

Employees who do not believe it appropriate or who are not comfortable reporting through this channel may forward complaints (anonymously, confidentially or otherwise) directly to the Chairwoman of the Audit Committee of the Board of Directors via phone, e-mail or regular mail. Her contact information is:

Meryl D. Hartzband

c/o Everest Group, Ltd.

Warren Corporate Center

100 Everest Way

Warren, NJ 07059

Phone - (646) 732-3133

E-Mail - MHart19@everestglobal.com

Scope of Matters Covered by These Procedures

These procedures relate to employee complaints relating to any questionable accounting or auditing matters, including without limitation, the following:

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;

- Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- Deficiencies in or noncompliance with the Company's internal accounting controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- Deviation from full, fair, accurate and timely reporting of the Company's financial condition.

Treatment of Complaints

Upon receipt of a complaint, the Chief Audit Officer will: (i) determine whether the complaint actually pertains to Accounting Matters; and (ii) when possible, acknowledge receipt of the complaint to the sender.

Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Chief Audit Officer. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.

Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

Reporting and Retention of Complaints and Investigations

The Chief Audit Officer of the Company will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee.

Copies of complaints and the log will be maintained in accordance with the Company's document retention policy.

Amendment, Modification and Waiver

These Guidelines may be amended, modified or waived by the Board of Directors and waivers may also be granted by the Nominating & Governance Committee as may be appropriate under the circumstances, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, and the rules adopted thereunder and under the applicable rules of the New York Stock Exchange. The Company's Chief Compliance Officer is authorized to make whatever non-substantial modifications may be appropriate to clarify or explain any portion of these Guidelines or to otherwise provide that they remain in compliance with all applicable laws, rules and regulations.

Index of Significant Compliance Policies and Procedures

Index - Purpose and Use

This index is intended to supplement the Company's Ethics Guidelines by identifying compliance policies adopted by the Company, which may not be specifically addressed in the Ethics Guidelines. For each of these policies, the Index identifies laws that could pose significant risk to the Company if an officer or employee violated the law while acting in the scope of his or her employment and indicates where officers and employees can find additional information and guidance regarding compliance with these laws.

While the general principles embodied in these policies apply to all officers and employees, the specific legal requirements referred to are based on federal and/or state laws in the United States. Officers and employees in offices outside of the United States should contact the Law Department if questions arise concerning specific laws in other countries.

Americans With Disabilities Act (ADA)

Summary: The Company is committed to enforcing compliance with the ADA, which bars employment discrimination on the basis of physical or mental disability, against an otherwise qualified disabled person who can perform the essential functions of the job, with a reasonable accommodation if necessary.

For More Information See: Human Resources, Law Department

Copyright

Summary: Unauthorized use of copyrighted software, documents, videotapes and other forms of creative expression is against Company policy and may subject the individual and the Company to civil and/or criminal liability. "Unauthorized use" refers to use, not otherwise permitted by law, without license or appropriate permission from the copyright holder. Derivations as well as duplication of copyrighted material can be a form of unauthorized use.

Publications such as magazines and journals to which the Company subscribes usually are copyrighted and employees should take particular care to avoid unauthorized use of them.

The Company purchases, subscribes to, or otherwise acquires many copyrighted materials with the permission or agreement of the copyright holder. Sometimes permission is granted by means of a license that describes the extent of authorized use. Copyrighted computer software often is licensed in this manner.

When the Company contracts for computer software for mainframes or personal computers, it does not usually acquire ownership itself. Ownership remains with the developer. The Company enters into a licensing agreement that provides the right to use the software in accordance with certain conditions. Any use of such software, other than use permitted in the license, may subject the Company and/or the individual to civil liability, criminal liability or both.

For More Information See: Law Department

Corporate Clawback Policy

With respect to current or former employees including executive officers, where the Company has determined that an employee or executive officer engaged in material willful misconduct in respect of his/her obligations, including but not limited to fraudulent misconduct, while an employee or during the period in which he/she was otherwise entitled to receive payments following a termination of employment, then:

- a. the individual shall be required to repay to the Company any incentive compensation (including vested and unvested equity awards) paid or granted to the individual during the period in which he/she engaged in such misconduct, as determined by a majority of the Board of Directors; and
- b. upon such determination, if the individual has begun to receive payments or benefits pursuant to a severance agreement or similar arrangement then such payments and benefits shall immediately terminate, and the individual shall be required to repay to the Company the payments and the value of the benefits previously provided to him/her thereunder.
- c. For purposes of this Policy "executive officer" has the meaning given to that term in Rule 3b-7 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended.

Notwithstanding the foregoing, this policy is intended to supplement all other laws and regulations that may be applicable to the Company in the context of clawback.

For More Information See: Law Department

Equal Employment Opportunity Employer

Summary: The Company is an Equal Employment Opportunity employer. We are committed to hiring practices that provide fair and equal treatment for all applicants, and Company personnel programs are administered without prejudice or partiality. The Company recruits, hires, trains, promotes and compensates individuals without regard to race, color, religion or creed, age, sex, marital status, national origin, ancestry, civil union status, domestic partnership status, affectional or sexual orientation, genetic information, pregnancy, gender identity or expression, disability, liability for service in the Armed Forces of the United States, status as a disabled veteran, or physical or mental handicap.

It is the responsibility of each manager and supervisor to be aware of the proper employment practices necessary to ensure equal employment consideration for all applicants and employees.

For More Information See: Human Resources, Law Department

Family & Medical Leave Act of 1993 (FMLA)

Summary: All full- time and part- time employees in the United States who were employed for at least 12 months and performed at least 1,000 hours of service during the past 12-month period, are eligible to take unpaid FMLA leave. FMLA leave may be taken under the following conditions:

- Birth, adoption, or foster placement of a child;
- Serious health condition of a child, spouse or parent; or
- their own serious health condition.

An eligible employee is entitled to take up to 12 weeks of unpaid FMLA leave in each calendar year for the above conditions. Company policy allows an employee to apply for an unpaid leave of absence of up to 6 months in the case of the birth, adoption or foster care placement of a child.

Any period during which an employee receives disability benefits under the Company's Disability Plan as a result of the employee's own serious health condition that satisfies FMLA leave requirement will count against the employee's FMLA entitlement.

The Company will enforce compliance with the FMLA, which is a federal law, as well as the requirements of the various state laws addressing family and medical leave. Managers and supervisors should be aware that these requirements exist and take care

that employees seeking information on leaves of absence be directed to Human Resources for the appropriate advice and information.

For More Information See: Law Department, Human Resource

International Boycott

Summary: Federal regulations prohibit U.S. companies, their foreign branches, subsidiaries and affiliates from complying with certain requirements of non-U.S. sanctioned boycotts. Prohibited activities include refraining from doing business with certain countries or employees or companies of those countries as a condition of doing business with another country. Providing certain information that promotes or perpetuates illegal boycott activity also is prohibited.

It is the Company's policy not to participate in, cooperate with or, in any way, support any non-U.S. sanctioned international boycott. If you learn that you have unknowingly agreed to participate in a non-U.S. sanctioned boycott or supported one in any way, or are requested to participate or cooperate in one, you are required to immediately report that fact to the General Counsel. Furthermore, if you have any concerns that any employee, officer or director of the Company is engaged in any activity that may violate Federal or State regulation or law, you may contact the General Counsel.

For More Information See: Law Department

Money Laundering

I. Anti-Money Laundering and OFAC Compliance Procedures

Under a variety of U.S. and other international laws including the Bank Secrecy Act, the Foreign Corrupt Practices Act, and other laws that address money laundering, the Company and its officers are prohibited from knowingly laundering money and are required to report suspicious activities indicating an attempt to launder money. Additionally, the Company is prohibited from doing business with certain specifically designated persons, entities and countries.

This memorandum describes the policies, procedures and controls which have been adopted to combat money laundering and to ensure that we are not transacting business with prohibited persons, entities and countries. The General Counsel of Everest Group, Ltd. has been appointed compliance officer of the various insurance companies to oversee these procedures, which employees are required to read and follow. Additional training will be provided to employees whose job functions affect

the ability of the Company to comply with these procedures. Any questions regarding these procedures should be directed to the Compliance Officer.

These procedures have two objectives: First, they are designed to detect and prevent money laundering. In order to prevent money laundering, financial institutions are required to “know their customer” and must verify the owners and beneficiaries of certain kinds of accounts. Second, these procedures are designed to prevent the Company from transacting business with any person, entity or country with whom the Company is prevented from doing business. From time to time, the U.S. Department of Treasury will designate the names of the prohibited persons, entities and countries.

A. What is Money Laundering?

Generally, money laundering is a financial transaction designed to conceal the illegal origin of funds in order to create the impression that the funds were derived from a legitimate source. The Company is prohibited from knowingly engaging in money laundering transactions or intentionally ignoring signs that money laundering may be occurring.

In order to prevent money laundering, all employees should ask questions whenever they detect suspicious activities, must maintain records of transactions that take place and report all suspicious activities to the Compliance Officer.

B. Policies, Procedures & Controls for All Everest Companies

1. Know the identity of the Company’s customers. A customer is anyone we do business with including, but not limited to, insurance companies, retrocessionaires, insureds, banks, vendors, program administrators, intermediaries, agents and claim service providers. The identity of our new customers can be confirmed from many sources: prior experience with the customer, A.M. Best Reports, referrals from reputable brokers, audited financial reports, and due diligence conducted by Company employees.
2. The Company will take reasonable steps, appropriate to the circumstances, to ascertain the identity of the nominal and beneficial owners of the Company’s customers and, when appropriate, the source of funds deposited with the Company. The level of inquiry will vary based on the amount of information available about the customer and the Company’s past experience with the customer. For example, reinsuring a publicly traded company would not require any additional inquiry regarding the ownership or control of the company. However, reinsuring a Cayman Islands company for which there is very little public information may require additional inquiry and due diligence regarding its ownership and control.

3. The Company will not transfer money to any unknown person or entity.
4. Any employee who discovers unusual or suspicious activities which may be related to money laundering shall immediately report the activities to the Compliance Officer.
5. When there is reasonable suspicion that a transaction or series of transactions are designed to launder money, such transactions shall be reported by the Compliance Officer through a suspicious activity report ("SAR") or Currency Transaction Report ("CTR") as permitted or required by law to the U.S. Department of Treasury and to any other relevant regulators or law enforcement authorities. In such cases, the Company is prohibited from notifying the customer that an SAR is being filed.
6. Whenever possible, the Company will adjust its computer systems to prevent the inadvertent transfer of assets to any persons with whom the Company is prohibited from doing business.
7. The Company will only use correspondent accounts that are recommended by banks with which the Company transacts business. The Company will not receive payments from unknown correspondent accounts and will not transact business with unknown shell banks.
8. It is expected that all employees will read this policy and comply with its terms.
9. Except as noted below with respect to Everest Security Insurance Company, cash payments will not be accepted from any source.

Except where specifically provided by law, the Company's obligation to maintain the privacy of the customers' non- public, private information continues, notwithstanding these procedures.

C. Comptrollers Department

The procedures currently used by the Comptrollers Department are designed to minimize the risk of the Company being used by third parties to launder money. These procedures may be changed over time due to changes in technology and company experience.

(1) Receipts

For all payments received (whether by wire, checks in-house, or checks received at our bank lockbox account), Treasury will review all items to ensure that the funds

properly belong to the Company. Any funds that are not recognizable as properly owed to the Company are investigated by Treasury. If the funds do not rightfully belong to the Company, the bank is contacted for more information. If the bank cannot identify the payor, the bank should reclaim the funds.

Most payments from operations are premium related. At month end, we get a report from the Insurance System that shows each cash item that was received (both checks and wires). As part of our bank reconciliation process, Treasury reviews and matches each receipt to our bank statement. This review will help ensure that the Company has not transacted business with any parties with whom the Company is prohibited from doing business.

(2) Disbursements

The Treasury and Expense departments are responsible for disbursements that originate out of the Westgate office. All wire transfers are initiated in the Treasury department and are authorized for release by designated staff in the General Accounting department. It is the responsibility of the Treasury department to ensure that all wire transfer requests are going to a legitimate party, are made in accordance with the Company expense manual, and are properly authorized. Most insurance related disbursements come from transmittals produced by the Insurance System. These go through edits in the system, to ensure that someone who is properly authorized to do so is making the payment. Any disbursement request that is not in accordance with the Company's expense manual is referred to the Director of Treasury. If at that point, a clear determination cannot be made, the request is sent back to the requesting party for further clarification. In addition, payment requests initiated by the Claims department are first reviewed by the Reinsurance Accounting department to confirm that the payee is a customer.

Treasury receives a monthly report from the Insurance System that it compares with the bank statement to make sure that all disbursements are valid, are recorded correctly in the Insurance System, and are paid correctly by the bank.

The Expense department prepares all payments disbursed by check. All requests are reviewed to make sure they are in accordance with the Company Expense Manual. Claim payment requests are based on transmittals that are received from the Insurance System, which have gone through the appropriate payment edits in the system and have cleared the balance status check review done by Reinsurance Accounting. Non-insurance disbursements are scrutinized more closely since these requests are based on vouchers. Each voucher is certified for accuracy in accordance with company policy and must be approved by an authorized employee.

Once disbursements have been entered into the People Soft accounts payable system, an "approve to pay" report is run. This report shows all checks waiting to be produced. Before checks are prepared, another person in the Expense department reviews and checks the run. Payments can be reviewed to see if any names are those of blocked countries and entities that Everest is prohibited from doing business with. Once approved, the checks are printed and signed in one step.

D. Reinsurance Underwriting & Reinsurance Claims

Reinsurance underwriting enables the Company to obtain information about its customers in order to “know your customer” and confirm that the Company is not doing business with prohibited persons. The sources of information include prior experience with the customer, A.M. Best Reports, referrals from brokers and the underwriter’s own due diligence with respect to potential customers. The Company will not reinsure entities with which it is not familiar or where the identity cannot be identified through reputable sources.

The Company’s International Insurance Operations may need to conduct enhanced due diligence to determine who owns or controls unfamiliar customers. This will be handled on a case-by-case basis pursuant to the underwriter’s discretion. For example, if the Company is considering whether it will reinsure a Cayman Islands captive insurance company for which there is limited public information, the Company will ascertain the identity of the owners of the captive insurer before entering into an agreement.

Additionally, the applicable reinsurance underwriting department is responsible for placing the names of all cedents into Xuber. The reinsurance claims department cannot pay a claim to any entity that is not entered into Xuber. This procedure will prevent unauthorized payments to entities that have not been reviewed and approved by the underwriter. The ability to enter names into Xuber or to change names already entered into Xuber will be limited to those people that have a business need to generate this information.

E. Direct Insurance Operations

The Company also has separate procedures for detecting and reporting insurance fraud. The Company’s anti-fraud procedures enable the Company to detect whether anyone is seeking to launder money by submitting fraudulent insurance claims, fraudulent applications for insurance or fraudulent information in connection with premium rates.

The Premium Audit Department of the direct insurance operations will compare any premium refunds due (as determined from audits) to the amount of premium earned. If a premium refund is unusually large, the auditor will contact the insured for an explanation why the refund is so large. The auditor will consult with the Compliance Officer on a case-by-case basis as necessary.

Employees servicing the Company’s direct insurance operations should monitor any unusual policy cancellation activity which might signal money laundering activities.

(e.g., policy is cancelled shortly after the annual premium is paid in full and the insured seeks an immediate refund).

Generally, the Company does not receive cash from its customers. However, in some instances Everest Security Insurance Company receives cash in small dollar amounts (usually less than \$300). If ESIC or any other Company receives cash from an insured in excess of \$5,000 in one payment or in a series of payments over any 12-month period, the Compliance Officer shall be notified immediately.

Everest National will notify its Program Administrators and Claims Administrators that the Company has adopted these procedures and advise them of their obligations to comply with them in accordance with the USA Patriot Act.

II. Procedures for Preventing Transactions with Blocked Persons

A. OFAC Overview

U.S. insurers and reinsurers are prohibited from transacting business with persons, organizations and countries subject to sanctions administered by U.S. Department of Treasury's Office of Foreign Asset Control ("OFAC"). A basic safeguard is to know the identity of our customers and policy beneficiaries. The sources of information can include prior experience with customer, referrals from brokers and agents, and our own due diligence during the underwriting process. International transactions should be subject to greater scrutiny.

OFAC administers and enforces the United States' sanctions policy. All U.S. citizens and permanent residents, wherever located, U.S.-incorporated entities and their overseas branches, and entities and persons located in the United States are under OFAC jurisdiction and subject to its restrictions. For certain sanctions programs (e.g. Cuba and Iran), entities owned or controlled by U.S. Persons, such as foreign subsidiaries of U.S. companies, are also considered U.S. Persons and are subject to OFAC sanctions restrictions.

OFAC maintains country-based sanctions, list-based sanctions, and sectoral sanctions programs.

1. Country-based sanctions are comprehensive, economic and trade sanctions targeting certain countries/regions and their governments (e.g., Cuba, Iran, North Korea, Syria, and the Crimea Region of Ukraine).
2. List-based sanctions target individuals, entities, aircraft, and vessels

that have been designated by OFAC as Specially Designated Nationals and Blocked Persons (“SDNs”) under various sanctions programs targeting terrorists, narcotics traffickers, nuclear proliferators, and various regimes, as well as parties with ties to the OFAC-sanctioned countries.

3. Sectoral sanctions target certain economic activities and transactions involving Russia and Venezuela. The Russian Sectoral Sanctions apply to transactions related to certain sectors of the Russian economy, including the financial services, energy, mining, and defense sectors. The Venezuela Sectoral Sanctions target certain debt, equity and related transactions involving the Government of Venezuela and its affiliates.

U.S. Persons are prohibited from engaging in virtually all transactions involving comprehensively sanctioned countries/regions, entities, and individuals in those countries, and parties on the SDN List, unless licensed or otherwise authorized by OFAC. Under sectoral sanctions, U.S. Persons are only prohibited from engaging in the specific conduct and transactions targeted by such sanctions. The penalties for violating OFAC sanctions range from fines to criminal prosecution.

U.S. underwriters, brokers, agents, primary insurers, and reinsurers and U.S. citizen employees of foreign firms in the insurance industry are prohibited by sanctions laws from engaging in or facilitating transactions not licensed by OFAC that in any way involve:

- Individuals, entities, or vessels appearing on OFAC’s Specially Designated Nationals (“SDNs”) Blocked Persons list. This list includes individuals and entities designated under various sanctions programs targeting terrorists, narcotics traffickers, nuclear proliferators, and located various regimes, including but not limited to certain Balkan nations, Belarus, Burundi, Central African Republic, Democratic Republic of Congo, Cuba, Iran, Iraq, Lebanon, Libya, North Korea, Somalia, South Sudan, Sudan, Syria, Ukraine/Russia/Crimea, Venezuela, Yemen and Zimbabwe;
- Crimea (broad ban on all transactions with individuals or entities in the Crimea region of the Ukraine);
- Cuba (broad ban on transactions including those with Cuban nationals wherever located, except those legally and permanently residing outside of Cuba; governmental entities; companies located in Cuba; companies organized under Cuban law or in which a Cuban individual or entity has an interest wherever located (except if owned by Cuban nationals legally and permanently residing outside of Cuba); and individuals and companies regardless of citizenship residing in Cuba (except if authorized to establish physical or business presence under applicable regulations). Note that none

of the exceptions set forth in this paragraph would apply to prohibited officials of the Government of Cuba or members of the Cuban Communist Party, as such terms are defined in applicable sanctions regulations;

- Iran (broad ban on transactions with the Government of Iran and individuals or entities in Iran);
- North Korea (broad ban on insuring North Korean flagged vessels and on transactions with the Government of North Korea and any individuals or entities in North Korea);
- Russia (ban on transactions with designated entities on the Sectoral Sanctions Identification List ("SSI List") operating in the financial services, energy, mining, and defense sectors of the Russian economy);
- Syria (broad ban on transactions with the Government of Syria and any individuals or entities in Syria);
- Venezuela (ban on certain debt, equity and related transactions involving the Government of Venezuela and its affiliates).

Any entity owned 50% or more in the aggregate by one or more SDNs (directly or indirectly) is considered to be an SDN, even if not explicitly listed on OFAC's SDN list. In certain OFAC sanctions programs (e.g., Cuba and Sudan), there is a broader category of entities whose property and interests in property are blocked based on, for example, ownership or "control."

The OFAC sanctions lists are updated constantly. The current lists can be found at: <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/consolidated.aspx>.

Additionally, the US Department of Treasury's website allows you to register for notification by e-mail whenever the list is updated. Register for this service at: <http://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/OFAC-Recent-Actions.aspx>.

Please contact the Law Department with any questions.

B. Procedures & Controls for all Everest Companies

1. The Compliance Officer will monitor the OFAC website and advise when new countries are added to the Blocked Countries list. In addition, the Company maintains electronic procedures for the daily monitoring of certain claims, claims payments, underwriting submissions and other disbursements. Under these procedures, names and other identifying information of individuals and entities are electronically cross-referenced against the SDN list provided by

OFAC. If a potential match is indicated, the potential match is manually reviewed by Everest personnel and further investigation is performed as warranted.

2. Underwriting insurance and reinsurance: The underwriting process enables the Company to acquire information about its customers. Underwriters should be aware of the restrictions prescribed by OFAC and present any questions to the Compliance Officer. Furthermore, any brokers who submit risks to the Company should be made aware of these procedures.
3. All property, including insurance contracts, in which there is a direct or indirect interest of any blocked person, blocked entity, or blocked country is considered "frozen." Premium payments, policy loan interest payments, and repayments of policy loans related to blocked insurance contracts must be credited to an interest-bearing blocked account established on the books of a U.S. financial institution. Proceeds due under blocked policies may not be set-off against past due policy receivables or other claims and must also be paid into an interest-bearing blocked account. Rights in blocked policies may not be transferred without authorization from OFAC - changing a beneficiary or assigning or pledging an insured's interest under a blocked policy would be considered illegal transfers involving blocked property under OFAC jurisdiction.
4. Underwriters in the international reinsurance market face greater compliance challenges as they enter into complex arrangements which may place them contractual layers away from primary insurance contracts. Again, good communication is critical. Make sure that ceding insurers and their brokers understand the Company's responsibilities with respect to U.S. sanctions law. International underwriters should also be knowledgeable about other applicable foreign sanctions programs such as those administered by the Monetary Authority of Singapore (MAS), the HM Treasury in the United Kingdom, or the European Union. Any questions regarding these sanctions' programs should be referred to the Law Department.

When approached with a facultative reinsurance placement, which would cover a specific risk under an individual policy, scrutinize slips and proposals as you would a primary insurance placement and decline business inconsistent with U.S. sanction law.

Even greater caution should be exercised before entering into a reinsurance treaty, under which the Company agrees to automatically cover a predetermined portion of all risks written by the ceding insurer that would satisfy a treaty's broad terms. If such

treaties do not include appropriate geographical limit clauses and other exclusions that would isolate the reinsurer from obligations that would violate U.S. sanctions law, in the absence of an OFAC license, the Company could be subject to penalties.

5. As an added protection, EGS Systems automatically runs an SDN search comparing the SDNs to information in PeopleSoft AP prior to any check issuance. Any matches shall be reported to the Compliance Officer for further analysis.
6. Direct Insurance Operations: Since the vast majority of Everest's Direct Insurance Operations do not currently insure risks located outside of the United States, it is unlikely that Everest would issue an insurance policy to a prohibited person. When underwriters are approached with a risk that may potentially violate the U.S. sanction law, consult with the Law Department and assess whether the business is inconsistent with U.S. sanction law and must be declined. Where appropriate, insurance policies should contain appropriate exclusions barring coverage for risks and claims that would violate sanctions laws and isolate the insurer from obligations that would subject it to a sanctions law violation. As an added protection, and based upon the Company's risk assessment, certain direct insurance claims payments, as well as potential insureds, are screened against the SDN list. In addition, the Company has in place protocols for the periodic review of third-party program administrator and third-party claims administrator's OFAC policies and procedures. Any matches shall be reported to the appropriate compliance personnel or law Department for further analysis. (revised May 2011)

For More Information See: Law Department

Privacy Policy: Treatment of Individuals' Personal Information

In the course of the Company's business, we obtain non-public financial, medical and health information concerning individuals that may be our employees or our customers, potential customers, and claimants under insurance policies that we issue or reinsure. We have an obligation to respect the privacy of such individuals by limiting the disclosure of that information to third parties.

Unauthorized or improper disclosure could result in liability on the part of the Company. In addition, various jurisdictions have enacted laws addressing the privacy of non- public, personally identifiable financial and health information concerning individuals.

The following standards govern the use and disclosure of non-public personally identifiable financial, medical and health information concerning individuals (hereinafter "Individual Information). "Personally, identifiable means information that can be attributed to, or identified, with an individual (not an entity):

- Individual Information requested and used should be related to the Company's business needs. Such information that is obtained should be revealed and discussed only within the scope of Company business and only as is appropriate or required to conduct such business.
- Access to and disclosure of Individual Information should be limited to those with a legitimate business need. The Company does not permit or engage in the business of sharing or selling Individual Information (or information derived from Individual Information) among affiliates or to third parties for marketing purposes (e.g., customer or marketing lists).
- Individual Information used as a basis for making business decisions should include only data believed to be relevant and accurate.

In the course of conducting business, the Company contracts with and needs to interact with various outside parties, including, without limitation, insureds, brokers, cedants, agents, reinsurers, attorneys, vendors, regulators, and law enforcement personnel. Accordingly, on occasion, the Company's business requires the sharing and disclosure of Individual Information. Below are common categories of disclosures which are permitted when in compliance with the above standards:

- The disclosure is appropriate or required to underwrite insurance for the benefit of the individual.
- The disclosure is appropriate or required to administer, manage, adjust or service benefits or claims relating to the insurance or reinsurance transaction of which the Individual Information becomes a part.
- The disclosure is appropriate or required to underwrite reinsurance or obtain, administer or comply with reinsurance or retrocessional contractual obligations.
- The disclosure is appropriate or required to prevent fraud or material misrepresentation, to process premium payments, or to process claims payments.
- The disclosure is to persons acting in a fiduciary or representative capacity on behalf of the individual.
- The disclosure is to provide information to insurance rate advisory

organizations, guaranty funds or agencies, rating agencies, or our attorneys, accountants and auditors.

- The disclosure is for purposes related to the replacement of a workers' compensation insurance program.
- The disclosure is to a state or governmental insurance authority or law enforcement agency.
- The disclosure is to comply with federal, state or local laws or rules and other legal requirements.
- The disclosure is to comply with a properly authorized civil, criminal or regulatory investigation, or a subpoena or summons.
- The disclosure is to respond to judicial process or governmental regulatory authorities having jurisdiction over the Company for examination, compliance or other purposes authorized by law.
- The disclosure is made with the consent or at the request of the individual.

The above list is not intended to be exclusive. If, any officer or employee has questions concerning whether a disclosure of Individual Information is permissible, he or she should contact the General Counsel, other members of the Law Department or the Data Risk and Privacy Council. Additional guidance and information about the Company's Privacy Policy, Data Classification Policy and Data Handling Guidelines which can be found on the Company's Intranet.

Appropriate safeguards to respect the privacy of and to ensure the confidentiality of Individual Information should be implemented by each applicable unit. The safeguards should generally be common sense steps and the guidance on implementing the policy on confidential information contained in [Appendix A](#) of the Company's Ethics Guidelines may be consulted for guidance.

Non-Discrimination and Anti-Harassment Policy

Everest Group, Ltd. (and all its affiliated companies) ("Everest" or the "Company") is committed to equal employment opportunity and to compliance with state and federal antidiscrimination laws. As a result, the Company maintains a strict policy prohibiting unlawful discrimination or harassment by or against employees based on any legally-recognized status (called "Protected Classes"), including but not limited to: race (including traits historically associated with race such as hair texture and protective hairstyles), color, religion or creed, age, marital status, national origin or ancestry, citizenship, civil union status, domestic partnership status, affectional or sexual

orientation, genetic information (including testing and characteristics), medical condition, pregnancy (including lactation, childbirth or related medical conditions), family/medical care leave, sex, gender, gender identity or expression, physical or mental disability, military or veteran status, liability for service in the armed services of the United States, or status as a victim or close family member of a victim of an incident of domestic violence or a sexually violent offense. A standard of professional and courteous conduct and communication is required at all times.

The Company will take all reasonable steps to prevent unlawful discrimination, harassment and retaliation by any supervisor, manager, co-worker and/or including any person who is not an employee of the Company that comes into contact with an employee, such as customers, vendors, clients, visitors or temporary workers.

Sexual Harassment Defined

Sexual harassment includes any harassment based on someone's sex, gender or sexual orientation, as well as any unwelcome sexual advances or requests for sexual favors or any other visual, verbal or physical conduct of a sexual nature, when any of the following is true:

- when an individual is forced to submit to such harassment as a term or condition of employment; or
- submission to, or rejection of, such conduct is used as a basis for employment decisions affecting the individual; or
- if the conduct interferes with a person's work performance or creates an intimidating, hostile or offensive working environment.

Everest will not tolerate any form of sexual harassment, regardless of whether it is:

- Verbal (for example, epithets, derogatory statements, slurs, sexually related comments or jokes, unwelcome sexual advances or requests for sexual favors).
- Physical (for example, assault or inappropriate physical contact such as touching, patting, fondling, pinching).
- Visual (for example, making sexual gestures, displaying physical or computer image of sexually suggestive posters, pictures, cartoons or drawings, sending inappropriate adult-themed gifts, or leering).
- Online (for example, derogatory statements or sexually suggestive postings in any social media platform including, Facebook, Twitter, Instagram, Snapchat,

etc.). As a reminder, all employees remain subject to the Everest Social Media Guidelines.

Sexual harassment can occur regardless of the gender of the person committing it or the person who is exposed to it.

This list is illustrative only, and not exhaustive. No form of sexual harassment will be tolerated by the Company.

Other Types of Prohibited Harassment

This policy applies equally to harassment based on one or more of the Protected Classes described above or any other characteristic protected under applicable federal, state or local law. Workplace harassment is behavior that is unwanted, unreasonable and offensive to the recipient, which creates an intimidating, hostile or humiliating work environment for that person. Such harassment may include behavior similar to sexual harassment and includes but is not limited to:

- Verbal conduct including taunting, jokes, threats, epithets, derogatory comments or slurs based on an individual's protected status;
- Visual and/or written conduct including derogatory posters, photographs, calendars, cartoons, drawings, websites, emails, text messages or gestures based on an individual's protected status; and
- Physical conduct including assault, unwanted touching or blocking normal movement because of an individual's protected status.

No form of harassment will be tolerated.

Protection Against Retaliation

Retaliation is prohibited against any person covered by this policy who, in good faith: makes a complaint of discrimination or harassment, either internally or with a government agency, using the Complaint Procedures described below; objects to, opposes or speaks out against sexual harassment; participates in a discrimination or harassment investigation; encourages another person to report discrimination or harassment; or files, testifies, assists or participates in any manner in any investigation, proceeding or hearing conducted by a governmental enforcement agency. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, failure to

hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions, or otherwise denying any employment benefit.

Individuals who believe they have been subjected to retaliation or believe that another individual has been subjected to retaliation, should report this concern to a supervisor or manager or to any Human Resources Representative. Any report of retaliatory conduct will be investigated in a thorough and objective manner. If a report of retaliation prohibited by this policy is substantiated, appropriate disciplinary action, including possible termination of employment, will be taken. If a complaint cannot be substantiated, the Company may take appropriate action to reinforce its commitment to providing a work environment free from retaliation.

Complaint Procedure

Any Everest employee who feels that he or she has been subjected to any form of discrimination, harassment or retaliation by a co-worker, supervisor, manager, client, visitor, vendor, customer or temporary worker of Everest, or who believes another individual has been subject to such conduct, should report it immediately. Employees have the right to report (either verbally or in writing) and discuss the situation in a confidential manner, and we strongly urge that they do so with any supervisor, any member of the Human Resources Department (or if they prefer, anyone in their reporting chain), or the head of the Company as soon as an incident occurs. In cases where the initial complaint is made to a supervisor, that supervisor must contact Gail Van Beveren or Chantelle Menes in the Human Resources Department immediately.

Employees are not required to report any discrimination, harassment or retaliation to a supervisor or manager who may be hostile, who has engaged in such conduct, who is a close associate of the person who has engage in such conduct, or with whom the employee is uncomfortable discussing such matters. In such cases, employees should report the matter directly to Human Resources.

Human Resources contacts are Gail Van Beveren (908-604-3031), Gail.VanBeveren@everestglobal.com or Chantelle Menes (908-604-3037), Chantelle.Menes@everestglobal.com. If an employee chooses, they may submit the Company's complaint form and submit it to Human Resources. The complaint form can be found on Compass (My Everest > Document Library > Forms).

After a report is received or the Company otherwise becomes aware of a possible violation of this policy, a thorough and objective investigation will be undertaken if needed. Confidentiality will be maintained to the extent practical and permitted by law. Investigations will be conducted as confidentially as possible and related information will only be shared with others on a need-to-know basis. The investigation will be completed, and a determination made and communicated to the complaining employee and to the accused individual as soon as practicable. The Company expects all employees to fully cooperate with any investigation conducted by the Company and to keep matters related to the investigation confidential.

If the Company determines that this policy has been violated, appropriate disciplinary action, including possible termination of employment, will be taken commensurate with the severity of the offense. Appropriate action will also be taken to deter any such conduct in the future.

Manager's Responsibility

All supervisors and managers are responsible for:

- Promptly reporting any complaints about discrimination, harassment or retaliation to the designated Human Resources Representative so they may be investigated and resolved in timely manner;
- Taking and/or assisting in prompt and appropriate corrective action when necessary to ensure compliance with this policy; and
- Conducting themselves, at all times, in a manner consistent with this policy.

Failure to meet these responsibilities may lead to disciplinary action, up to and including termination.

Good Faith

The initiation of a good faith complaint of discrimination, harassment, including sexual harassment, or retaliation will not be grounds for disciplinary action, even if the allegations cannot be substantiated. Any individual who makes a complaint that is demonstrated to be intentionally false may be subject to discipline, up to and including termination.

Support for Individuals Impacted by Harassment or Retaliation

The employee assistance program (EAP) provides confidential counseling services to company employees. Individuals wishing to discuss an incident confidentially or seeking information and advice of a personal nature are encouraged to contact the EAP. The role of the EAP in such cases will be limited to personal counseling and treatment for the person who is then an EAP client. Contacting the EAP will not qualify as notification to Everest of a potential harassment or discrimination issue (see above complaint procedure for more on how to notify the company of an issue or complaint).

Whistle Blowing

Summary: If you are an employee in the Company's New Jersey offices, you are covered by the New Jersey "Conscientious Employee Protection Act." (If you work in an office outside of New Jersey, you may be covered by one of many similar laws passed by other jurisdictions. Please consult the Law Department or Human Resources if you have questions about your rights in this regard.)

New Jersey Conscientious Employee Protection Act

"Whistleblower Act"

Employer retaliatory action; protected employee actions

The law prohibits an employer from taking any retaliatory action against an employee because the employee does any of the following:

- a. Discloses, or threatens to disclose, to a supervisor or to a public body an activity, policy or practice of the employer or another employer, with whom there is a business relationship, that the employee reasonably believes (1) is in violation of a law, or a rule or regulation promulgated pursuant to law, including any violation involving deception of, or misrepresentation to, any shareholder, investor, client, patient, customer, employee, former employee, retiree or pensioner of the employer or any governmental entity, or, in the case of an employee who is a licensed or certified health care professional, reasonably believes constitutes improper quality of patient care; (2) is fraudulent or criminal, including any activity, policy or practice of deception or misrepresentation which the employee reasonably believes may defraud any shareholder, investor, client, patient, customer, employee, former employee, retiree or pensioner of the employer or any governmental entity;
- b. Provides information to, or testifies before, any public body conducting an investigation, hearing or inquiry into any violation of law, or a rule or regulation promulgated pursuant to law by the employer, or another employer, with whom there is a business relationship, including any violation

- involving deception of, or misrepresentation to, any shareholder, investor, client, patient, customer, employee, former employee, retiree or pensioner of the employer or any governmental entity, or, in the case of an employee who is a licensed or certified health care professional, provides information to, or testifies before, any public body conducting an investigation, hearing or inquiry into quality of patient care; or
- c. Objects to, or refuses to participate in any activity, policy or practice which the employee reasonably believes:
- (1) is in violation of a law, or a rule or regulation promulgated pursuant to law including any violation involving deception of, or misrepresentation to, any shareholder, investor, client, patient, customer, employee, former employee, retiree or pensioner of the employer or any governmental entity, or, if the employee is a licensed or certified health care professional, constitutes improper quality of patient care;
 - (2) is fraudulent or criminal, including any activity, policy or practice of deception or misrepresentation which the employee reasonable believes may defraud any shareholder, investor, client, patient, customer, employee, former employee, retiree or pensioner of the employer or any governmental entity; or
 - (3) is incompatible with a clear mandate of public policy concerning the public health, safety or welfare or protection of the environment. N.J.S.A. 34:19-3.

Your employer has designated the following contact person to answer your questions or provide additional information regarding your rights and responsibilities under this act:

Gail Van Beveren
Warren Corporate Center
100 Everest Way
Warren, New Jersey 07059
(908) 604-3031

Appendix A

Guidance on Implementing the Policy on Confidential Information

To implement the Company's policy on Confidential Information, each department and division within the Company should review its operations to ensure that the confidentiality of Company information is being maintained in accordance with the Company's Privacy Policy, Data Classification Policy and Data Handling Guidelines. All units should make sure that they have the appropriate safeguards in place. The decisions as to how to best protect the Company's confidential information will be left to the discretion of division and department heads, so that they can tailor instructions to their staff to best fit the operations and business circumstances of each unit. However, if any unit, division or department head has questions concerning how to best protect the confidential information within that unit, he or she may contact the General Counsel, other members of the Law Department or the Data Risk and Privacy Council for further guidance.

Disclosure of Material Nonpublic Information General

Because of the concern under the federal and state securities laws that all investors be able to trade in a company's stock on the basis of the same information, a general rule applicable to "material" information is that it cannot be selectively disclosed to the public. If an employee disclosed material nonpublic information to only a few individuals, and those individuals traded in Group's stock, a violation of the securities laws might well have occurred. That violation could lead to liability not only for the individuals who traded the stock, but also for the Company employee who released the information and, conceivably, for the Company itself. Therefore, the disclosure of material information is a matter of concern to both employees and the Company. The general rule which all employees should follow is this: material nonpublic information concerning Group or its subsidiaries should not be disclosed outside the Company except in accordance with these guidelines or with the authorization of the General Counsel.

The legal requirements governing disclosure of material information should not impose significant day-to-day impediments to the conduct of our business. Most

disclosures of material information concerning the Company will be made in press releases. Additional details may be disclosed in (1) quarterly or annual financial filings, (2) special filings with the SEC concerning material developments which should be reported prior to the next quarterly financial filing, (3) filings made with insurance departments concerning inter-company transactions between companies in the Everest Group, Ltd. group, (4) in Group's annual report to shareholders or (5) filings with the SEC and the New York Stock Exchange concerning other corporate actions such as the appointment of new officers or directors or a change in company by-laws, etc. All of these disclosures will be reviewed and coordinated by the General Counsel to assure compliance with the relevant legal standards.

Thus, it is our expectation that most material information concerning Everest Group, Ltd. or its subsidiaries that is made public will be disclosed under the supervision of the General Counsel. As a result, much of the information which employees might discuss with individuals outside the Company will already be public. As a general rule, employees can feel comfortable discussing with individuals outside the Company, information which has already been made public by the Company. However, employees must allow sufficient time for information to be "absorbed" by the public before discussing it. For example, if the Company issued a press release with its quarterly earnings on a Tuesday afternoon, it would be improper to discuss those figures at a cocktail party Tuesday evening; because there had not been enough time for the information to be absorbed by the public, that cocktail conversation could be seen as "selective disclosure," which is prohibited. As a general rule, employees should allow two business days after information has been made public by the Company for that information to be absorbed by the public. If any employee has any question concerning when it would be acceptable to discuss a particular piece of information, he or she should contact the General Counsel.

In addition, we recognize that much of the information which employees may be called upon to discuss with individuals outside the Company is not "material" for purposes of the securities laws. Because "material" information is that which would be likely to influence an investor to buy, or hold stock in Group, many routine business communications would not involve material information.

Disclosures to Shareholders

All communications to shareholders must be made by the Chief Executive Officer or his designees, the President, the Chief Financial Officer, the General Counsel or the Vice President, Investor Relations.

Disclosures to Customers

Of course, in day-to-day interactions with customers and prospective customers, a variety of information concerning the Company is discussed. Those discussions are customary and appropriate within the context of the business relationships we have with our customers, and for the most part need not be affected by these disclosure rules. These Guidelines do not impose on Company employees the obligation to reveal to customers more than would have been revealed in the normal course of business, but rather are intended to highlight areas in which the securities laws may prohibit disclosures.

Generally speaking, much of the information which we will be discussing with customers will be public, because it is contained in our press releases, financial statements and other public filings, or will be nonmaterial because it is information which would not be significant to an investor's decision-making. However, the same general prohibitions on disclosures of material nonpublic information do still apply, and some information in the hands of our employees would clearly be material nonpublic information which should not be disclosed to customers. Because these decisions can be some of the most difficult, we urge employees to contact the General Counsel if they have any questions about particular disclosure issues.

To help guide employees' day-to-day discussions, however, the following examples may help demonstrate the limits of what can and cannot be said. However, please note that: (1) the examples are only illustrations and should not be taken as iron-clad rules; in all instances employees remain obligated not to disclose material nonpublic information, and should contact the General Counsel with any questions, and (2) the examples are based on present circumstances; if circumstances change the General Counsel may need to modify the restrictions on disclosure by employees.

1. A customer asks about earnings and projected earnings:

We can give the customer our earnings as of the last publicly disclosed financials but cannot give estimates of earnings since the last filing and cannot give projected future earnings. (Note that because earnings will be reported quarterly, such a request by a customer would rarely come more than a month and a half after the most recent earnings disclosure or more than a month and a half before the next earnings disclosure, so customers should not face much concern over "stale" information.)

2. A customer asks about the operating figures (such as premium volume, losses, etc.) on a particular underwriting unit:

We can give the customer figures for the unit (to the extent they exist) as of the date of the last filed financial statements. However, note that as has traditionally been the case, we should lean towards discussing unit activity in general terms (i.e., "we're writing more," "we're seeing a lot of submissions") rather than with specific figures (i.e., "we wrote \$4.1 million more in casualty premium than in the prior quarter"). In addition, if developments within a given unit since the previously filed financials are such that referring to the last quarter's financials might be misleading (i.e., since the last quarter, premium volume has taken a big swing up or down from the level expected), then Company employees should check with the General Counsel for help in determining whether the information is material. If the information is material, it may be appropriate for the General Counsel to issue special instructions on how to handle the situation.

3. A customer asks about our accumulation of property exposures in a given area of the country:

We can give that information to the customer (to the extent it exists) so long as the information is consistent with publicly filed information and is current (for example, if previous filings suggested that aggregate property exposures were \$X million in a given region and we had a new internal study suggesting that the exposure was \$Y million, that new figure may be material nonpublic information and cannot be disclosed; because of the new study, \$X would no longer be current and that figure should not be discussed either).

4. A customer or retrocessionaire asks about specific business plans (for example, premium goals or whether we plan to write a particular coverage for a particular type of ceding company), as opposed to general business strategies (for example, whether we plan to write more specialty liability coverages):

We can share the general business strategies because those will be public, but specific business plans would be nonpublic and would have to be considered in light of whether they would be material. A Company employee facing such an inquiry should contact the General Counsel with any questions about whether such information is material.

5. A customer inquires about rumors that (1) the Company is about to hire a well-known underwriter, or about a rumor that a senior officer of the Company may be leaving, (or (2) that the Company is involved in discussions with another company concerning a potential merger with or acquisition of/by that company:

Generally, the Company does not respond to rumors; therefore, employees must not comment on the rumor.

6. An earthquake occurs, and a customer asks whether we have a handle on the losses we might receive as a result of the earthquake:

This may be material nonpublic information and should not be disclosed without prior consultation with the General Counsel. (Note, however, that in the ordinary course of business this information could be shared with our catastrophe retrocessionaires.)

Communications with the Press, Investment Analysts and Other Members of the Public

Two ways in which publicly owned companies release information to the public are through press contacts (whether in informal discussions or formal press releases) and through discussions with professional investment analysts. Investment analysts study specific industries and companies and advise their customers whether to buy, hold or sell the stock of the companies they study. As a result, disclosures to either the press or investment analysts can have an effect on the price of Group's stock, and these discussions are therefore extremely sensitive. Discussions with the press or investment analysts may be held only by the Chief Executive Officer, or his designees, the

President, the Chief Financial Officer, the General Counsel or the Vice President, Investor Relations.

Any employee receiving a contact from the press should (1) find out the person's name, company name and telephone number, (2) find out what questions the person has or what subjects he or she wants to discuss, (3) inform the person that you will refer the questions/subject to the appropriate person and (4) provide this information to the General Counsel.

Any employee receiving a contact from an investment analyst should (1) find out the person's name, company name and telephone number, (2) find out what questions the person has or what subjects he or she wants to discuss, (3) inform the person that you will refer the questions/subject to the appropriate person and (4) provide this information to the Vice President, Investor Relations.

Appendix B

Everest Group, Ltd. Code of Ethics for Chief Executive Officer and Senior Financial Officers

Everest Group's Code of Conduct includes its "Ethics Guidelines" and "Index of Significant Compliance Policies" which are intended to guide all of the Company's decisions and behavior, and which require that all directors, officers and employees are held to the highest standards of integrity. Everyone affiliated with the Company is expected to be honest and ethical in all business dealings, including how they treat each other. Maintaining a high standard of personal conduct will ensure that Everest's name is worthy of trust.

The Company's Code of Conduct applies to all directors and employees of the Company, including the Chief Executive Officer, the Chief Financial Officer, the Principal Accounting Officer and other senior financial officers. In addition to being bound by the Ethics Guidelines' provisions about ethical conduct, conflicts of interest and compliance with the law, the Board of Directors has adopted the following Code of Ethics specifically applicable to the Chief Executive Officer, the Chief Financial Officer and senior financial officers ("The CEO and Senior Financial Officers").

1. The CEO and Senior Financial Officers are responsible for full, fair, accurate, timely and understandable financial disclosure in reports and documents filed and furnished by the Company with the Securities and Exchange Commission and in other public communications made by the Company. The Company's accounting records must be maintained in accordance with all applicable laws, rules and regulations, must be supported and must not contain any false or misleading entries.
2. The CEO and Senior Financial Officers are responsible for the Company's system of internal financial controls. They shall promptly bring to the attention of the Chief Audit Officer or the Audit Committee any information they may have concerning: (a) significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data; or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.

3. The CEO and Senior Financial Officers may not compete with the Company and may never let business dealings on behalf of the Company be influenced - or even appear to be influenced - by personal or family interests. They shall promptly bring to the attention of the General Counsel and the Audit Committee any information they may have concerning any actual or apparent conflicts of interest between personal and professional relationships, involving any management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.
4. The Company is committed to complying with both the letter and spirit of all applicable laws, rules and regulations. The CEO and Senior Financial Officers shall promptly bring to the attention of the Chief Audit Officer and the Audit Committee any information they may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company or its employees or agents. They shall promptly bring to the attention of the General Counsel and the Audit Committee any information they may have concerning any violation of this Code of Ethics. The Board of Directors may determine, or designate appropriate persons to determine, appropriate additional disciplinary or other actions to be taken in the event of violations of this Code of Ethics by the Company's Chief Executive or Senior Financial Officers and a procedure for granting any waivers of this Code of Ethics.

Appendix C

Everest Group, Ltd. Statement Pursuant to Section 54 of the United Kingdom's Modern Slavery Act 2015

Everest Group, Ltd. is the holding company for a group of companies that provide insurance and reinsurance products and services, together referred to as "Everest Group".

Everest Group, Ltd. is incorporated in Bermuda and is listed on the New York Stock Exchange. In addition to its offices around the globe, Everest Group carries out insurance and reinsurance business in the United Kingdom, primarily through its Lloyd's Syndicate 2786, Everest Insurance (Ireland), dac, and the UK Branch of Everest Reinsurance (Bermuda), Ltd.

Our Supply Chain

Everest Group's supply chains are limited, and the nature of our business activities is such that we consider that the risk of Everest Group becoming involved in the support of encouragement of slavery, human trafficking or forced labor to be low.

Everest Group offers insurance and reinsurance solutions which are a type of financial services product and are primarily placed through insurance and reinsurance brokers. Everest Group does use services of third companies for the maintenance and support of our office operations in London, such as cleaning and catering services.

Everest Group does not act as a producer, manufacturer or retailer of physical goods and has no supply chain in relation to such activities.

Due Diligence

Everest Group's working practices respect and upholds all human rights for our partners, employees and contractors and has zero tolerance to slavery and human trafficking. Everest Group has a range of policies that are published to all staff, including these Ethics Guidelines and related policies.

In addition, the UK-based operations have in place the following policies:

- Whistleblowing Policy;
- Financial Crime Policy;
- Anti-Bribery Policy;
- Outsourcing Policy;
- Training and Development Policy; and
- Due Diligence Policy.

The Due Diligence Policy shall include measures undertaken to ensure the identity of a third party which will minimize the risk of slavery and human trafficking occurring within our supply chain.

The training and development requirements of the UK-based operations provide training to the staff on matters relating to financial crimes and, as part of the performance management process, staff must complete any assigned training at least annually.

Staff reporting any concerns or breaches of any policy is protected by the Whistleblowing Policy.

Subsidiaries of Everest Re Group, Ltd.

The following is a list of Everest Re Group, Ltd. Subsidiaries:

<u>Name of Subsidiary</u>	<u>Jurisdiction of Incorporation</u>
Everest Underwriting Group (Ireland) Limited	Ireland
Everest Insurance Company of Canada	Canada
Premiere Insurance Underwriting Services	Canada
Everest Reinsurance Holdings, Inc.	Delaware
Everest Global Services, Inc.	Delaware
Everest Reinsurance Company	Delaware
Everest Indemnity Insurance Company	Delaware
Everest National Insurance Company	Delaware
Everest Reinsurance Company - Escritório de Representação No Brasil Ltda.	Brazil
Everest Security Insurance Company	Delaware
Mt. Whitney Securities, LLC	Delaware
Everest Denali Insurance Company	Delaware
Everest Premier Insurance Company	Delaware
Everest Specialty Underwriters Services, LLC	Delaware
Mt. McKinley Managers, LLC	New Jersey
Everest International Assurance, Ltd.	Bermuda
EverSports & Entertainment Insurance, Inc.	Indiana
SIG Sports, Leisure and Entertainment Risk Purchasing Group, LLC	Indiana
Salus Systems, Inc.	Delaware
Everest Reinsurance (Bermuda), Ltd.	Bermuda
Everest International Reinsurance, Ltd.	Bermuda
Everest Re Advisors, Ltd.	Bermuda
Everest Advisors (UK), Ltd.	United Kingdom
Everest Compañía de Seguros Generales Chile S.A.	Chile
Mt. Logan Re, Ltd.	Bermuda
Mt. Logan Insurance Managers, Ltd.	Bermuda
Mt. Logan Management, Ltd.	Bermuda
Everest International Holdings (Bermuda), Ltd.	Bermuda
Everest Corporate Member Limited	United Kingdom
Everest Service Company (UK), Ltd.	United Kingdom
Everest Preferred International Holdings, Ltd.	Bermuda
Everest Dublin Insurance Holdings Limited (Ireland)	Ireland
Everest Reinsurance Company (Ireland), dac	Ireland
Everest Insurance (Ireland), dac	Ireland

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-259589) and Forms S-8 (Nos. 333-238962; 333-169698; 333-105483; and 333-97049) of Everest Group, Ltd. of our report dated February 28, 2024 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K

/s/ PricewaterhouseCoopers LLP
New York, New York
February 28, 2024

CERTIFICATIONS

I, Juan C. Andrade, certify that:

1. I have reviewed this annual report on Form 10-K of Everest Group, Ltd;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 28, 2024

/S/ JUAN C. ANDRADE

Juan C. Andrade

President and

Chief Executive Officer

CERTIFICATIONS

I, Mark Kociancic, certify that:

1. I have reviewed this annual report on Form 10-K of Everest Group, Ltd;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 28, 2024

/S/ MARK KOCIANCIC

Mark Kociancic

Executive Vice President and
Chief Financial Officer

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K for the year ended December 31, 2023 of Everest Group, Ltd., a company organized under the laws of Bermuda (the "Company"), filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify, pursuant to 18 U.S.C. ss. 1350, as enacted by section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 28, 2024

/S/ JUAN C. ANDRADE

Juan C. Andrade

President and

Chief Executive Officer

/S/ MARK KOCIANCIC

Mark Kociancic

Executive Vice President and

Chief Financial Officer

CONFIDENTIAL – For discussion purposes only
Everest Group, Ltd. Clawback Policy
As of November 1, 2023

EVEREST GROUP, LTD.
Clawback Policy

This Clawback Policy (this “**Policy**”) is designed to comply with, and shall be interpreted consistent with, Section 10D of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), Rule 10D-1 promulgated under the Exchange Act (“**Rule 10D-1**”) and Section 303A.14 of the New York Stock Exchange Listed Company Manual (the “**Listing Standards**”).¹ Section 10D is premised on the proposition that “executive officers of exchange-listed issuers should not be entitled to retain incentive-based compensation that was erroneously awarded on the basis of materially misreported financial information that requires an accounting restatement.”² To implement this principle, this Policy adopts Rule 10D-1 and the Listing Standards, adopts the Security and Exchange Commission’s definitions of “incentive-based compensation” and “financial reporting measure” for purposes of Rule 10D-1, and incorporates, with respect to certain executive officers, recovery in cases involving material willful misconduct, including but not limited to fraudulent conduct.

The Board of Directors (the “**Board**”) of Everest Group, Ltd. (the “**Company**”) believes that it is in the best interests of the Company and its shareholders to adopt this Policy, which provides for the recovery of certain incentive compensation, including in the event of an Accounting Restatement (as defined in Section 14 below). Other capitalized terms used in this Policy have the meanings assigned in Section 14.

¹ Note: This clawback policy is drafted to meet the requirements of Section 954 of the Dodd-Frank Act, the SEC’s Rule 10D-1, and the proposed listing standards of the NYSE and Nasdaq. This clawback policy also incorporates and supersedes the Company’s Clawback Policy, adopted September 19, 2012, in satisfaction of requirements under Section 304 of the Sarbanes-Oxley Act of 2002, which applies only to a company’s CEO and CFO in cases involving misconduct resulting in a company’s material noncompliance with any financial reporting requirement under the securities laws.

² See Sections I and II(C) of the final Securities and Exchange Commission Rule (<https://www.sec.gov/files/rules/final/2022/33-11126.pdf>).

1. Covered Executives; Incentive-Based Compensation

This Policy applies to Incentive-Based Compensation received by any person that served as a Covered Executive at any time during the performance period for such Incentive-Based Compensation.³

2. Required Recoupment of Incentive-Based Compensation in the Event of an Accounting Restatement

In the event the Company is required to prepare an Accounting Restatement, the Company shall promptly recoup the amount of (i) any Erroneously Awarded Compensation obtained by any Covered Executive, as calculated pursuant to Section 3 hereof during the Applicable Period and / or (ii) any F&W Incentive-Based Compensation obtained by any Covered Executive, as determined pursuant to Section 4 hereof.

3. Erroneously Awarded Compensation: Amount Subject to Recovery

The amount of “**Erroneously Awarded Compensation**” subject to recovery under the Policy, as determined by the Administrator, is the amount of Incentive-Based Compensation received by the Covered Executive that exceeds the amount of Incentive-Based Compensation that would have been received by the Covered Executive had it been determined based on the restated amounts.

Erroneously Awarded Compensation shall be computed by the Administrator in its sole discretion without any adjustment for any taxes paid by the Covered Executive in respect of the Erroneously Awarded Compensation.

For illustration purposes, with respect to any compensation plans or programs that take into account Incentive-Based Compensation, the amount of

³ Note: Recovery of compensation is not required (1) with respect to any compensation received while an individual was serving in a non-executive capacity prior to becoming an executive officer, or (2) from any individual who is an executive officer on the date on which the Company is required to prepare an Accounting Restatement but who was not an executive officer at any time during the performance period for which the incentive-based compensation is received. For example, if an individual serving as an executive officer at the date that the Company is required to prepare a restatement was not an executive officer at any time during a performance period that ended during the Applicable Period, amounts of incentive compensation received by that individual for that specific performance period are not required to be recovered.

Erroneously Awarded Compensation subject to recovery hereunder includes, but is not limited to, the amount contributed to any other notional account based on or containing Erroneously Awarded Compensation and any earnings accrued to date on any such notional or actual amount.

With respect to Incentive-Based Compensation based on stock price or TSR, (a) the Administrator shall determine and shall document in its sole discretion the amount of Erroneously Awarded Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive-Based Compensation was calculated; and (b) the Company shall maintain such documentation of the determination of that reasonable estimate and provide such documentation to the New York Stock Exchange (“NYSE”).

For purposes of enforcing the provisions of this Section 3 and the following Section 4, the Company shall maintain documentation of the calculation of all Incentive-Based Compensation awarded to any Company employee for a period ending on the last day of the third fiscal year following the date on which such Incentive-Based Compensation was awarded.

4. Fraudulent or Willful Misconduct: Amount Subject to Recovery

Notwithstanding any other provision of this Policy, the Company shall have the right, to the extent permitted by applicable law, to cancel or require reimbursement of any Incentive-Based Compensation (both cash and equity) received by or awarded to any current or former employee, including executive officers, in each case, without any adjustment for any taxes paid by any such person and without duplication of any recovery of Erroneously Awarded Compensation pursuant to Section 3 above.

With respect to current or former employees, including executive officers, where the Company has determined that an employee or executive officer engaged in material willful misconduct in respect of his/her obligations, including but not limited to fraudulent misconduct, while an employee or during the period in which he/she was otherwise entitled to receive payments following a termination of employment, then:

- (1) the individual shall be required to repay to the Company any and all Incentive-Based Compensation (including vested and unvested equity awards) paid or granted to the individual during the period in which he/she engaged in such misconduct, as determined by a majority of the Board; and

(2) upon such determination, if the individual has begun to receive payments or benefits pursuant to a severance agreement or similar arrangement then such payments and benefits shall immediately terminate, and the individual shall be required to repay to the Company the payments and the value of the benefits previously provided to him/her thereunder.

Any recovery of any Incentive-Based Compensation from an executive employee pursuant to this Section 4 is referred to in this Policy as “**F&W Incentive-Based Compensation**”.

5. Method of Recoupment and Recovery

The Administrator shall determine, in its sole discretion, the timing and method for promptly recouping Erroneously Awarded Compensation or promptly recovering F&W Incentive-Based Compensation hereunder, as may be applicable, which may include without limitation (a) seeking reimbursement of all or part of any cash or equity-based award, (b) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, (c) canceling or offsetting against any planned future cash or equity-based awards, (d) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder, and (e) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may in its sole discretion effect recovery under this Policy from any amount otherwise payable to the Covered Executive or employee, including amounts payable to such individual under any otherwise applicable Company plan or program, including bonuses based on a financial reporting measure or commissions and compensation previously deferred by the Covered Executive or employee.

The Company is authorized and directed pursuant to this Policy to recoup Erroneously Awarded Compensation or F&W Incentive-Based Compensation, as may be applicable, in compliance with this Policy unless the Administrator has determined that recovery would be impracticable solely for the following limited reasons, and subject to the following procedural and disclosure requirements:

- The direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation or F&W Incentive-Based Compensation, as may be applicable, based on expense of enforcement, the Administrator shall

have made a reasonable attempt to recover such erroneously awarded compensation, document such reasonable attempt(s) to recover, and provide that documentation to NYSE;

- Recovery would violate any law of Bermuda adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation or F&W Incentive-Based Compensation, as may be applicable, based on violation of the laws of Bermuda, the Administrator must satisfy the applicable opinion and disclosure requirements of Rule 10D-1 and the Listing Standards; or
- Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

6. No Indemnification of Covered Executives or Employees

Notwithstanding the terms of any indemnification or insurance policy (including but not limited to any policies intended to cover non-indemnifiable losses) or any contractual arrangement with any Covered Executive or employee that may be interpreted to the contrary, the Company shall not indemnify any Covered Executives or employees against the loss of any Erroneously Awarded Compensation or F&W Incentive-Based Compensation, as may be applicable, including any payment or reimbursement for the cost of third-party insurance purchased by any Covered Executives or employees to fund potential clawback obligations under this Policy.

7. Administrator Indemnification

Any members of the Administrator, including any officers or employees empowered by the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be fully indemnified by the Company to the fullest extent permissible under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy.

8. Effective Date; Retroactive Application

This Policy shall be effective as of December 1, 2023 (the “**Effective Date**”). The terms of this Policy shall apply to any Incentive-Based Compensation that is received by Covered Executives or employees on or after October 2, 2023, even if such Incentive-Based Compensation was approved, awarded, granted or paid to Covered Executives or employees prior to October 2, 2023. Without limiting the generality of Section 5 hereof, and subject to applicable law, the Administrator may effect recovery under this Policy from any amount of compensation approved, awarded, granted, payable or paid to the Covered Executive or employee prior to, on or after the Effective Date.

9. Amendment; Termination

The Board may amend, modify, supplement, rescind or replace all or any portion of this Policy at any time and from time to time in its discretion, and shall amend this Policy as it deems necessary to comply with applicable law or any rules or standards adopted by a national securities exchange on which the Company’s securities are listed.

10. Other Recoupment Rights; Company Claims

The Board intends that this Policy shall be applied to the fullest extent permissible under law. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company under applicable law or pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company. Nothing contained in this Policy, and no recoupment or recovery as contemplated by this Policy, shall limit any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Executive or employee arising out of or resulting from any actions or omissions by the Covered Executive or employee.

11. Administration and Interpretation

Except as specifically set forth herein, this Policy shall be administered by the Compensation Committee of the Board or, if so designated by the Board, the Board or a committee thereof (the Board or such committee charged with administration of this Policy, the “**Administrator**”). The Administrator is authorized in its sole discretion to interpret and construe this Policy and to make

all determinations necessary, appropriate, or advisable for the administration of this Policy. Any determinations made by the Administrator in its sole discretion shall be final and binding on all affected individuals and need not be uniform with respect to each individual covered by the Policy. In the administration of this Policy, the Administrator is authorized and directed to consult with the full Board or such other committees of the Board, such as the Audit Committee or the Compensation Committee or a special committee comprised of members of the Compensation Committee and Audit Committee, as may be necessary or appropriate as to matters within the scope of such other committee's responsibility and authority. Subject to any limitation at applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

12. Successors

This Policy shall be binding and enforceable against all Covered Executives or employees and their beneficiaries, heirs, executors, administrators or other legal representatives.

13. Exhibit Filing Requirement

A copy of this Policy and any amendments thereto shall be posted on the Company's website and filed as an exhibit to the Company's annual report on Form 10-K.⁴

14. Definitions

As used in this Policy, the following definitions shall apply:

- "**Accounting Restatement**" means an accounting restatement of the Company's financial statements determined to be necessary by (a) the Board in its sole discretion or (b) a court, regulator, or other legally authorized body (a "**Competent Authority**") due to the Company's material noncompliance with any financial reporting requirement under the securities laws and regulations, including any required

⁴ Note: This policy does not include any other disclosure requirements under the final clawback rule. See Rule 10D-1 and the listing standards for additional information regarding required disclosures.

accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

- **“Administrator”** has the meaning set forth in Section 11 hereof.
- **“Applicable Period”** means the three completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement, as well as any transition period (that results from a change in the Company’s fiscal year) within or immediately following those three completed fiscal years (except that a transition period that comprises a period of at least nine months shall count as a completed fiscal year). The **“date on which the Company is required to prepare an Accounting Restatement”** is the earlier to occur of (a) the date the Board concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (b) the date a Competent Authority directs the Company to prepare an Accounting Restatement, in each case, regardless of if or when the restated financial statements are filed.
- **“Covered Executives”** means, as may be applicable, the Company’s current and former executive officers, as determined by the Administrator in accordance with the definition of executive officer set forth in Rule 10D-1 and the Listing Standards.
- **“Erroneously Awarded Compensation”** has the meaning set forth in Section 3 of this Policy.
- **“Exchange Act”** has the meaning set forth in Section 11 hereof.
- A **“Financial Reporting Measure”** is any measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measure that is derived wholly or in part from such measure. Financial Reporting Measures include but are not limited to the following (and any measures derived from the following): Company stock price; total shareholder return (**“TSR”**); revenues; net income; operating income; profitability of one or more reportable segments; financial ratios (e.g., accounts receivable turnover and inventory turnover rates); earnings before interest, taxes, depreciation and amortization (**“EBITDA”**);

funds from operations and adjusted funds from operations; liquidity measures (e.g., working capital, operating cash flow); return measures (e.g., return on invested capital, return on assets); earnings measures (e.g., earnings per share); cost per employee, where cost is subject to an Accounting Restatement; any of such financial reporting measures relative to a peer group, where the Company's financial reporting measure is subject to an Accounting Restatement; and tax basis income. A Financial Reporting Measure need not be presented within the Company's financial statements or included in a filing with the Securities Exchange Commission.

- **"F&W Incentive-Based Compensation"** has the meaning set forth in Section 4 of this Policy.
- **"Incentive-Based Compensation"** means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive-Based Compensation is **"received"** for purposes of this Policy in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of such Incentive-Based Compensation occurs after the end of that period.
- **"Listing Standards"** has the meaning set forth in Section 11 hereof.
- **"Rule 10D-1"** has the meaning set forth in Section 11 hereof.

[TO BE SIGNED BY THE COMPANY’S EXECUTIVE OFFICERS:]⁵

Clawback Policy Acknowledgment

I, the undersigned, agree and acknowledge that I am fully bound by, and subject to, all of the terms and conditions of the Everest Group, Ltd.’s Clawback Policy (as may be amended, restated, supplemented or otherwise modified from time to time, the “**Policy**”). In the event of any inconsistency between the Policy and the terms of any employment agreement to which I am a party, or the terms of any compensation plan, program or agreement under which any compensation has been granted, awarded, earned or paid, the terms of the Policy shall govern. In the event it is determined by the Administrator that any amounts granted, awarded, earned or paid to me must be forfeited or reimbursed to the Company, I will promptly take any action necessary to effectuate such forfeiture and/or reimbursement. Any capitalized terms used in this Acknowledgment without definition shall have the meaning set forth in the Policy.

By: _____
Date _____

Name: _____

Title: _____

⁵ Note: The acknowledgment is optional and not required by law. The acknowledgment serves to put the executives on notice of the new Dodd-Frank clawback requirements and may aid the company in its efforts to enforce the clawback policy and recoup amounts already paid, particularly from former employees. Recommended if we include provisions on enforcement of the policy if the Covered Executive fails to pay amounts when due—e.g., venue clause, arbitration provisions and/or a requirement that the Covered Executive reimburse the Company for expenses and legal fees.