



February 4, 2022

Courtney Banks, Paralegal
GRS Legal
Liberty Mutual Insurance
175 Berkeley Street, Mail Stop 06D
Boston, MA 02116

Via E-mail: Courtney.Banks01@libertymutual.com

RE: Designated Certified Reinsurer 2021 Passporting Renewal Application for Liberty Specialty Markets Bermuda Limited

Dear Ms. Banks:

The Pennsylvania Insurance Department (“Department”) has completed its review of the passporting renewal application referenced above, filed pursuant to 31 Pa. Code § 161.3a, and received February 11, 2021. Liberty Specialty Markets Bermuda Limited (“Liberty Specialty Markets Bermuda”) is domiciled and licensed in Bermuda. Our review of the submission has resulted in the following determination:

- Pursuant to 31 Pa. Code § 161.3a(c), if an applicant for certification has been certified as a reinsurer in an NAIC accredited jurisdiction, the Commissioner has the discretion to defer to that jurisdiction’s certification, and has the discretion to defer to the rating assigned by that jurisdiction.
- Arizona is an accredited jurisdiction and also serves as the lead U.S. insurance regulator of Liberty Specialty Markets Bermuda. The Arizona Department of Insurance has approved Liberty Specialty Markets Bermuda as a certified reinsurer eligible for collateral reduction effective January 1, 2021 through December 31, 2021, with a rating as a Secure-3 (20%) reinsurer.
- Notice of receipt of the filing was published in the *Pennsylvania Bulletin* with a 30-day comment period. No public comments were received during the comment period.
- The Department hereby designates Liberty Specialty Markets Bermuda as a certified reinsurer eligible for collateral reduction effective January 1, 2021 through December 31, 2021, with a rating as a Secure-3 (20%) reinsurer.

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- Liberty Specialty Markets Bermuda's designation as a certified reinsurer and its rating are conditioned upon Liberty Specialty Markets Bermuda being domiciled and licensed in a qualified jurisdiction pursuant to 31 Pa. Code § 161.3a(a)(1). Liberty Specialty Markets Bermuda is domiciled and licensed in Bermuda and Bermuda is a qualified jurisdiction.
- Liberty Specialty Markets Bermuda's status for collateral reduction is contingent upon Liberty Specialty Markets Bermuda maintaining full compliance with all the provisions contained 31 Pa. Code § 161.3a, including but not limited to, submitting the annual renewal application for rating.
- The annual renewal application for passporting to Pennsylvania should not be submitted until the lead US regulator has issued its approval of the renewal as a certified reinsurer and ReFAWG has reviewed and concurred.

If you have any questions, please do not hesitate to contact me at (717) 783-6409 or krankin@pa.gov.

Sincerely,

Kimberly Rankin

Kimberly A. Rankin, Director
Bureau of Company Licensing & Financial Analysis