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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2022

or

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

For the transition period from to

Commission file number 001-33493

GREENLIGHT CAPITAL RE, LTD.
(Exact name of registrant as specified in its charter)

Cayman Islands	**N/A**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification no.)

65 Market Street **Suite 1207, Jasmine Court** **P.O. Box 31110** **Camana Bay** **Grand Cayman** **Cayman Islands**	**KY1-1205**
(Address of principal executive offices)	(Zip code)

(345) 943-4573
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Ordinary Shares	**GLRE**	**Nasdaq Global Select Market**

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 ☒ 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 during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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. (Check one):

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

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. ☐

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

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class A Ordinary Shares, $0.10 par value	28,466,516
Class B Ordinary Shares, $0.10 par value	6,254,715
(Class)	Outstanding at April 29, 2022

GREENLIGHT CAPITAL RE, LTD.

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PART I — FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
March 31, 2022 and December 31, 2021
(expressed in thousands of U.S. dollars, except per share and share amounts)

	March 31, 2022	December 31, 2021
Assets		
Investments		
Investment in related party investment fund	$ 151,010	$ 183,591
Other investments	54,647	47,384
Total investments	205,657	230,975
Cash and cash equivalents	31,327	76,307
Restricted cash and cash equivalents	701,412	634,794
Reinsurance balances receivable (net of allowance for expected credit losses of $89)	441,645	405,365
Loss and loss adjustment expenses recoverable (net of allowance for expected credit losses of $47)	11,369	11,100
Deferred acquisition costs	66,378	63,026
Unearned premiums ceded	4,878	42
Other assets	5,882	5,885
Total assets	$ 1,468,548	$ 1,427,494
Liabilities and equity		
Liabilities		
Loss and loss adjustment expense reserves	$ 549,141	$ 524,010
Unearned premium reserves	246,130	227,584
Reinsurance balances payable	95,692	91,224
Funds withheld	3,929	3,792
Other liabilities	5,503	7,164
Convertible senior notes payable	99,746	98,057
Total liabilities	1,000,141	951,831
Shareholders' equity		
Preferred share capital (par value $0.10; authorized, 50,000,000; none issued)	—	—
Ordinary share capital (Class A: par value $0.10; authorized, 100,000,000; issued and outstanding, 28,466,516 (2021: 27,589,731): Class B: par value $0.10; authorized, 25,000,000; issued and outstanding, 6,254,715 (2021: 6,254,715))	3,472	3,384
Additional paid-in capital	474,805	481,784
Retained earnings (deficit)	(9,870)	(9,505)
Total shareholders' equity	468,407	475,663
Total liabilities and equity	$ 1,468,548	$ 1,427,494

The accompanying Notes to the Condensed Consolidated Financial Statements are an integral part of the Condensed Consolidated Financial Statements.

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GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
For the three months ended March 31, 2022 and 2021
(expressed in thousands of U.S. dollars, except per share and share amounts)

	Three months ended March 31	
	2022	**2021**
Revenues		
Gross premiums written	$ 145,886	$ 169,935
Gross premiums ceded	(6,009)	55
Net premiums written	139,877	169,990
Change in net unearned premium reserves	(13,952)	(34,594)
Net premiums earned	125,925	135,396
Income (loss) from investment in related party investment fund (net of related party expenses of $1,344 (three months ended March 31, 2021: $1,301)	4,077	4,024
Net investment income (loss)	3,660	14,650
Other income (expense), net	(633)	(703)
Total revenues	133,029	153,367
Expenses		
Net loss and loss adjustment expenses incurred	97,407	97,721
Acquisition costs	32,945	33,381
General and administrative expenses	7,232	7,541
Deposit interest expense	34	2,947
Interest expense	1,154	1,544
Total expenses	138,772	143,134
Income (loss) before income tax	(5,743)	10,233
Income tax (expense) benefit	16	(3,734)
Net income (loss)	$ (5,727)	$ 6,499
Earnings (loss) per share		
Basic	$ (0.17)	$ 0.19
Diluted	$ (0.17)	$ 0.19
Weighted average number of ordinary shares used in the determination of earnings and loss per share		
Basic	32,926,227	34,522,994
Diluted	32,926,227	34,646,783

The accompanying Notes to the Condensed Consolidated Financial Statements are an integral part of the Condensed Consolidated Financial Statements.

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GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)
For the three months ended March 31, 2022 and 2021
(expressed in thousands of U.S. dollars)

	Three months ended March 31	
	2022	**2021**
Ordinary share capital		
Balance - beginning of period	$ 3,384	$ 3,452
Issue of Class A ordinary shares, net of forfeitures	88	33
Balance - end of period	3,472	3,485
Additional paid-in capital		
Balance - beginning of period	481,784	488,488
Cumulative effect of adoption of accounting guidance for convertible debt at January 1, 2022	(7,896)	—
Share-based compensation expense	917	730
Balance - end of period	474,805	489,218
Retained earnings (deficit)		
Balance - beginning of period	(9,505)	(27,083)
Cumulative effect of adoption of accounting guidance for convertible debt at January 1, 2022	5,362	—
Net income (loss)	(5,727)	6,499
Balance - end of period	(9,870)	(20,584)
Total shareholders' equity	$ 468,407	$ 472,119

The accompanying Notes to the Condensed Consolidated Financial Statements are an integral part of the Condensed Consolidated Financial Statements.

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GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
For the three months ended March 31, 2022 and 2021
(expressed in thousands of U.S. dollars)

	Three months ended March 31	
	2022	**2021**
Cash provided by (used in) operating activities		
Net income (loss)	$ (5,727)	$ 6,499
Adjustments to reconcile net income or loss to net cash provided by (used in) operating activities		
Loss (income) from investments in related party investment fund	(4,077)	(4,024)
Net change in unrealized gains and losses on investments and notes receivable	(3,899)	(1,228)
Net realized (gains) losses on investments and notes receivable	—	(14,210)
Foreign exchange (gains) losses on investments	38	19
Share-based compensation expense	1,005	763
Amortization and interest expense, net of change in accruals	(845)	(456)
Depreciation expense	—	7
Net change in		
Reinsurance balances receivable	(36,280)	(56,626)
Loss and loss adjustment expenses recoverable	(269)	1,842
Deferred acquisition costs	(3,352)	(7,577)
Unearned premiums ceded	(4,836)	—
Other assets, excluding depreciation	3	(1,408)
Loss and loss adjustment expense reserves	25,131	18,664
Unearned premium reserves	18,546	34,636
Reinsurance balances payable	4,468	1,812
Funds withheld	137	(853)
Other liabilities	(1,661)	3,397
Net cash provided by (used in) operating activities	(11,618)	(18,743)
Investing activities		
Proceeds from redemptions from related party investment fund	46,658	19,481
Contributions to related party investment fund	(10,000)	(48,604)
Purchases of investments	(3,402)	(2,070)
Proceeds from sales of investments	—	20,755
Change in notes receivable	—	6,101
Net cash provided by (used in) investing activities	33,256	(4,337)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	—	—
Net increase (decrease) in cash, cash equivalents and restricted cash	21,638	(23,080)
Cash, cash equivalents and restricted cash at beginning of the period	711,101	754,306
Cash, cash equivalents and restricted cash at end of the period	$ 732,739	$ 731,226
Supplementary information		
Interest paid in cash	$ 2,000	$ 2,000
Income tax paid in cash	—	—

The accompanying Notes to the Condensed Consolidated Financial Statements are an integral part of the Condensed Consolidated Financial Statements.

GREENLIGHT CAPITAL RE, LTD.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
March 31, 2022

1. ORGANIZATION AND BASIS OF PRESENTATION

Greenlight Capital Re, Ltd. ("GLRE") was incorporated as an exempted company under the Companies Law of the Cayman Islands on July 13, 2004. GLRE's wholly-owned subsidiary, Greenlight Reinsurance, Ltd. ("Greenlight Re"), provides global specialty property and casualty reinsurance. Greenlight Re has a Class D insurer license issued in accordance with the terms of The Insurance Act, 2010 (as amended) and underlying regulations thereto (the "Act") and is subject to regulation by the Cayman Islands Monetary Authority. Greenlight Re commenced underwriting in April 2006. Verdant Holding Company, Ltd. ("Verdant"), a wholly-owned subsidiary of GLRE, was incorporated in 2008 in the state of Delaware. During 2010, GLRE established Greenlight Reinsurance Ireland, Designated Activity Company ("GRIL"), a wholly-owned reinsurance subsidiary based in Dublin, Ireland. GRIL is authorized as a non-life reinsurance undertaking in accordance with the provisions of the European Union (Insurance and Reinsurance) Regulations 2015. GRIL provides multi-line property and casualty reinsurance capacity to the European broker market and provides GLRE with an additional platform to serve clients located in Europe and North America. In 2020, GLRE established Greenlight Re Marketing (UK) Limited ("Greenlight Re UK") as a wholly-owned subsidiary to increase the Company's presence in the London market. As used herein, the "Company" refers collectively to GLRE and its consolidated subsidiaries.

The Class A ordinary shares of GLRE are listed on Nasdaq Global Select Market under the symbol "GLRE."

These unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information, and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete financial statements. In addition, the year-end balance sheet data was derived from audited financial statements but does not include all disclosures required by U.S. GAAP. These unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, as filed with the U.S. Securities and Exchange Commission on March 8, 2022. The condensed consolidated financial statements include the accounts of GLRE and its wholly-owned subsidiaries, Greenlight Re, GRIL, Verdant, and Greenlight Re UK. All significant intercompany transactions and balances have been eliminated on consolidation.

Certain amounts in the prior periods presented have been reclassified to confirm to the current period financial statements presentation. These reclassifications have no effect on previously reported net income or retained earnings.

In the opinion of management, these unaudited condensed consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company's financial position and results of operations as at the end of and for the periods presented.

Significant estimates used in the preparation of the Company's condensed consolidated financial statements, including those associated with premiums and the estimations of loss and loss adjustment expense reserves, may be subject to significant adjustments in future periods.

2. SIGNIFICANT ACCOUNTING POLICIES

There have been no material changes to the Company's significant accounting policies as described in its Annual Report on Form 10-K for the year ended December 31, 2021.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. 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 condensed consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. The significant estimates reflected in the Company's condensed consolidated financial statements include, but are not limited to, loss and loss adjustment expense reserves, premiums written, earned and receivable, variability underlying risk transfer assessments, allowances for credit losses, share-based compensation, valuation allowances associated with deferred tax assets and investment impairments.

Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents

The Company maintains cash and cash equivalent balances to collateralize regulatory trusts and letters of credit issued to cedents (see Note 12). The following table reconciles the cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets to the total presented in the condensed consolidated statements of cash flows:

	March 31, 2022	December 31, 2021
	($ in thousands)	
Cash and cash equivalents	$ 31,327	$ 76,307
Restricted cash and cash equivalents	701,412	634,794
Total cash, cash equivalents and restricted cash presented in the condensed consolidated statements of cash flows	$ 732,739	$ 711,101

Funds Held by Cedents

The caption "Reinsurance balances receivable" in the Company's condensed consolidated balance sheets includes amounts held by cedents. Such amounts include premiums and funds held at Lloyd's, which is held in trust at Lloyd's as security for members' underwriting activities. At March 31, 2022, funds held by cedents were $272.3 million (December 31, 2021: $246.9 million).

Reinsurance Assets

The Company calculates an allowance for expected credit losses for its reinsurance balances receivable and loss and loss adjustment expenses recoverable by applying a Probability of Default ("PD") / Loss Given Default ("LGD") model. The PD / LGD approach considers the Company's collectibility history on its reinsurance assets and representative external loss history. In calculating the probability of default, the Company also considers the estimated duration of its reinsurance assets.

The Company evaluates each counterparty's creditworthiness based on credit ratings that independent agencies assign to the counterparty. The Company manages its credit risk in its reinsurance assets by transacting only with insurers and reinsurers that it considers financially sound. Credit ratings of the counterparties are forward-looking and consider a variety of economic scenarios. The Company's evaluation of the required allowance for reinsurance balances receivable and loss and loss adjustment expenses recoverable considers the current economic environment as well as potential macroeconomic outcomes.

For its retrocessional counterparties that are unrated, the Company may hold collateral in the form of funds withheld, trust accounts, or irrevocable letters of credit. In evaluating credit risk associated with reinsurance balances receivable, the Company considers its right to offset loss obligations against premiums receivable. The Company regularly evaluates its net credit exposure to assess the ability of cedents and retrocessionaires to honor their respective obligations.

At March 31, 2022, the Company has recorded an allowance for expected credit loss on its Reinsurance Assets of $0.1 million (December 31, 2021: $0.1 million).

Deposit Assets and Liabilities

The Company applies deposit accounting to reinsurance contracts that do not transfer sufficient insurance risk to merit reinsurance accounting. Under deposit accounting, the Company recognizes an asset or liability based on its paid or received consideration. The deposit asset or liability balance is subsequently adjusted using the interest method with the corresponding income or expense recorded in the Company's condensed consolidated statements of operations under the captions "Other income (expense)" and "Deposit interest expense", respectively. The Company records deposit assets and liabilities in its condensed consolidated balance sheets in the caption "Reinsurance balances receivable" and "Reinsurance balances payable," respectively. At March 31, 2022, deposit assets and deposit liabilities were $3.5 million and $17.8 million, respectively (December 31, 2021: $3.5 million and $18.6 million, respectively). For the three months ended March 31, 2022, and 2021, the interest income and expense on deposit accounted contracts were as follows:

	Three months ended March 31	
	2022	2021
	($ in thousands)	
Deposit interest income	$ —	$ —
Deposit interest expense	$ (34)	$ (2,947)
Deposit interest income/(expense), net	$ (34)	$ (2,947)

Derivative instruments

The Company recognizes derivative financial instruments in the condensed consolidated balance sheets at their fair values. It includes any realized gains and losses and changes in unrealized gains and losses in the caption "Net investment income (loss)" in the condensed consolidated statements of operations.

The Company's derivatives do not qualify as hedges for financial reporting purposes. The Company records the associated assets and liabilities in its condensed consolidated balance sheets on a gross basis. The Company does not offset these balances against collateral pledged or received.

Other Assets

The caption "Other assets" in the Company's condensed consolidated balance sheets consists primarily of prepaid expenses, fixed assets, right-of-use lease assets, other receivables, taxes recoverable, and deferred tax assets.

Other Liabilities

The caption "Other liabilities" in the Company's condensed consolidated balance sheets consists primarily of accruals for legal and other professional fees, employee bonuses, taxes payable, and lease liabilities.

Earnings (Loss) Per Share

The Company has issued unvested restricted stock awards containing non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid. These awards are considered "participating securities" for the purposes of calculating earnings (loss) per share. Basic earnings per share is calculated on the basis of the weighted average number of common shares and participating securities outstanding during the period. Diluted earnings (or loss) per share includes the dilutive effect of the following:

- Restricted Stock Units ("RSUs") issued that convert to common shares upon vesting;
- Unvested restricted stock awards which are not considered "participating securities";
- Additional potential common shares issuable when in-the-money stock options are exercised, determined using the treasury stock method;
- For periods prior to January 1, 2022, those common shares with the potential to be issued in connection with convertible notes and other such convertible instruments, determined using the treasury stock method; and
- Effective from January 1, 2022, the maximum number of additional common shares required to settle the convertible notes, as required under the if-converted method.

Diluted earnings (or loss) per share contemplates a conversion to common shares of all convertible instruments only if they are dilutive with regards to earnings per share. In the event of a net loss, all RSUs, stock options, shares potentially issuable in connection with convertible notes, and participating securities are excluded from the calculation of both basic and diluted loss per share as their inclusion would be anti-dilutive.

The table below presents the shares outstanding for the calculation of earnings (loss) per share for the three months ended March 31, 2022 and 2021:

	Three months ended March 31	
	2022	2021
Weighted average shares outstanding - basic	32,926,227	34,522,994
Effect of dilutive employee and director share-based awards	—	123,789
Weighted average shares outstanding - diluted	32,926,227	34,646,783
Anti-dilutive stock options outstanding	735,627	835,627
Participating securities excluded from calculation of loss per share	815,847	—
Shares potentially issuable in connection with convertible notes excluded from calculation of loss per share	5,818,182	—

Taxation

Under current Cayman Islands law, no corporate entity, including GLRE and Greenlight Re, is obligated to pay taxes in the Cayman Islands on either income or capital gains. The Company has an undertaking from the Governor-in-Cabinet of the Cayman Islands, pursuant to the provisions of the Tax Concessions Act, as amended, that, in the event that the Cayman Islands enacts any legislation that imposes a tax on profits, income, gains, or appreciations, or any tax in the nature of estate duty or inheritance tax, such tax will not be applicable to GLRE, Greenlight Re nor their respective operations, or to the Class A or Class B ordinary shares or related obligations, before February 1, 2025.

Verdant is incorporated in Delaware and therefore is subject to taxes in accordance with the U.S. federal rates and regulations prescribed by the U.S. Internal Revenue Service ("IRS"). Verdant's taxable income is generally expected to be taxed at a marginal rate of 21% (2021: 21%). Verdant's tax years 2018 and beyond remain open and subject to examination by the IRS.

GRIL is incorporated in Ireland and therefore is subject to the Irish corporation tax rate of 12.5% on its trading income and 25% on its non-trading income.

The Company records a valuation allowance to the extent that the Company considers it more likely than not that all or a portion of the deferred tax asset will not be realized in the future. Other than this valuation allowance, the Company has not taken any income tax positions subject to significant uncertainty that is reasonably likely to have a material impact on the Company.

Recent Accounting Pronouncements

Recently Issued Accounting Standards Adopted

In August 2020, the FASB issued ASU No. 2020-06, Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06"). ASU 2020-06 is designed to simplify the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments. The amendments remove the separation models in Subtopic 470-20 for certain contracts. As a result, entities will no longer present embedded conversion features separately in equity; instead, the convertible debt instrument will be accounted for as a single liability measured at its amortized cost. ASU 2020-06 also addresses the computation of earnings per share for convertible debt instruments, requiring the application of the if-converted method when calculating diluted earnings per share. Under the if-converted method, the shares potentially issuable in connection with convertible debt are assumed to be converted at the beginning of the period. The resulting common shares are included in the denominator of the diluted earnings per share calculation for the period being presented.

The Company adopted ASU 2020-06 during the first quarter of 2022, using the "modified retrospective" transition method. The adoption of ASU 2020-06 resulted in a decrease in the Company's opening shareholders' equity of approximately $2.5 million, with a corresponding increase in the carrying value of the senior convertible notes (see Note 7). For the periods in which the Company reports a net income, the number of shares outstanding for the diluted earnings per share calculation will be approximately 5.8 million higher under the if-converted method. The adoption of ASU 2020-06 did not have a material impact on the Company's net income, cash flows, or any other balances.

3. INVESTMENT IN RELATED PARTY INVESTMENT FUND

The Company has entered into the Second Amended and Restated Exempted Limited Partnership Agreement, (the "SILP LPA") of Solasglas Investments, LP ("SILP"), with DME Advisors II, LLC ("DME II"), as General Partner, Greenlight Re, and GRIL, (together the "GLRE Limited Partners"). SILP has entered into a SILP investment advisory agreement ("IAA") with DME Advisors. LP ("DME Advisors") pursuant to which DME Advisors is the investment manager for SILP. DME II and DME Advisors are related to the Company, and each is an affiliate of David Einhorn, Chairman of the Company's Board of Directors.

The SILP LPA includes the following proviso: "The Investment Portfolio of each Partner will not exceed the product of (a) such Partner's surplus (Greenlight Re Surplus or GRIL Surplus, as the case may be) multiplied by (b) the Investment Cap (50%), and the General Partner will designate any portion of a Partner's Investment Portfolio as Designated Securities to effectuate such limit".

The Company has concluded that SILP qualifies as a variable interest entity ("VIE") under U.S. GAAP. In assessing its interest in SILP, the Company noted the following:

- DME II serves as SILP's general partner and has the power of appointing the investment manager. The Company does not have the power to appoint, change or replace the investment manager or the general partner except "for cause." Neither of the GLRE Limited Partners can participate in the investment decisions of SILP as long as SILP adheres to the investment guidelines provided within the SILP LPA. For these reasons, the GLRE Limited Partners are not considered to have substantive participating rights or kick-out rights.

- DME II holds an interest in excess of 10% of SILP's net assets, which the Company considers to represent an obligation to absorb losses and a right to receive benefits of SILP that are significant to SILP.

Consequently, the Company has concluded that DME II's interests, not the Company's, meet both the "power" and "benefits" criteria associated with VIE accounting guidance, and therefore DME II is SILP's primary beneficiary. The Company presents its investment in SILP in its condensed consolidated balance sheets in the caption "Investment in related party investment fund."

The Company's maximum exposure to loss relating to SILP is limited to the net asset value of the GLRE Limited Partners' investment in SILP. At March 31, 2022, the net asset value of the GLRE Limited Partners' investment in SILP was $151.0 million (December 31, 2021: $183.6 million), representing 74.2% (December 31, 2021: 78.2%) of SILP's total net assets. DME II held the remaining 25.8% (December 31, 2021: 21.8%) of SILP's total net assets. The investment in SILP is recorded at the GLRE Limited Partners' share of the net asset value of SILP as reported by SILP's third-party administrator. The GLRE Limited Partners can redeem their assets from SILP for operational purposes by providing three business days' notice to DME II. At March 31, 2022, the majority of SILP's long investments were composed of cash and publicly traded equity securities, which could be readily liquidated to meet the GLRE Limited Partners' redemption requests.

The Company's share of the change in the net asset value of SILP for the three months ended March 31, 2022, was $4.1 million (three months ended March 31, 2021: $4.0 million), and shown in the caption "Income (loss) from investment in related party investment fund" in the Company's condensed consolidated statements of operations.

The summarized financial statements of SILP are presented below.

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Summarized Statement of Assets and Liabilities of Solasglas Investments, LP

	March 31, 2022	December 31, 2021
	($ in thousands)	
Assets		
Investments, at fair value	$ 290,759	$ 297,937
Derivative contracts, at fair value	8,640	2,542
Due from brokers	50,467	84,775
Interest and dividends receivable	18	28
Total assets	349,884	385,282
Liabilities and partners' capital		
Liabilities		
Investments sold short, at fair value	(130,704)	(132,360)
Derivative contracts, at fair value	(12,001)	(7,253)
Capital withdrawals payable	(379)	(10,000)
Due to brokers	(2,737)	—
Interest and dividends payable	(259)	(580)
Other liabilities	(178)	(358)
Total liabilities	(146,258)	(150,551)
Net Assets	**$ 203,626**	**$ 234,731**
GLRE Limited Partners' share of Net Assets	**$ 151,010**	**$ 183,591**

Summarized Statement of Operations of Solasglas Investments, LP

	Three months ended March 31	
	2022	2021
	($ in thousands)	
Investment income		
Dividend income (net of withholding taxes)	$ 320	$ 204
Interest income	49	149
Total Investment income	369	353
Expenses		
Management fee	(891)	(854)
Interest	(256)	(242)
Dividends	(382)	(245)
Professional fees and other	(264)	(222)
Total expenses	(1,793)	(1,563)
Net investment income (loss)	(1,424)	(1,210)
Realized and change in unrealized gains (losses)		
Net realized gain (loss)	24,148	(7,066)
Net change in unrealized appreciation (depreciation)	(16,792)	12,791
Net gain (loss) on investment transactions	7,356	5,725
Net income (loss)	**$ 5,932**	**$ 4,515**
GLRE Limited Partners' share of net income (loss) [1]	**$ 4,077**	**$ 4,024**

[1] Net income (loss) is net of management fees and performance allocation presented below:

	Three months ended March 31	
	2022	2021
	($ in thousands)	
Management fees	$ 891	$ 854
Performance allocation	453	447
Total	$ 1,344	$ 1,301

See Note 11 for further details on management fees and performance allocation.

4. FINANCIAL INSTRUMENTS

Investments

Other Investments

The Company's "Other investments" are composed of the following:

- Private investments and unlisted equities, which consist primarily of Innovations-related investments supporting technology innovators in the (re)insurance market; and
- Derivative financial instruments associated with the Company's Innovations investments.

At March 31, 2022, the Company included the following securities in the caption "Other investments":

	Cost		Unrealized gains		Unrealized losses		Fair value / carrying value
			($ in thousands)				
Private investments and unlisted equities	$	20,812	$	35,300	$	(1,800)	$ 54,312
Derivative financial instruments (not designated as hedging instruments)		—		335		—	335
Total other investments	$	20,812	$	35,635	$	(1,800)	$ 54,647

At December 31, 2021, the Company included the following securities in the caption "Other investments":

	Cost		Unrealized gains		Unrealized losses		Fair value / carrying value
			($ in thousands)				
Private investments and unlisted equities	$	17,411	$	31,438	$	(1,800)	$ 47,049
Derivative financial instruments (not designated as hedging instruments)		—		335		—	335
Total other investments	$	17,411	$	31,773	$	(1,800)	$ 47,384

The Company's derivative financial instruments are composed of warrants granting the Company the right, but not the obligation, to purchase shares at a specified price on or before the maturity date. The Company has not designated any of its derivative financial instruments as hedging instruments. The Company's maximum exposure to loss relating to these warrants is limited to the warrants' carrying amount.

Private investments and unlisted equity securities without readily determinable fair values

The Company measures its private investments and unlisted equity securities without readily determinable fair values at cost less impairment (if any), plus or minus observable price changes from identical or similar investments of the same issuers (the "measurement alternative"), with such changes recognized in the caption "Net investment income (loss)" in the condensed consolidated statements of operations. The Company considers the need for impairment on a by-investment basis, based on certain indicators. Under the measurement alternative, the Company makes two types of valuation adjustments:

- When the Company observes an orderly transaction of an investee's identical or similar equity securities, the Company adjusts the carrying value based on the observable price as of the transaction date. Once the Company records such an adjustment, the investment is considered an "asset measured at fair value on a nonrecurring basis."
- If the Company determines that the investment is impaired and the fair value is less than its carrying value, it writes down the investment to its fair value.

The following table presents the carrying values of the private investments and unlisted equity securities carried under the measurement alternative at March 31, 2022, and 2021, and the related adjustments recorded during the years then ended.

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Carrying value [(1)]	$	54,312	$	25,062
Upward carrying value changes [(2)]	$	3,827	$	1,218
Downward carrying value changes and impairment [(3)]	$	—	$	—

[(1)] The period-end carrying values reflect cumulative purchases and sales in addition to upward and downward carrying value changes.
[(2)] The cumulative upward carrying value changes from inception to March 31, 2022, totaled $35.4 million.
[(3)] The cumulative downward carrying value changes and impairments from inception to March 31, 2022, totaled $2.0 million.

Fair Value Hierarchy

The fair value of a financial instrument is the amount that would be received in an asset sale or paid to transfer a liability in an orderly transaction between unaffiliated market participants. Assets and liabilities measured at fair value are categorized based on whether the inputs are observable in the market and the degree that the inputs are observable. The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels (with Level 3 being the lowest) defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.
- Level 2: Observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.
- Level 3: Unobservable inputs supported by little or no market activity and significant to the fair value of the assets and liabilities. The term "unobservable inputs" includes certain pricing models, discounted cash flow methodologies, and similar techniques.

Assets measured at fair value on a nonrecurring basis

At March 31, 2022, and December 31, 2021, the Company held $44.3 million and $40.5 million, respectively, of private investments and unlisted equities measured at fair value on a nonrecurring basis. The Company classifies these assets as Level 3 within the fair value hierarchy due to their illiquidity. At March 31, 2022, and December 31, 2021, the Company held $10.0 million and $6.6 million, respectively, of private investments and unlisted equities measured at cost.

Derivative instruments

The Company values its derivative instruments using the Black-Scholes option pricing model based on Level 3 inputs. The Company uses the carrying value of the underlying stock as an input in the option pricing model. The underlying stock does not have a readily determinable fair value. Its carrying value is determined based on its original cost minus impairment, if any, plus or minus changes resulting from observable price changes. The other assumptions applied to the option pricing model include a risk-free rate of 0.50% and estimated volatility of 50%. The carrying value of the derivative instruments represents the fair value.

For the derivative instruments valued on the basis of Level 3 inputs, the Company includes any change in unrealized gains or losses in the caption "Net investment income (loss)" in the condensed consolidated statements of operations.

At March 31, 2022, and December 31, 2021, the Company did not carry any other investments at fair value with an assigned Level within the fair value hierarchy. The Company's investment in the related party investment fund is measured at fair value using the net asset value practical expedient. It is therefore not classified within the fair value hierarchy. (See Note 3 for further details on the related party investment fund.)

Financial Instruments Disclosed, But Not Carried, at Fair Value

The caption "Convertible senior notes payable" represents financial instruments that the Company carries at amortized cost. The fair value of the convertible senior notes payable is estimated based on the bid price observed in an inactive market for the identical instrument (Level 2 input) (see Note 7).

5. LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES

At March 31, 2022, the Company's loss and loss adjustment expense reserves included estimated amounts for several catastrophe events. For significant catastrophe events, including, but not limited to, hurricanes, tornados, typhoons, floods, earthquakes, wildfires, and pandemics, loss reserves are generally established based on loss payments and case reserves reported by clients when received. To establish IBNR loss estimates, the Company makes use of, among other things, the following information:

- estimates communicated by ceding companies;
- information received from clients, brokers, and loss adjusters;
- an understanding of the underlying business written and its exposures to catastrophe event-related losses;
- industry data;

- catastrophe scenario modeling software; and
- management’s judgment.

At March 31, 2022, the Company’s loss and loss adjustment expense reserves included $13.6 million from the Russian-Ukrainian conflict. Additional information the Company considered in estimating its loss reserves included the following:

- a review of in-force treaties that may provide coverage and incur losses;
- catastrophe and scenario modeling analyses and results shared by cedents;
- preliminary loss estimates received from clients, brokers, and loss adjusters;
- reviews of industry insured loss estimates and market share analyses; and
- management’s judgment.

The Company’s Russian-Ukrainian conflict loss estimates include actuarial assumptions, including:

- the areas within the affected regions that have incurred losses;
- the scope of coverage provided by the underlying policies;
- the interpretation of contract terms;
- the determination of loss-triggering events;
- regulatory, legislative, and judicial actions that could influence contract interpretations across the insurance industry; and
- the ability of the cedents and insured to mitigate some or all of their losses.

Due to the uncertainty associated with these assumptions, the Company’s loss estimates are subject to significant variability, and actual losses may ultimately differ materially from the Company's current estimates. The Company will evaluate its assumptions as new information becomes available and may adjust its loss estimates in future periods. Such adjustments may be material to the Company's results of operations and financial condition.

Additionally, if the Russian-Ukrainian conflict is prolonged, the Company may incur additional losses in subsequent periods.

The Company made no significant changes in the actuarial methodology or reserving process related to its loss and loss adjustment expense reserves for the three months ended March 31, 2022.

At March 31, 2022 and December 31, 2021, loss and loss adjustment expense reserves were composed of the following:

	March 31, 2022	**December 31, 2021**
	($ in thousands)	
Case reserves	$ 189,312	$ 190,220
IBNR	359,829	333,790
Total	$ 549,141	$ 524,010

A summary of changes in outstanding loss and loss adjustment expense reserves for all lines of business consolidated for the three months ended March 31, 2022 and 2021 is as follows:

Consolidated	2022	2021
	($ in thousands)	
Gross balance at January 1	$ 524,010	$ 494,179
Less: Losses recoverable	(11,100)	(16,851)
Net balance at January 1	512,910	477,328
Incurred losses related to:		
Current year	95,082	97,861
Prior years	2,325	(140)
Total incurred	97,407	97,721
Paid losses related to:		
Current year	(9,903)	(11,860)
Prior years	(59,901)	(65,500)
Total paid	(69,804)	(77,360)
Foreign currency revaluation	(2,741)	145
Net balance at March 31	537,772	497,834
Add: Losses recoverable	11,369	15,009
Gross balance at March 31	$ 549,141	$ 512,843

For the three months ended March 31, 2022, the estimate of net losses incurred relating to prior accident years increased by $2.3 million, primarily due to adverse development on a health contract and additional losses from the COVID-19 pandemic.

For the three months ended March 31, 2021, the estimate of net losses incurred relating to prior accident years decreased by $0.1 million.

The changes in the outstanding loss and loss adjustment expense reserves for health claims for the three months ended March 31, 2022 and 2021 are as follows:

Health	2022	2021
	($ in thousands)	
Gross balance at January 1	$ 9,939	$ 17,485
Less: Losses recoverable	—	—
Net balance at January 1	9,939	17,485
Incurred losses related to:		
Current year	3,118	12,997
Prior years	1,561	(1,317)
Total incurred	4,679	11,680
Paid losses related to:		
Current year	(683)	(3,362)
Prior years	(6,662)	(7,904)
Total paid	(7,346)	(11,266)
Foreign currency revaluation	—	—
Net balance at March 31	7,272	17,899
Add: Losses recoverable	—	—
Gross balance at March 31	$ 7,272	$ 17,899

6. RETROCESSION

From time to time, the Company purchases retrocessional coverage for one or more of the following reasons: to manage its overall exposure, reduce its net liability on individual risks, obtain additional underwriting capacity and balance its underwriting portfolio. The Company records loss and loss adjustment expenses recoverable from retrocessionaires as assets.

For the three months ended March 31, 2022, the Company's earned ceded premiums were $1.2 million (2021: $0.1 million). For the three months ended March 31, 2022, loss and loss adjustment expenses recovered and changes in losses recoverable were $0.7 million. The recoveries recognized by the Company for the three months ended March 31, 2021, were insignificant.

Retrocession contracts do not relieve the Company from its obligations to its cedents. Failure of retrocessionaires to honor their obligations could result in losses to the Company. At March 31, 2022, the Company's loss reserves recoverable consisted of (i) $8.8 million (December 31, 2021: $8.4 million) recoverable from unrated retrocessionaires, of which $8.3 million (December 31, 2021: $8.2 million) were secured by cash, letters of credit and collateral held in trust accounts for the benefit of the Company and (ii) $2.7 million (December 31, 2021: $2.8 million) recoverable from retrocessionaires rated A- or above by A.M. Best.

The Company regularly evaluates its net credit exposure to assess the ability of the retrocessionaires to honor their respective obligations. At March 31, 2022, the Company had recorded an allowance for expected credit losses of $47.0 thousand (December 31, 2021: $47.0 thousand).

7. SENIOR CONVERTIBLE NOTES

On August 7, 2018, the Company issued $100.0 million of senior unsecured convertible notes (the "Notes"), which mature on August 1, 2023. The Notes bear interest at 4.0%, payable semi-annually on February 1 and August 1 of each year beginning February 1, 2019.

Note holders have the option, under certain conditions, to redeem the Notes prior to maturity. At March 31, 2022, the Company's share price was lower than the conversion price of $17.19 per share.

If a holder redeems the Notes, the Company shall have the option to settle the conversion obligation in cash, ordinary shares of the Company, or a combination thereof pursuant to the terms of the indenture governing the Notes. Prior to January 1, 2022, the Company bifurcated the Notes into liability and equity components. Effective January 1, 2022, upon adoption of ASU 2020-06, the Company no longer bifurcates the Notes and presents the entire balance as a single liability on the Company's condensed consolidated balance sheets (see Note 2 for recently issued accounting standards adopted).

The Company's effective borrowing rate for non-convertible debt at the time of issuance of the Notes was estimated to be 6.0%.

The Company incurred issuance costs in connection with the issuance of the Notes. At March 31, 2022, the unamortized portion of these costs was $0.9 million (December 31, 2021: $1.0 million), which the Company expects to amortize through the maturity date.

The carrying value of the Notes at March 31, 2022, including accrued interest of $0.7 million, was $99.7 million (December 31, 2021: $98.1 million). At March 31, 2022, the Company estimated the fair value of the Notes to be $95.5 million (December 31, 2021: $97.5 million) (see Note 4 Financial Instruments).

For the three months ended March 31, 2022, the Company recognized interest expenses of $1.2 million (2021: $1.5 million) in connection with the interest coupon and amortization of issuance costs.

The Company was in compliance with all covenants relating to the Notes at March 31, 2022, and December 31, 2021. At March 31, 2022, the Company had a remaining obligation for interest and principal payments of $2.0 million and $104.0 million during 2022 and 2023, respectively.

8. SHARE CAPITAL

The Company's share capital is made up of ordinary share capital and additional paid-in capital. Ordinary share capital represents the issued and outstanding Class A and Class B ordinary shares at their par values of $0.10 per share. Additional paid-in capital includes the premium paid per share by the subscribing shareholders for Class A and Class B ordinary shares, as well as the earned portion of the grant-date fair value of share-based awards.

On October 29, 2020, the Company's shareholders approved an amendment to the stock incentive plan to increase the number of Class A ordinary shares available for issuance by 3.0 million shares from 5.0 million to 8.0 million. At March 31, 2022, 2,092,276 (December 31, 2021: 3,128,276) Class A ordinary shares remained available for future issuance under the Company's stock incentive plan. The Compensation Committee of the Board of Directors administers the stock incentive plan.

The Board has adopted a share repurchase plan. The timing of such repurchases and the actual number of shares repurchased will depend on various factors, including price, market conditions, and applicable regulatory and corporate requirements. On May 4, 2021, the Board of Directors approved a share repurchase plan effective from July 1, 2021, until June 30, 2022, authorizing the Company to repurchase up to $25.0 million of Class A ordinary shares or securities convertible into Class A ordinary shares in the open market, through privately negotiated transactions or Rule 10b5-1 stock trading plans. The Company is not required to repurchase any of the Class A ordinary shares. The repurchase plan may be modified, suspended, or terminated at the election of our Board of Directors at any time without prior notice.

The Company repurchased no Class A ordinary shares during the three months ended March 31, 2022. All Class A ordinary shares repurchased are canceled immediately upon repurchase.

The following table is a summary of ordinary shares issued and outstanding:

	Three months ended March 31 2022		Three months ended March 31 2021	
	Class A	**Class B**	**Class A**	**Class B**
Balance – beginning of period	27,589,731	6,254,715	28,260,075	6,254,715
Issue of ordinary shares, net of forfeitures	876,785	—	335,738	—
Balance – end of period	28,466,516	6,254,715	28,595,813	6,254,715

Additional paid-in capital includes the premium per share paid by the subscribing shareholders for Class A and B ordinary shares, which have a par value of $0.10 each. It also includes the earned portion of the grant-date fair value of share-based awards that have not yet vested.

9. SHARE-BASED COMPENSATION

The Company has a stock incentive plan for directors, employees, and consultants administered by the Compensation Committee of the Board of Directors.

Employee and Director Restricted Shares

The restricted shares issued to certain employees contain restrictions relating to vesting, forfeiture in the event of termination of employment, transferability, and other matters.

For the three months ended March 31, 2022, the Company issued 885,261 (2021: 334,312) Class A ordinary shares to employees pursuant to the Company's stock incentive plan. The Restricted Shares granted to employees in 2022 include (i) restricted shares with both performance and service-based vesting conditions ("Performance RSs") and (ii) restricted shares with only service-based vesting conditions ("Service RSs"). The Service RSs vest evenly each year on January 1, subject to the grantees' continued service with the Company. If performance goals are achieved, the Performance RSs will cliff vest at the end of a three-year performance period within a range of 25% and 100% of the awarded Performance RSs, with a target of 50%. During the vesting period, the holder of the Service RSs and Performance RSs retains voting rights but is entitled to any dividends declared by the Company only upon vesting.

Prior to fiscal year 2022, the restricted shares granted to employees cliff vested three years after the date of issuance, subject to the grantee's continued service with the Company. During the vesting period, the holder of the restricted shares retained voting rights and was entitled to any dividends declared by the Company.

Prior to fiscal year 2021, the Company issued Class A ordinary shares to the Chief Executive Officer ("CEO") pursuant to the Company's stock incentive plan ("CEO RSs"). These shares contain performance and service conditions and certain restrictions relating to, among other things, vesting, forfeiture in the event of termination of the CEO's employment, and transferability. The CEO RSs cliff vest five years after the date of issuance, subject to the performance condition being met and the CEO's continued service with the Company. At March 31, 2022, there were 193,149 non-vested CEO RSs with a weighted average grant date fair value of $10.10 per share. As the performance conditions associated with these restricted shares have not been met, the Company recognized no compensation cost relating to the unvested shares for the three months ended March 31, 2022, and 2021.

The Company recognizes compensation expense associated with Performance RSs and Service RSs based on the fair value of the Company's Class A ordinary shares measured at the grant date. For Service RSs, the Company recognizes this expense on a straight-line basis over the requisite service period. For Performance RSs, the Company recognizes the associated compensation expense based on achieving established performance criteria during the performance period.

For the three months ended March 31, 2022, grantees forfeited 8,476 (2021: 19,285) restricted shares. For the three months ended March 31, 2022, the Company reversed $26 thousand of stock compensation expense (2021: $0.1 million) in relation to the forfeited restricted shares.

The Company recorded $0.7 million of share-based compensation expense, net of forfeiture reversals, relating to restricted shares for the three months ended March 31, 2022 (2021: $0.5 million). At March 31, 2022, there was $5.1 million (December 31, 2021: $2.7 million) of unrecognized compensation cost relating to non-vested restricted shares (excluding CEO RSs), which the Company expects to recognize over a weighted-average period of 2.1 years (2021: 1.8 years). For the three months ended March 31, 2022, the total fair value of restricted shares vested was $1.3 million (2021: $1.1 million).

The following table summarizes the activity for unvested outstanding restricted share awards during the three months ended March 31, 2022:

	Performance Restricted Stock		Service Restricted Stock	
	Number of non-vested restricted shares	Weighted average grant date fair value	Number of non-vested restricted shares	Weighted average grant date fair value
Balance at December 31, 2021	193,149	$ 10.10	753,407	$ 8.68
Granted	601,213	6.82	248,659	6.82
Vested	—	—	(122,233)	10.84
Forfeited	—	—	(8,476)	7.67
Balance at March 31, 2022	794,362	$ 7.62	871,357	$ 7.86

Employee Restricted Stock Units

The Company issues RSUs to certain employees as part of the stock incentive plan and contain restrictions relating to vesting, forfeiture in the event of termination of employment, transferability, and other matters. On the vesting date, the Company converts each RSU into one Class A ordinary share and issues new Class A ordinary shares from the shares authorized for issuance as part of the Company's stock incentive plan.

The RSUs granted to employees in 2022 include (i) RSUs with both performance and service-based vesting conditions ("Performance RSUs") and (ii) RSUs with only service-based vesting conditions ("Service RSUs"). The Service RSUs vest evenly each year on January 1, subject to the grantee's continued service with the Company. If performance goals are achieved, the Performance RSUs will cliff vest at the end of a three-year performance period within a range of 25% and 100% of the awarded Performance RSUs, with a target of 50%.

The Company recognizes compensation expense associated with Performance RSUs and Service RSUs based on the fair value of the Company's Class A ordinary shares measured at the grant date. For Service RSUs, the Company recognizes this expense on a straight-line basis over the requisite service period. For Performance RSUs, the Company recognizes the associated compensation expense based on achieving established performance criteria during the performance period.

Prior to 2022, the RSUs issued to employees cliff vested three years after the date of issuance, subject to the grantee's continued service with the Company. For the three months ended March 31, 2022, the Company issued 159,215 (2021: 58,123) RSUs to employees pursuant to the Company's stock incentive plan. For the three months ended March 31, 2022, and 2021, no RSUs were forfeited.

The Company recorded $0.1 million of share-based compensation expense relating to RSUs for the three months ended March 31, 2022 (2021: $0.1 million). At March 31, 2022, the total compensation cost related to non-vested RSUs not yet recognized was $1.0 million (2021: $0.5 million), which the Company expects to recognize over a weighted-average period of 2.0 years (2021: 1.8 years).

Employee RSU activity during the three months ended March 31, 2022, was as follows:

	Performance Restricted Stock Units		Service Restricted Stock Units	
	Number of non-vested RSUs	Weighted average grant date fair value	Number of non-vested RSUs	Weighted average grant date fair value
Balance at December 31, 2020	—	$ —	116,722	$ 9.60
Granted	—	—	58,123	9.18
Vested	—	—	(20,711)	15.90
Balance at December 31, 2021	—	$ —	154,134	$ 8.59
Granted	105,008	6.82	54,207	6.82
Vested	—	—	(35,389)	10.84
Balance at March 31, 2022	105,008	$ 6.82	172,952	$ 7.58

Employee and Director Stock Options

For the three months ended March 31, 2022, and 2021, no Class A ordinary share purchase options were granted or exercised by directors or employees and no stock options expired or vested. When the Company grants stock options, it reduces the corresponding number from the shares authorized for issuance as part of the Company's stock incentive plan.

The Board of Directors does not currently anticipate that the Company will declare any dividends during the expected term of the options. The Company uses graded vesting for expensing employee stock options. The total compensation cost expensed relating to stock options for the three months ended March 31, 2022, was $0.1 million (2021: $0.1 million). At March 31, 2022, the total compensation cost related to non-vested options not yet recognized was $0.2 million (December 31, 2021: $0.3 million), which will be recognized over a weighted-average period of 1.1 years (December 31, 2021: 1.2 years) assuming the grantee completes the service period for vesting of the options.

Employee and director stock option activity during the three months ended March 31, 2022 was as follows:

	Number of options outstanding	Weighted average exercise price	Weighted average grant date fair value	Intrinsic value ($ in millions)	Weighted average remaining contractual term
Balance at December 31, 2021	735,627	$ 22.35	$ 10.23	$ —	4.7 years
Granted	—	—	—	—	—
Exercised	—	—	—	—	—
Expired	—	—	—	—	—
Balance at March 31, 2022	735,627	$ 22.35	$ 10.23	$ —	4.4 years

Stock Compensation Expense

For the three months ended March 31, 2022, and 2021, the combined stock compensation expenses (net of forfeitures) included in the caption "General and administrative expenses" in the Company's condensed consolidated statements of operations were $1.0 million and $0.8 million, respectively.

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10. TAXATION

At March 31, 2022, the Company recorded a gross deferred tax asset of $3.8 million (December 31, 2021: $3.2 million) and a deferred tax asset valuation allowance of $3.3 million (December 31, 2021: $2.7 million). The net deferred tax asset is included in the caption “Other assets” in the Company’s condensed consolidated balance sheets. The Company has determined that it is more likely than not to fully realize the recorded deferred tax asset (net of the valuation allowance) in the future. The Company based this determination on the expected timing of the reversal of the temporary differences and the likelihood of generating sufficient taxable income to realize the future tax benefit.

The following table sets forth our current and deferred income tax benefit (expense) on a consolidated basis for the three months ended March 31, 2022 and 2021:

	Three months ended March 31	
	2022	2021
	($ in thousands)	
Current tax (expense) benefit	$ (412)	$ (3,734)
Tax recovered	428	—
Deferred tax (expense) benefit	556	184
Decrease (increase) in deferred tax valuation allowance	(556)	(184)
Income tax (expense) benefit	$ 16	$ (3,734)

11. RELATED PARTY TRANSACTIONS

Investment Advisory Agreement

DME, DME II, and DME Advisors are each an affiliate of David Einhorn, Chairman of the Company’s Board of Directors, and therefore, are related parties to the Company.

The Company has entered into the SILP LPA (as described in Note 3 of the condensed consolidated financial statements). DME II receives a performance allocation equal to (with capitalized terms having the meaning provided under the SILP LPA) (a) 10% of the portion of the Positive Performance Change for each limited partner’s capital account that is less than or equal to the positive balance in such limited partner’s Carryforward Account, plus (b) 20% of the portion of the Positive Performance Change for each limited partner’s capital account that exceeds the positive balance in such limited partner’s Carryforward Account. The Carryforward Account for Greenlight Re and GRIL includes the amount of investment losses to be recouped, including any loss generated on the assets invested in SILP, subject to adjustments for redemptions. The loss carry-forward provision in the SILP LPA allows DME II to earn a reduced performance allocation of 10% of profits in years subsequent to any year in which SILP has incurred a loss until all losses are recouped, and an additional amount equal to 150% of the loss is earned.

In accordance with the SILP LPA, DME Advisors constructs a levered investment portfolio as agreed by the Company (the “Investment Portfolio” as defined in the SILP LPA). On September 1, 2018, SILP entered into the IAA with DME Advisors, which entitles DME Advisors to a monthly management fee equal to 0.125% (1.5% on an annual basis) of each limited partner’s Investment Portfolio. The IAA has an initial term ending on August 31, 2023, subject to an automatic extension for successive three-year terms.

For a detailed breakdown of management fees and performance compensation for the three months ended March 31, 2022, and 2021, refer to Note 3 of the condensed consolidated financial statements.

Pursuant to the SILP LPA and the IAA, the Company has agreed to indemnify DME, DME II, and DME Advisors for any expense, loss, liability, or damage arising out of any claim asserted or threatened in connection with DME Advisors serving as the Company’s or SILP’s investment advisor. The Company will reimburse DME, DME II, and DME Advisors for reasonable costs and expenses of investigating and defending such claims, provided such claims were not caused due to gross negligence, breach of contract, or misrepresentation by DME, DME II, or DME Advisors. The Company incurred no indemnification amounts during the periods presented.

Green Brick Partners, Inc.

David Einhorn also serves as the Chairman of the Board of Directors of Green Brick Partners, Inc. ("GRBK"), a publicly-traded company. At March 31, 2022, SILP, along with certain affiliates of DME Advisors, collectively owned 34.3% of the issued and outstanding common shares of GRBK. Under applicable securities laws, DME Advisors may sometimes be limited in its ability to trade GRBK shares held in SILP. At March 31, 2022, SILP held 2.7 million shares of GRBK.

Service Agreement

The Company has entered into a service agreement with DME Advisors, pursuant to which DME Advisors provides certain investor relations services to the Company for compensation of five thousand dollars per month (plus expenses). The agreement automatically renews annually until terminated by either the Company or DME Advisors for any reason with 30 days prior written notice to the other party.

Collateral Assets Investment Management Agreement

Effective January 1, 2019, the Company (and its subsidiaries) entered into a collateral assets investment management agreement (the "CMA") with DME Advisors, pursuant to which DME Advisors manages certain assets of the Company that are not subject to the SILP LPA and are held by the Company to provide collateral required by the cedents in the form of trust accounts and letters of credit. In accordance with the CMA, DME Advisors receives no fees and is required to comply with the collateral investment guidelines. The CMA can be terminated by any of the parties upon 30 days' prior written notice to the other parties.

12. COMMITMENTS AND CONTINGENCIES

Letters of Credit and Trusts

At March 31, 2022, the Company had one letter of credit facility, which automatically renews each year unless terminated by either party in accordance with the applicable required notice period:

	Maximum Facility Limit	Termination Date	Notice period required for termination
	($ in thousands)		
Citibank Europe plc	$ 275,000	August 20, 2022	120 days before the termination date

At March 31, 2022, an aggregate amount of $184.7 million (December 31, 2021: $136.8 million) in letters of credit was issued under the credit facility. At March 31, 2022, the Company had pledged total cash and cash equivalents with a fair value in the aggregate of $185.5 million (December 31, 2021: $137.6 million) as collateral against the letters of credit issued and included in the caption "Restricted cash and cash equivalents" in the Company's condensed consolidated balance sheets. The credit facility contains customary events of default and restrictive covenants, including but not limited to limitations on liens on collateral, transactions with affiliates, mergers, and sales of assets, as well as solvency and maintenance of certain minimum pledged equity requirements and restricts issuance of any debt without the consent of the letter of credit provider. Additionally, if an event of default exists, as defined in the letter of credit facility, Greenlight Re will be prohibited from paying dividends to its parent company. The Company was in compliance with all the credit facility covenants at March 31, 2022 and December 31, 2021.

The Company has also established regulatory trust arrangements for certain cedents. At March 31, 2022, collateral of $515.9 million (December 31, 2021: $497.1 million) was provided to cedents in the form of regulatory trust accounts and included in the caption "Restricted cash and cash equivalents" in the Company's condensed consolidated balance sheets.

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Lease Obligations

The Company has determined that its lease agreements for office space qualify as operating lease arrangements. At the commencement date, the Company determined the lease term by assuming the exercise of those renewal options deemed to be reasonably certain. The exercise of lease renewal options is at the Company's sole discretion, and these options do not contain any material residual value guarantees or material restrictive covenants. The Company’s weighted-average remaining operating lease term is approximately 4.5 years at March 31, 2022.

As the lease contracts generally do not provide an implicit discount rate, the Company used the weighted-average discount rate of 6%, representing its incremental borrowing rate based on information available at the commencement date, to determine the present value of lease payments. The incremental borrowing rate is based on a borrowing with a term similar to that of the associated lease. The Company has made an accounting policy election not to include renewal, termination, or purchase options that are not reasonably certain of exercise when determining the term of the borrowing.

At March 31, 2022, the right-of-use assets and lease liabilities relating to the operating leases were $2.3 million and $2.4 million, respectively. The operating expense for the three months ended March 31, 2022, was $0.2 million (2021: $0.04 million).

At March 31, 2022, the commitment for operating lease liabilities for future annual periods was as follows:

Year ending December 31,		($ in thousands)
2022	$	454
2023		621
2024		637
2025		653
2026		352
Thereafter		—
Total lease payments		2,717
Less Imputed Interest		(358)
Present value of lease liabilities	$	2,359

Litigation

From time to time, in the ordinary course of business, the Company may be involved in formal and informal dispute resolution procedures, which may include arbitration or litigation. The outcomes of these procedures determine the rights and obligations under the Company’s reinsurance contracts and other contractual agreements. In some disputes, the Company may seek to enforce its rights under an agreement or collect funds owed. In other matters, the Company may resist attempts by others to collect funds or enforce alleged rights. While the Company cannot predict the outcome of legal disputes with certainty, the Company does not believe that any existing dispute, when finally resolved, will have a material adverse effect on the Company’s business, financial condition, or operating results.

13. SEGMENT REPORTING

The Company has one operating segment, Property & Casualty Reinsurance.

The following tables provide a breakdown of the Company's gross premiums written by line and class of business, and by geographic area of risks insured for the periods indicated:

Gross Premiums Written by Line of Business

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Property				
Commercial	$ 3,986	2.7 %	$ 2,148	1.3 %
Motor	1,446	1.0	9,709	5.7
Personal	13,103	9.0	3,058	1.8
Total Property	18,535	12.7	14,915	8.8
Casualty				
General Liability	10,005	6.9	1,695	1.0
Motor Liability	5,109	3.5	41,564	24.5
Professional Liability	141	0.1	151	0.1
Workers' Compensation	9,920	6.8	22,149	13.0
Multi-line	53,094	36.4	48,115	28.3
Total Casualty	78,269	53.7	113,674	66.9
Other				
Accident & Health	1,894	1.3	14,664	8.6
Financial	21,036	14.4	13,330	7.8
Marine	8,399	5.7	4,530	2.7
Other Specialty	17,753	12.2	8,822	5.2
Total Other	49,082	33.6	41,346	24.3
	$ 145,886	100.0 %	$169,935	100.0 %

Gross Premiums Written by Geographic Area of Risks Insured

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
U.S. and Caribbean	$ 76,037	52.1 %	$ 104,854	61.7 %
Worldwide [1]	66,271	45.4	62,991	37.1
Europe	2,874	2.0	920	0.5
Asia	704	0.5	1,170	0.7
	$ 145,886	100.0 %	$ 169,935	100.0 %

[1] "Worldwide" is composed of contracts that reinsure risks in more than one geographic area and may include risks in the U.S.

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Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References to "we," "us," "our," "our company," or "the Company" refer to Greenlight Capital Re, Ltd. ("GLRE") and its wholly-owned subsidiaries, Greenlight Reinsurance, Ltd, ("Greenlight Re"), Greenlight Reinsurance Ireland, Designated Activity Company ("GRIL"), Greenlight Re Marketing (UK) Limited ("Greenlight Re UK") and Verdant Holding Company, Ltd. ("Verdant"), unless the context dictates otherwise. References to our "Ordinary Shares" refer collectively to our Class A Ordinary Shares and Class B Ordinary Shares.

The following discussion should be read in conjunction with the audited consolidated financial statements and accompanying notes, which appear in our annual report on Form 10-K for the fiscal year ended December 31, 2021.

The following is a discussion and analysis of our results of operations for the three months ended March 31, 2022 and 2021 and financial condition at March 31, 2022 and December 31, 2021.

Special Note About Forward-Looking Statements

Certain statements in Management's Discussion and Analysis, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements generally are identified by the words "believe," "project," "predict," "expect," "anticipate," "estimate," "intend," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which may cause actual results to differ materially from the forward-looking statements. We have included a detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements in the section entitled "Part II. Item 1A. Risk Factors" included in this Form 10-Q for the three months ended March 31, 2022, and in the section entitled "Part I, Item 1A. Risk Factors" contained in our Form 10-K for the fiscal year ended December 31, 2021, as filed with the Securities and Exchange Commission (the "SEC") on March 8, 2022. Such risks and uncertainties include, but are not limited to:

- A downgrade or withdrawal of either of our A.M. Best ratings would materially and adversely affect our ability to implement our business strategy successfully;
- Our results of operations will likely fluctuate from period to period and may not be indicative of our long-term prospects;
- Our results of operations and financial condition could be adversely affected by the ongoing conflict between Russia and Ukraine and related disruptions in the global economy;
- The impact of COVID-19 and related risks could materially and adversely affect our results of operations, financial position, and liquidity;
- SILP may be concentrated in a few large positions, which could result in investment volatility;
- The performance of our Innovations investments could result in financial losses and reduce our capital;
- If our losses and loss adjustment expenses greatly exceed our loss reserves, our financial condition may be materially and adversely affected;
- Inflation may adversely impact our results of operations or financial condition;
- The effect of emerging claim and coverage issues on our business is uncertain;
- The property and casualty reinsurance market may be affected by cyclical trends; and
- The loss of key executives could adversely impact our ability to implement our business strategy.

We undertake no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events, or otherwise. Readers are cautioned not to place undue reliance on the forward-looking statements, which speak only to the dates they were made.

We intend to communicate certain events that we believe may have a material adverse impact on our operations or financial position, including property and casualty catastrophic events and material losses in our investment portfolio, in a timely manner through a public announcement. Other than as required by the Exchange Act, we do not intend to make public announcements regarding reinsurance or investment events that we do not believe, based on management's estimates and current information, will have a material adverse impact on our operations or financial position.

General

We are a global specialty property and casualty reinsurer headquartered in the Cayman Islands, with a reinsurance and investment strategy that we believe differentiates us from most of our competitors. Our goal is to build long-term shareholder value by providing risk management solutions to the insurance, reinsurance, and other risk marketplaces. We focus on delivering risk solutions to clients and brokers who value our expertise, analytics, and customer service offerings.

We aim to complement our underwriting activities with a non-traditional investment approach designed to achieve higher rates of return over the long term than reinsurance companies that exclusively employ more traditional investment strategies. Our investment portfolio is managed according to a value-oriented philosophy, in which our investment advisor takes long positions in perceived undervalued securities and short positions in perceived overvalued securities.

Through Greenlight Re Innovations, we support technology innovators in the (re)insurance market by providing investment, risk capacity, and access to a broad insurance network.

Because we seek to capitalize on favorable market conditions and opportunities, period-to-period comparisons of our underwriting results may not be meaningful. Also, our historical investment results are not necessarily indicative of future performance. Due to the nature of our reinsurance and investment strategies, our operating results will likely fluctuate from period to period.

The Company’s subsidiaries hold an A.M. Best Financial Strength Rating of A- (Excellent) with a stable outlook.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements contain certain amounts that are inherently subjective and have required management to make assumptions and best estimates to determine reported values. If certain factors, including those described in “Part I. Item IA. — Risk Factors” included in our Form 10-K for the fiscal year ended December 31, 2021, as filed with the SEC on March 8, 2022, cause actual events or results to differ materially from our underlying assumptions or estimates, there could be a material adverse effect on our results of operations, financial condition or liquidity. “Part II. Item 7. — Management’s Discussion and Analysis of Financial Condition and Results on Operations” included in our annual report on Form 10-K for the fiscal year ended December 31, 2021, describes our critical accounting policies and estimates. The most significant estimates relate to premium revenues and risk transfer, loss and loss adjustment expense reserves, investment impairments, allowances for credit losses, and share-based compensation.

Recently issued and adopted accounting standards and their impact on the Company, if any, are presented under “Recent Accounting Pronouncements” in Note 2 to the condensed consolidated financial statements.

Segments

We have one operating segment, Property & Casualty reinsurance, and we analyze our business based on the following categories:

- Property
- Casualty
- Other

Property business covers automobile physical damage, personal lines, and commercial lines exposures. Property business includes both catastrophe and non-catastrophe coverage. We expect catastrophe business to make up a small proportion of our property business.

Casualty business covers general liability, motor liability, professional liability, and workers’ compensation exposures. The Company’s multi-line business relates predominantly to casualty reinsurance, and as such, the Company includes all multi-line business within the casualty category. Casualty business generally has losses reported and paid over a longer period than property business. We categorize Lloyd’s syndicate contracts, which incorporate incidental catastrophe exposure, as multi-line (and therefore casualty) business.

Other business covers accident and health, financial lines (including transactional liability, mortgage insurance, surety, and trade credit), marine, energy, as well as other specialty business such as aviation, crop, cyber, political, and terrorism exposures.

Outlook and Trends

In February 2022, the Russian army commenced military actions against Ukraine. The ongoing Russian-Ukrainian conflict has resulted in the U.S., United Kingdom, European Union, and other countries imposing financial and economic sanctions, which have caused disruption in the global economy and have increased economic and geopolitical uncertainty. Our underwriting results for the quarter included $13.6 million of losses attributed to the Russian-Ukrainian conflict. If this conflict is prolonged, we may incur additional losses in future periods.

During the January 1, 2022 renewal period, we saw improved rates in most of the classes of business we write, which enabled us to selectively expand our specialty book while taking advantage of improved rates. Our in-force portfolio reflects increased diversification across the classes of business we write and a lower concentration of risk to individual counterparties than at any other time in our history.

After another year of significant property catastrophe losses in 2021 and several years of generally weak performance of reinsurers, premium rates continue to increase overall. We believe that structural problems within the "pure catastrophe" class will limit premium rate increases in the class. However, we believe that the recent property catastrophe losses, along with the Russian-Ukrainian conflict will help support and extend the generally favorable market conditions in most other classes. We expect that the impact of inflation on our claims costs may partially reduce the extent of the overall premium adequacy, mainly with respect to longer-tailed classes.

Over the past four years, our underwriting portfolio has become considerably more diversified as we have shifted our underwriting away from being dominated by a small number of large accounts. This diversification has also exposed us to a wider array of global insurance events. However, we believe that taking on risk that is well priced, diversified and risk-managed, is key to achieving optimal underwriting results.

We continue to be encouraged by our Innovations unit, whose central objective is to enhance our underwriting return and risk profile by establishing a range of strategic partnerships. Our Innovations-related premiums accounted for approximately 10% of our net premiums written in the first quarter of 2022. We see the potential for significant growth from Innovations-derived underwriting opportunities going forward.

In April 2022, we launched a Lloyd's approved insurtech-focused syndicate ("Syndicate 3456"). We expect Syndicate 3456 to enable us to provide capacity to our growing portfolio of Innovations partners.

Key Financial and Non-GAAP Measures

Management uses certain key financial measures, some of which are not prescribed under U.S. GAAP rules and standards ("non-GAAP financial measures"), to evaluate our financial performance, financial position, and the change in shareholder value. Generally, a non-GAAP financial measure, as defined in SEC Regulation G, is a numerical measure of a company's historical or future financial performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented under U.S. GAAP. We believe that these measures, which may be calculated or defined differently by other companies, provide consistent and comparable metrics of our business performance to help shareholders understand performance trends and facilitate a more thorough understanding of the Company's business. Non-GAAP financial measures should not be viewed as substitutes for those determined under U.S. GAAP.

The key non-GAAP financial measures used in this report are:

- Basic book value per share and fully diluted book value per share; and
- Net underwriting income (loss)

These non-GAAP measures are described below.

Basic Book Value Per Share and Fully Diluted Book Value Per Share

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We believe that long-term growth in fully diluted book value per share is the most relevant measure of our financial performance because it provides management and investors a yardstick to monitor the shareholder value generated. Fully diluted book value per share may also help our investors, shareholders, and other interested parties form a basis of comparison with other companies within the property and casualty reinsurance industry. Basic book value per share and fully diluted book value per share should not be viewed as substitutes for the comparable U.S. GAAP measures.

We calculate basic book value per share as (a) ending shareholders' equity, divided by (b) aggregate of Class A and Class B Ordinary shares issued and outstanding, including all unvested service-based restricted shares, and the earned portion of performance-based restricted shares granted after December 31, 2021.

Fully diluted book value per share represents basic book value per share combined with any dilutive impact of in-the-money stock options, unvested service-based RSUs, and the earned portion of unvested performance-based RSUs granted. Fully diluted book value per share also includes the dilutive effect, if any, of ordinary shares expected to be issued upon settlement of the convertible notes.

Our primary financial goal is to increase adjusted fully diluted book value per share over the long term. We use fully diluted book value per share as a financial measure in our annual incentive compensation.

The following table presents a reconciliation of the non-GAAP financial measures basic and fully diluted book value per share to the most comparable U.S. GAAP measure:

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
	($ in thousands, except per share and share amounts)				
Numerator for basic and fully diluted book value per share:					
Total equity (U.S. GAAP) (numerator for basic and fully diluted book value per share)	$ 468,407	$ 475,663	$ 450,514	$ 466,826	$ 472,119
Denominator for basic and fully diluted book value per share: [1]					
Ordinary shares issued and outstanding as presented in the Company’s condensed consolidated balance sheets	34,721,231	33,844,446	33,844,446	34,171,068	34,850,528
Less: Unearned performance-based restricted shares granted after December 31, 2021	(581,593)	—	—	—	—
Denominator for basic book value per share	34,139,638	33,844,446	33,844,446	34,171,068	34,850,528
Add: In-the-money stock options, service-based RSUs granted, and earned performance-based RSUs granted	176,379	154,134	154,134	154,134	154,134
Denominator for fully diluted book value per share	34,316,017	33,998,580	33,998,580	34,325,202	35,004,662
Basic book value per share	$ 13.72	$ 14.05	$ 13.31	$ 13.66	$ 13.55
Increase (decrease) in basic book value per share ($)	$ (0.33)	$ 0.58	$ (0.35)	$ 0.11	$ 0.08
Increase (decrease) in basic book value per share (%)	(2.3)%	4.3 %	(2.6)%	0.8 %	0.6 %
Fully diluted book value per share	$ 13.65	$ 13.99	$ 13.25	$ 13.60	$ 13.49
Increase (decrease) in fully diluted book value per share ($)	$ (0.34)	$ 0.57	$ (0.35)	$ 0.11	$ 0.07
Increase (decrease) in fully diluted book value per share (%)	(2.4)%	4.2 %	(2.6)%	0.8 %	0.5 %

[1] For periods prior to March 31, 2022, all unvested restricted shares are included in the “basic” and “fully diluted” denominators. Restricted shares with performance-based vesting conditions granted after December 31, 2021, are included in

the "basic" and "fully diluted" denominators to the extent that the Company has recognized the corresponding share-based compensation expense. At March 31, 2022, the aggregate number of unearned restricted shares with performance conditions was 774,742 (December 31, 2021: 193,149, September 30, 2021: 193,149, June 30, 2021: 193,149, March 31, 2021: 193,149).

Net Underwriting Income (Loss)

One way that we evaluate the Company's underwriting performance is by measuring net underwriting income (loss). We do not use premiums written as a measure of performance. Net underwriting income (loss) is a performance measure used by management to evaluate the fundamentals underlying the Company's underwriting operations. We believe that the use of net underwriting income (loss) enables investors and other users of the Company's financial information to analyze our performance in a manner similar to how management analyzes performance. Management also believes that this measure follows industry practice and allows the users of financial information to compare the Company's performance with that of our industry peer group.

Net underwriting income (loss) is considered a non-GAAP financial measure because it excludes items used to calculate net income before taxes under U.S. GAAP. We calculate net underwriting income (loss) as net premiums earned, plus other income relating to reinsurance and deposit-accounted contracts, less deposit interest expense, less net loss and loss adjustment expenses, acquisition costs, and underwriting expenses. The measure excludes, on a recurring basis: (1) investment income (loss); (2) other income (expense) not related to underwriting, including foreign exchange gains or losses and adjustments to the allowance for expected credit losses; (3) corporate general and administrative expenses; and (4) interest expense. We exclude total investment income or loss, foreign exchange gains or losses, and expected credit losses as we believe these items are influenced by market conditions and other factors not related to underwriting decisions. We exclude corporate and interest expenses because these costs are generally fixed and not incremental to or directly related to our underwriting operations. We believe all of these amounts are largely independent of our underwriting process, and including them could hinder the analysis of trends in our underwriting operations. Net underwriting income (loss) should not be viewed as a substitute for U.S. GAAP net income before income taxes.

The reconciliations of net underwriting income (loss) to income (loss) before income taxes (the most directly comparable U.S. GAAP financial measure) on a consolidated basis are shown below:

	Three months ended March 31	
	2022	**2021**
	($ in thousands)	
Income (loss) before income tax	$ (5,743)	$ 10,233
Add (subtract):		
Total investment (income) loss	(7,737)	(18,674)
Other non-underwriting (income) expense	633	703
Corporate expenses	4,011	4,204
Interest expense	1,154	1,544
Net underwriting income (loss)	$ (7,682)	$ (1,990)

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Results of Operations

The table below summarizes our operating results for the three months ended March 31, 2022, and 2021:

	Three months ended March 31	
	2022	2021
	(in thousands, except percentages)	
Underwriting revenue		
Gross premiums written	$ 145,886	$ 169,935
Gross premiums ceded	(6,009)	55
Net premiums written	139,877	169,990
Change in net unearned premium reserves	(13,952)	(34,594)
Net premiums earned	$ 125,925	$ 135,396
Underwriting related expenses		
Net loss and loss adjustment expenses incurred		
Current year	$ 95,082	$ 97,861
Prior year *	2,325	(140)
Net loss and loss adjustment expenses incurred	97,407	97,721
Acquisition costs	32,945	33,381
Underwriting expenses	3,221	3,337
Deposit accounting and other reinsurance expense (income)	34	2,947
Net underwriting income (loss)	**$ (7,682)**	**$ (1,990)**
Income (loss) from investment in related party investment fund	$ 4,077	$ 4,024
Net investment income (loss)	3,660	14,650
Total investment income (loss)	**$ 7,737**	**$ 18,674**
Net underwriting and investment income (loss)	**$ 55**	**$ 16,684**
Corporate expenses	$ 4,011	$ 4,204
Other (income) expense, net	633	703
Interest expense	1,154	1,544
Income tax expense (benefit)	(16)	3,734
Net income (loss)	**$ (5,727)**	**$ 6,499**
Earnings (loss) per share		
Basic	$ (0.17)	$ 0.19
Diluted	$ (0.17)	$ 0.19
Underwriting ratios		
Loss ratio - current year	75.6 %	72.3 %
Loss ratio - prior year	1.8 %	(0.1)%
Loss ratio	77.4 %	72.2 %
Acquisition cost ratio	26.2 %	24.7 %
Composite ratio	103.6 %	96.9 %
Underwriting expense ratio	2.6 %	4.6 %
Combined ratio	106.2 %	101.5 %

* The net financial impacts associated with changes in the estimate of losses incurred in prior years, which incorporate earned reinstatement premiums assumed and ceded, and adjustments to assumed and ceded acquisition costs, were a loss of $2.6 million and a gain of $0.2 million for the three months ended March 31, 2022, and 2021, respectively.

Three months ended March 31, 2022, and 2021

For the three months ended March 31, 2022, fully diluted book value per share decreased by $0.34, or 2.4%, to $13.65 per share from $13.99 per share at December 31, 2021. For the three months ended March 31, 2022, basic book value per share decreased by $0.33, or 2.3%, to $13.72 per share from $14.05 per share at December 31, 2021. The decrease in fully diluted book value per share included $0.07, or 0.50%, adverse impact relating to the adoption of ASU 2020-06 during the three months ended March 31, 2022 (see Note 2 of the accompanying condensed consolidated financial statements for recently issued accounting standards adopted).

For the three months ended March 31, 2022, our net loss was $5.7 million, compared to a net income of $6.5 million reported for the equivalent 2021 period.

The developments that most significantly affected our financial performance during the three months ended March 31, 2022, compared to the equivalent 2021 period, are summarized below:

- Underwriting: The underwriting loss for the three months ended March 31, 2022, was $7.7 million, driven primarily by $13.6 million of losses related to the Russian-Ukrainian conflict and $2.8 million of losses related to Tennessee wildfires. By comparison, the underwriting loss for the same period in 2021 was $2.0 million, driven by $2.9 million of deposit accounting interest expense.

  Our overall combined ratio was 106.2% for the three months ended March 31, 2022, compared to 101.5% for the same period in 2021. The Russian-Ukrainian conflict contributed 10.8 percentage points to the combined ratio for the three months ended March 31, 2022.

- Investments: Our total investment income for the three months ended March 31, 2022, was $7.7 million compared to a total investment income of $18.7 million incurred during the equivalent 2021 period. For the three months ended March 31, 2022, our investment in SILP reported a gain of $4.1 million, while our Innovations-related investments reported an unrealized gain of $3.9 million. The investment income during the equivalent 2021 period was driven by a $14.7 million gain realized on the sale of our investment in AccuRisk.

Underwriting results

We analyze our business based on three categories: “property,” “casualty,” and “other.”

Gross Premiums Written

Details of gross premiums written are provided in the following table:

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Property	$ 18,535	12.7 %	$ 14,915	8.8 %
Casualty	78,269	53.7	113,674	66.9
Other	49,082	33.6	41,346	24.3
Total	$ 145,886	100.0 %	$ 169,935	100.0 %

As a result of our underwriting philosophy, the total premiums we write and the mix of premiums between property, casualty, and other business, may vary significantly from period to period depending on the market opportunities we identify.

For the three months ended March 31, 2022, our gross premiums written decreased by $24.0 million, or 14.2%, compared to the equivalent 2021 period. The primary drivers of this change are the following:

Gross Premiums Written

	Three months ended March 31, 2022		
	Increase (decrease) ($ in millions)	% change	Explanation
Property	$3.6	24.3%	The increase in property premiums written during the three months ended March 31, 2022, over the comparable 2021 period was primarily attributable to growth in underlying business relating to one of our Innovations-related contracts. To a lesser extent, the increase in property premiums was driven by new personal and commercial property contracts during 2022. A decrease in motor premiums partially offset the increase in property premiums as we elected to reduce or not renew our participation on certain motor contracts.
Casualty	$(35.4)	(31.1)%	The decrease in casualty premiums written during the three months ended March 31, 2022, over the comparable 2021 period was due primarily to motor and workers' compensation contracts on which we elected to reduce or not renew our participation. The decrease in casualty premiums was partially offset by growth in general liability and multi-line premiums resulting from new and renewed contracts, including Innovations-related business.
Other	$7.7	18.7%	The increase in "other" premiums written during the three months ended March 31, 2022, over the comparable 2021 period was due primarily to: • financial lines, including transactional liability business; • new marine and energy contracts bound during 2022; and • new contracts bound during 2022 relating to other specialty classes. These increases were partially offset by decreases in health premiums due primarily to a contract in which we shifted our participation from proportional basis to excess of loss basis.

Premiums Ceded

For the three months ended March 31, 2022, premiums ceded were $6.0 million compared to $(0.1) million for the three months ended March 31, 2021. We use retrocessional coverage to manage our net portfolio exposure, leverage areas of expertise, and improve our strategic position in meeting the needs of clients and brokers.. In 2022, we entered into new retrocession agreements, primarily to reduce our exposure to large marine and energy loss events and certain property losses.

Net Premiums Written

Details of net premiums written are provided in the following table:

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Property	$ 16,435	11.7 %	$ 14,956	8.8 %
Casualty	78,269	56.0	113,705	66.9
Other	45,173	32.3	41,329	24.3
Total	$ 139,877	100.0 %	$ 169,990	100.0 %

For the three months ended March 31, 2022, net premiums written decreased by $30.1 million, or 17.7%, compared to the three months ended March 31, 2021. The movement in net premiums written resulted from the changes in gross premiums written and ceded during the periods.

Net Premiums Earned

Details of net premiums earned are provided in the following table:

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Property	$ 14,490	11.5 %	$ 14,155	10.5 %
Casualty	81,228	64.5	87,091	64.3
Other	30,207	24.0	34,150	25.2
Total	$ 125,925	100.0 %	$ 135,396	100.0 %

Net premiums earned are primarily a function of the amount and timing of net premiums written during the current and prior periods.

Loss and Loss Adjustment Expenses Incurred, Net

Details of net losses incurred are provided in the following table:

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Property	$ 9,713	9.9 %	$ 11,385	11.6 %
Casualty	55,373	56.9	64,152	65.7
Other	32,321	33.2	22,184	22.7
Total	$ 97,407	100.0 %	$ 97,721	100.0 %

The below table summarizes the loss ratios for the three months ended March 31, 2022 and 2021:

	Three months ended March 31		
	2022	2021	Increase / (decrease) in loss ratio points
Property	67.0 %	80.4 %	(13.4)
Casualty	68.2 %	73.7 %	(5.5)
Other	107.0 %	65.0 %	42.0
Total	77.4 %	72.2 %	5.2

The changes in net losses incurred and loss ratios during the three months ended March 31, 2022, were attributable to the following:

Net Losses Incurred			
Three months ended March 31, 2022			
	Increase (decrease) ($ in millions)	Increase / (decrease) in loss ratio points	Explanation
Property	$(1.7)	(13.4)	The decrease in property losses incurred during the three months ended March 31, 2022, compared to the same period in 2021, was due primarily to a reduction in motor business related to contracts on which we elected to reduce or non-renew our participation. The decrease was partially offset by higher personal lines losses from Tennessee wildfires. The property loss ratio decreased 13.4 percentage points during the three months ended March 31, 2022, over the equivalent 2021 period, due primarily to the reasons described above.
Casualty	$(8.8)	(5.5)	The decrease in casualty losses incurred during the three months ended March 31, 2022, compared to the same period in 2021, was due primarily to a reduction in motor business related to contracts on which we elected to reduce or non-renew our participation. The decrease was partially offset by higher incurred losses relating to the multi-line business driven by growth in Lloyd's syndicate contracts. The casualty loss ratio decreased 5.5 percentage points during the three months ended March 31, 2022, over the equivalent 2021 period, due primarily to the reasons described above.
Other	$10.1	42.0	The increase in "other" losses incurred during the three months ended March 31, 2022, compared to the same period in 2021, was due primarily to losses relating to the Russian-Ukrainian conflict. The increase was partially offset by lower losses incurred on health contracts on which we elected to reduce or not renew our participation. The "other" loss ratio increased 42.0 percentage points during the three months ended March 31, 2022, over the equivalent 2021 period, due primarily to the reasons described above.

Russian-Ukrainian Conflict

Our loss and loss adjustment expenses from the Russian-Ukrainian conflict relate primarily to marine, energy, political violence, and terrorism ("MEPVT") policies and whole account contracts, all of which are included in our Specialty book of business. We have purchased excess of loss reinsurance to reduce our net exposure relating to MEPVT exposures. As of March 31, 2022, we have not recorded any reinsurance recoveries, as the estimated losses had not impacted the excess layers. However, we may generate recoveries under the retroceded contracts if we recognize significant further MEPVT losses from the Russian-Ukrainian conflict.

See Note 5 of the accompanying condensed consolidated financial statements for additional discussion of our reserving techniques and prior period development of net claims and claim expenses.

Acquisition Costs, Net

Details of acquisition costs are provided in the following table:

	Three months ended March 31			
	2022		2021	
	($ in thousands)			
Property	$ 3,348	10.2 %	$ 2,800	8.4 %
Casualty	21,246	64.5	21,791	65.3
Other	8,351	25.3	8,790	26.3
Total	$ 32,945	100.0 %	$ 33,381	100.0 %

The acquisition cost ratios for the three months ended March 31, 2022 and 2021, were as follows:

	Three months ended March 31		
	2022	2021	Increase / (decrease)
Property	23.1 %	19.8 %	3.3 %
Casualty	26.2 %	25.0 %	1.2 %
Other	27.6 %	25.7 %	1.9 %
Total	26.2 %	24.7 %	1.5 %

The changes in the acquisition cost ratios during the three months ended March 31, 2022, compared to the equivalent period in 2021, were attributable to the following:

Change in Acquisition Cost Ratios

Three months ended March 31, 2022

	Increase / (decrease) in acquisition cost ratio points	Explanation
Property	3.3	The increase in property acquisition cost ratio during the three months ended March 31, 2022, compared to the equivalent period in 2021, was due primarily to an increase in quota share commercial and personal property business. This business had a higher acquisition cost ratio relative to motor business that decreased during the three months ended March 31, 2022, compared to the same period in 2021.
Casualty	1.2	The increase in the casualty acquisition cost ratio during the three months ended March 31, 2022, compared to the equivalent period in 2021, related primarily to growth in multi-line and Lloyd's syndicate business.
Other	1.9	The increase in the "other" acquisition cost ratio was due primarily to the change in the mix of business during the three months ended March 31, 2022, compared to the equivalent period in 2021. The "other" acquisition cost expense and earned premiums were lower due to decreased health business. However, the growth in transactional liability business, which has a higher acquisition cost ratio relative to other specialty business, increased the overall "other" acquisition cost ratio.

Ratio Analysis

The following table provides our underwriting ratios by line of business:

	Three months ended March 31 2022				Three months ended March 31 2021			
	Property	Casualty	Other	Total	Property	Casualty	Other	Total
Loss ratio	67.0 %	68.2 %	107.0 %	77.4 %	80.4 %	73.7 %	65.0 %	72.2 %
Acquisition cost ratio	23.1	26.2	27.6	26.2	19.8	25.0	25.7	24.7
Composite ratio	90.1 %	94.4 %	134.6 %	103.6 %	100.2 %	98.7 %	90.7 %	96.9 %
Underwriting expense ratio				2.6				4.6
Combined ratio				106.2 %				101.5 %

The underwriting expense ratio for the three months ended March 31, 2021, included 2.2% percentage points relating to interest expense on deposit-accounted contracts based on revised expectations of ultimate cash flows. There was no similar impact on the underwriting expense ratio for the three months ended March 31, 2022.

General and Administrative Expenses

Details of general and administrative expenses are provided in the following table:

	Three months ended March 31 2022	2021
	($ in thousands)	
Underwriting expenses	$ 3,221	$ 3,337
Corporate expenses	4,011	4,204
General and administrative expenses	$ 7,232	$ 7,541

For the three months ended March 31, 2022, and 2021, general and administrative expenses included $1.0 million and $0.8 million, respectively, of costs related to stock compensation granted to employees and directors.

Total Investment Income (Loss)

Total investment income (loss) incorporates (i) changes in the net asset value of our investment in SILP managed by DME Advisors, (ii) interest income earned on the restricted cash and cash equivalents pledged as collateral to our clients, and (iii) gains (or losses) and interest on our portfolio of strategic and Innovations investments, notes receivable and investments accounted for under the equity method. We expect our total investment income, including any change in the net asset value of our investment in SILP, to fluctuate from period to period.

A summary of our total investment income (loss) is as follows:

	Three months ended March 31	
	2022	2021
	($ in thousands)	
Realized gains (losses)	$ —	$ 14,210
Change in unrealized gains and losses	3,899	1,228
Investment-related foreign exchange gains (losses)	(38)	(19)
Interest and dividend income, net of withholding taxes	22	113
Interest, dividend, and other expenses	(223)	(882)
Net investment-related income (loss)	$ 3,660	$ 14,650
Income (loss) from investments in related party investment fund	$ 4,077	$ 4,024
Total investment income (loss)	$ 7,737	$ 18,674

The caption "Income (loss) from investment in related party investment fund" in the above table is net of management fees paid by SILP to DME Advisors and performance compensation, if any, allocated from the Company's investment in SILP to DME II. No performance compensation is allocated in periods of loss reported by SILP. For detailed breakdowns of management fees and performance compensation for the three months ended March 31, 2022 and 2021, please refer to Note 3 of the condensed consolidated financial statements.

For the three months ended March 31, 2022, the Investment Portfolio managed by DME Advisors reported a gain of 1.7%, compared to a gain of 1.5% for the three months ended March 31, 2021. The long portfolio lost 6.0%, while the short portfolio and macro positions gained 4.9% and 3.5%, respectively, during the three months ended March 31, 2022. For the three months ended March 31, 2022, the most significant contributors to SILP's investment return were long positions in Rheinmetall AG (RHM GY), Teck Resources (TECK), and The Chemours Company (CC). During the three months ended March 31, 2022, the most significant detractors were Green Brick Partners (GRBK), Capri Holdings (CPRI), and various short positions.

During the three months ended March 31, 2022, we recorded a net unrealized gain of $3.9 million on our portfolio of Innovations-related investments.

For the three months ended March 31, 2022, and 2021, the gross investment return (loss) on our investments managed by DME Advisors (excluding investment advisor performance allocation) was composed of the following:

	Three months ended March 31	
	2022	2021
Long portfolio gains (losses)	(6.0)%	11.7 %
Short portfolio gains (losses)	4.9	(6.8)
Macro gains (losses)	3.5	(2.8)
Other income and expenses [1]	(0.5)	(0.5)
Gross investment return	1.9 %	1.6 %
Net investment return [1]	1.7 %	1.5 %

[1] "Other income and expenses" excludes performance compensation but includes management fees. "Net investment return" incorporates both of these amounts.

Effective January 1, 2021, the Investment Portfolio is calculated based on 50% of GLRE Surplus, or the Company's shareholders' equity, as reported in the Company's then most recent quarterly U.S. GAAP financial statements. It is adjusted monthly for our share of the net profits and net losses reported by SILP during any intervening period. Prior to January 1, 2021, the Investment Portfolio was calculated based on several factors, including our share of SILP's net asset value and our posted collateral and net reserves.

Each month, we post on our website (www.greenlightre.com) the returns from our investment in SILP.

Income Taxes

We are not obligated to pay taxes in the Cayman Islands on either income or capital gains. The Governor-In-Cabinet has granted us an exemption from any income taxes that may be imposed in the Cayman Islands for the 20 years expiring February 1, 2025.

GRIL is incorporated in Ireland and is subject to the Irish corporation tax. We expect GRIL to be taxed at 12.5% on its taxable trading income and 25% on its non-trading income, if any.

Verdant is incorporated in Delaware and is subject to taxes under the U.S. federal rates and regulations prescribed by the Internal Revenue Service. We expect Verdant's future taxable income to be taxed at 21%.

At March 31, 2022, we have included a gross deferred tax asset of $3.8 million (December 31, 2021: $3.2 million) in the caption "Other assets" in the Company's condensed consolidated balance sheets. At March 31, 2022, a valuation allowance of $3.3 million (December 31, 2021: $2.7 million) partially offset this gross deferred tax asset. We have concluded that it is more likely than not that the Company will fully realize the recorded deferred tax asset (net of the valuation allowance) in the future. We have based this conclusion on the expected timing of the reversal of the temporary differences and the likelihood of generating sufficient taxable income to realize the future tax benefit. We have not taken any other tax positions that we believe are subject to uncertainty or reasonably likely to have a material impact on the Company.

Financial Condition

Total investments

The total investments reported in the condensed consolidated balance sheets at March 31, 2022, was $205.7 million, compared to $231.0 million at December 31, 2021,a decrease of $25.3 million, or 11.0%. The decrease was primarily related to net redemptions from SILP which were used primarily to fund collateral required by our ceding insurers. New Innovations-related investments, and the gains from SILP and the Innovations-related investments partially offset the decrease.

At March 31, 2022, 92.5% of SILP's portfolio was valued based on quoted prices in actively traded markets (Level 1), 4.9% was composed of instruments valued based on observable inputs other than quoted prices (Level 2), and 0.2% was composed of instruments valued based on non-observable inputs (Level 3). At March 31, 2022, 2.4% of SILP's portfolio consisted of private equity funds valued using the funds' net asset values as a practical expedient. At March 31, 2022, our Innovations-related investments did not have readily determinable fair values and were carried at their original cost minus impairment plus changes resulting from observable price changes.

Other than our investment in SILP (see Notes 3 of the accompanying condensed consolidated financial statements), we have not participated in transactions that created relationships with unconsolidated entities or financial partnerships, including VIEs, established to facilitate off-balance sheet arrangements.

Cash and cash equivalents; Restricted cash and cash equivalents

The unrestricted cash and cash equivalents decreased by $45.0 million, or 58.9%, from $76.3 million at December 31, 2021, to $31.3 million at March 31, 2022, primarily due to collateral posted to our ceding insurers.

We use our restricted cash and cash equivalents for funding trusts and letters of credit issued to our ceding insurers. Our restricted cash increased by $66.6 million, or 10.5%, from $634.8 million at December 31, 2021, to $701.4 million, at March 31, 2022, primarily due to collateral required by our ceding insurers. The increase in collateral was partially funded from withdrawals from SILP and partially from unrestricted cash and cash equivalents.

Reinsurance balances receivable

During the three months ended March 31, 2022, reinsurance balances receivable increased by $36.3 million, or 8.9%, to $441.6 million from $405.4 million at December 31, 2021. This increase was related primarily to increases in (i) premiums receivable on new contracts bound during the first quarter of 2022 and (ii) funds withheld on reinsurance contracts with Lloyd's syndicates.

Loss and Loss Adjustment Expense Reserves; Loss and Loss Adjustment Expenses Recoverable

Reserves for loss and loss adjustment expenses were composed of the following:

	March 31, 2022			December 31, 2021		
	Case Reserves	IBNR	Total	Case Reserves	IBNR	Total
			($ in thousands)			
Property	$ 32,023	$ 79,027	$ 111,050	$ 21,357	$ 49,486	$ 70,843
Casualty	129,908	168,172	298,080	151,734	219,949	371,683
Other	27,381	112,630	140,011	17,129	64,355	81,484
Total	$ 189,312	$ 359,829	$ 549,141	$ 190,220	$ 333,790	$ 524,010

During the three months ended March 31, 2022, the total gross loss and loss adjustment expense reserves increased by $25.1 million, or 4.8%, to $549.1 million from $524.0 million at December 31, 2021. See Note 5 of the accompanying condensed consolidated financial statements for a summary of changes in outstanding loss and loss adjustment expense reserves and a description of prior period loss developments.

During the three months ended March 31, 2022, the total loss and loss adjustment expenses recoverable decreased by $0.3 million, or 2.4%, to $11.4 million from $11.1 million at December 31, 2021. See Note 6 of the accompanying condensed consolidated financial statements for a description of the credit risk associated with our retrocessionaires.

For most of the contracts we write, defined limits of liability limit our risk exposure. Once each contract's limit of liability has been reached, we have no further exposure to additional losses from that contract. However, certain contracts, particularly quota share contracts covering first-dollar exposure, may not contain aggregate limits.

Our property and Lloyd's business, and to a lesser extent our casualty and other business, incorporate contracts that contain natural peril loss exposure. We currently monitor our catastrophe loss exposure in terms of our PML (probable maximum loss).

We anticipate that our PMLs will vary from period to period depending upon the modeled simulated losses and the composition of our in-force book of business.

We monitor our natural peril PMLs on a worldwide basis, with a particular focus on our peak peril regions. When these perils consist of a large geographic area, we split them into sub-regions, where the underlying geographic components can also be considered individual peril zones.

For our natural catastrophe PMLs, we utilize the output of catastrophe models at the 1-in-250 year return period. The 1-in-250 year return period PML means that we believe there is a 0.4% probability that in any given year, an occurrence of a natural catastrophe will lead to losses exceeding the stated estimate.

It is important to note that PMLs are best estimates based on the modeled data available for each underlying risk. As a result, we cannot provide 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.

Our PML estimates incorporate all significant exposure from our reinsurance operations, including coverage for property, marine and energy, motor, and catastrophe workers' compensation.

At April 1, 2022, our estimated largest PML (net of retrocession and reinstatement premiums) at a 1-in-250 year return period for a single event and in aggregate was $87.6 million and $95.9 million, respectively, both relating to the peril of North Atlantic Hurricane.

The below table contains the expected modeled loss for each of our peak peril regions and sub-regions, for both a single event loss and aggregate loss measures at the 1-in-250 year return period.

	April 1, 2022	
	Net 1-in-250 Year Return Period	
Peril	**Single Event Loss**	**Aggregate Loss**
	($ in thousands)	
North Atlantic Hurricane	$ 87,558	$ 95,876
Southeast Hurricane	66,237	71,541
Gulf of Mexico Hurricane	58,736	64,145
Northeast Hurricane	60,540	61,924
North America Earthquake	60,733	65,126
California Earthquake	54,407	57,088
Other N.A. Earthquake	34,533	36,329
Japan Earthquake	39,227	42,101
Japan Windstorm	39,734	43,498
Europe Windstorm	30,041	36,550

Total shareholders' equity

Total equity reported on the condensed consolidated balance sheet decreased by $7.3 million to $468.4 million at March 31, 2022, compared to $475.7 million at December 31, 2021. The decrease in shareholders' equity during the three months ended March 31, 2022, was primarily due to (i) the adoption of ASU 2020-06 (see Note 2 of the accompanying condensed consolidated financial statements) and (ii) the net loss of $5.7 million reported for the period. For details of other movements in shareholders' equity, see the "Condensed Consolidated Statements of Shareholders' Equity."

Liquidity and Capital Resources

General

Greenlight Capital Re is a holding company with no operations of its own. As a holding company, Greenlight Capital Re has minimal continuing cash needs, most of which are related to the payment of corporate and general administrative expenses and interest expenses. We conduct all our underwriting operations through our wholly-owned reinsurance subsidiaries, Greenlight Re and GRIL, which underwrite property and casualty reinsurance. There are restrictions on Greenlight Re's and GRIL's ability to pay dividends, described in more detail below. It is our current policy to retain earnings to support the growth of our business. We currently do not expect to pay dividends on our ordinary shares.

At March 31, 2022, Greenlight Re and GRIL were each rated "A- (Excellent)" with a stable outlook by A.M. Best. The ratings reflect A.M. Best's opinion of our reinsurance subsidiaries' financial strength, operating performance, and ability to meet obligations. They are not evaluations directed toward the protection of investors or a recommendation to buy, sell or hold our Class A ordinary shares.

Sources and Uses of Funds

Our sources of funds consist primarily of premium receipts (net of brokerage and ceding commissions), investment income, and other income. We use cash from our operations to pay losses and loss adjustment expenses, profit commissions, interest, and general and administrative expenses. At March 31, 2022, all of our investable assets, excluding strategic and Innovations investments and funds required for business operations and capital risk management, are invested by DME Advisors in SILP, subject to our investment guidelines. We can redeem funds from SILP at any time for operational purposes by providing three days' notice to the general partner. At March 31, 2022, the majority of SILP's long investments were composed of cash and cash equivalents and publicly traded equity securities, which can be readily liquidated to meet our redemption requests. We record all investment income (loss), including any changes in the net asset value of SILP, and any unrealized gains and losses, in our condensed consolidated statements of operations for each reporting period.

For the three months ended March 31, 2022 and 2021, the net cash used in operating activities was $11.6 million and $18.7 million, respectively. The net cash used in operating activities was used primarily for our underwriting activities and for payment of corporate and general administrative expenses for the three months ended March 31, 2022 and 2021. Generally, if the premiums collected exceed claim payments within a given period, we generate cash from our underwriting activities. Our underwriting activities represented a net use of cash for the three months ended March 31, 2022 and 2021, as the losses we paid exceeded the premiums we collected. On our Lloyd's syndicate contracts we do not receive any premiums until the year of account is settled, net of losses, at the end of three years. The cash used in, and generated from, underwriting activities may vary significantly from period to period depending on the underwriting opportunities available and claims submitted to us by our cedents.

For the three months ended March 31, 2022, our investing activities provided $36.7 million of cash from redemptions from SILP (net of contributions) and used $3.4 million for new Innovations investments. By comparison, for the same period in 2021 our investing activities used cash of $4.3 million.

For the three months ended March 31, 2022 and 2021, there were no financing activities.

At March 31, 2022, we believe we have sufficient cash flow from operating and investing activities to meet our foreseeable liquidity requirements. We do not expect that the recent global events, including the Russian-Ukrainian conflict and the COVID-19 pandemic, will materially impact our operational liquidity needs, which will be met by cash, funds generated from underwriting activities, and investment income, including withdrawals from SILP if necessary. At March 31, 2022, we expect to fund our operations for the next twelve months from operating and investing cash flow. However, we may explore various financing options, including capital raising alternatives, to fund our business strategy, improve our capital structure, increase surplus, pay claims or make acquisitions. We can provide no assurances regarding the terms of such transactions or that any such transactions will occur.

Although GLRE is not subject to any significant legal prohibitions on the payment of dividends, Greenlight Re and GRIL are each subject to regulatory minimum capital requirements and regulatory constraints that affect their ability to pay dividends to us. In addition, any dividend payment would have to be approved by the relevant regulatory authorities prior to payment. At March 31, 2022, Greenlight Re and GRIL exceeded their regulatory minimum capital requirements.

Letters of Credit and Trust Arrangements

At March 31, 2022, neither Greenlight Re nor GRIL was licensed or admitted as a reinsurer in any jurisdiction other than the Cayman Islands and the European Economic Area, respectively. Many jurisdictions do not permit domestic insurance companies to take credit on their statutory financial statements for loss recoveries or ceded unearned premiums unless appropriate measures are in place for reinsurance obtained from unlicensed or non-admitted insurers. As a result, we anticipate that all of our U.S. clients and some non-U.S. clients will require us to provide collateral through funds withheld, trust arrangements, letters of credit, or a combination thereof.

At March 31, 2022, we had one letter of credit facility available with an aggregate capacity of $275.0 million (December 31, 2021: $275.0 million). See Note 12 of the accompanying condensed consolidated financial statements for details on the letter of credit facility. We provide collateral to cedents in the form of letters of credit and trust arrangements. At March 31, 2022, the aggregate amount of collateral provided to cedents under such arrangements was $700.6 million (December 31, 2021: $633.9 million). At March 31, 2022, the letters of credit and trust accounts were secured by restricted cash and cash equivalents with a total fair value of $701.4 million (December 31, 2021: $634.8 million).

The letter of credit facility contains customary events of default and restrictive covenants, including but not limited to limitations on liens on collateral, transactions with affiliates, mergers and sales of assets, as well as solvency and maintenance of certain minimum pledged equity requirements, and restricts issuance of any debt without the consent of the letter of credit provider. Additionally, if an event of default exists, as defined in the letter of credit facility, Greenlight Re would be prohibited from paying dividends to its parent company. The Company was in compliance with all the covenants of this facility at March 31, 2022.

Capital

Our capital structure currently consists of senior convertible notes and equity issued in two classes of ordinary shares. We expect that the existing capital base and internally generated funds will be sufficient to implement our business strategy for the foreseeable future. Consequently, we do not presently anticipate that we will incur any additional material indebtedness in the ordinary course of our business. However, to provide us with flexibility and timely access to public capital markets should we require additional capital for working capital, capital expenditures, acquisitions, or other general corporate purposes, we have filed a Form S-3 registration statement, which expires in July 2024. In addition, as noted above, we may explore various financing alternatives, although there can be no assurance that additional financing will be available on acceptable terms when needed or desired. We did not make any significant commitments for capital expenditures during the three months ended March 31, 2022.

On May 4, 2021, the Board of Directors approved a share repurchase plan effective from July 1, 2021, until June 30, 2022, authorizing the Company to repurchase up to $25.0 million of Class A ordinary shares or securities convertible into Class A ordinary shares in the open market, through privately negotiated transactions or Rule 10b5-1 stock trading plans. On April 26, 2022, the Board of Directors renewed and extended the share repurchase plan until June 30, 2023.The Company is not required to repurchase any Class A ordinary shares, and the repurchase plan may be modified, suspended, or terminated at the election of our Board of Directors at any time without prior notice. During the three months ended March 31, 2022, the Company repurchased no Class A ordinary shares.

Under the Company's stock incentive plan, the number of Class A ordinary shares authorized for issuance is 8.0 million shares. At March 31, 2022, 2,092,276 Class A ordinary shares were available for future issuance under the Company's stock incentive plan. The Compensation Committee of the Board of Directors administers the stock incentive plan.

Contractual Obligations and Commitments

Due to the nature of our reinsurance operations, the amount and timing of the cash flows associated with our reinsurance contractual liabilities will fluctuate, perhaps materially, and, therefore, are highly uncertain. At March 31, 2022, we estimate that we will pay the loss and loss adjustment expense reserves as follows:

	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
			($ in thousands)		
Loss and loss adjustment expense reserves [(1)]	$ 282,808	$ 159,800	$ 49,972	$ 56,562	$ 549,141

(1) Due to the nature of our reinsurance operations, the amount and timing of the cash flows associated with our reinsurance contractual liabilities will fluctuate, perhaps materially, and, therefore, are highly uncertain.

Greenlight Re has entered into a lease agreement for office space in the Cayman Islands commencing from July 1, 2021. The lease expires on June 30, 2026, unless Greenlight Re exercises its right to renew the lease for another five-year period. GRIL has entered into a lease agreement for office space in Dublin, Ireland commencing from October 1, 2021. This lease expires on September 30, 2031, unless GRIL exercises the break clause by providing a notice of termination at least nine months prior to September 30, 2026. The aggregate annual lease obligation ranges from $0.5 million to $0.6 million.

The Company has $100.0 million of senior convertible notes payable, which mature on August 1, 2023. The Company is obligated to make semi-annual interest payments of $2.0 million at an interest rate of 4.0% per annum. The Company has received regulatory approval to declare dividends from Greenlight Re to meet the interest payments obligation.

Pursuant to the IAA between SILP and DME Advisors, DME Advisors is entitled to a monthly management fee equal to 0.125% (1.5% on an annual basis) of each limited partner's Investment Portfolio, as provided in the SILP LPA. The IAA has an initial term ending on August 31, 2023, subject to automatic extension for successive three-year terms. Pursuant to the SILP

LPA, DME II is entitled to a performance allocation equal to 20% of the net profit, calculated per annum, of each limited partner's share of the capital account managed by DME Advisors, subject to a loss carry-forward provision. DME II is not entitled to earn a performance allocation in a year in which SILP incurs a loss. The loss carry-forward provision contained in the SILP LPA allows DME II to earn reduced performance allocation of 10% of net profits in years subsequent to the year in which the capital accounts of the limited partners incur a loss, until all losses are recouped and an additional amount equal to 150% of the loss is earned. At March 31, 2022, we estimate the reduced performance allocation of 10% to continue to be applied until SILP achieves additional investment returns of 173%, at which point the performance allocation will revert to 20%. For detailed breakdowns of management fees and performance compensation for the three months ended March 31, 2022 and 2021, please refer to Note 3 of the condensed consolidated financial statements.

The Company has entered into a service agreement with DME Advisors pursuant to which DME Advisors will provide investor relations services to us for compensation of $5,000 per month plus expenses. The service agreement had an initial term of one year and continues for sequential one-year periods until terminated by us or DME Advisors. Either party may terminate the service agreement for any reason with 30 days prior written notice to the other party.

Our related party transactions are presented in Note 11 to the accompanying condensed consolidated financial statements.

Effects of Inflation

Inflation generally affects the cost of claims and claim expenses, as well as asset values in our investment portfolio. Our pricing and reserving models incorporate the anticipated effects of inflation on our claim costs. However, we cannot predict or estimate the onset, duration, and severity of an inflationary period with precision. The actual effect of inflation may differ significantly from our estimate.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We believe we are principally exposed to the following types of market risk:

- equity price risk;
- commodity price risk;
- foreign currency risk;
- interest rate risk;
- credit risk; and
- political risk.

Equity Price Risk

At March 31, 2022, our investments consisted primarily of an investment in SILP. Among SILP's holdings are equity securities, the carrying values of which are based primarily on quoted market prices. Generally, market prices of common equity securities are subject to fluctuation, which could cause the amount to be realized upon the closing of a position to differ significantly from its current reported value. This risk is partly mitigated by the presence of both long and short equity securities as part of our investment strategy. At March 31, 2022, a 10% decline in the price of each of the underlying listed equity securities and equity-based derivative instruments would result in a $4.8 million loss to our Investment Portfolio.

Computations of the prospective effects of hypothetical equity price changes are based on numerous assumptions, including the maintenance of the current composition of SILP's portfolio. The computations should not be relied on as indicative of future results.

Commodity Price Risk

Generally, market prices of commodities are subject to fluctuation. SILP's investments periodically include long or short investments in commodities or derivatives directly impacted by fluctuations in the prices of commodities. At March 31, 2022, SILP's investments incorporate unhedged exposure to changes in gold, silver, and crude oil prices.

The following table summarizes the net impact that a 10% increase and decrease in commodity prices would have on the value of our Investment Portfolio at March 31, 2022. The below table excludes the indirect effect that changes in commodity prices might have on equity securities in our Investment Portfolio.

	10% increase in commodity prices	10% decrease in commodity prices
Commodity	**Change in fair value**	**Change in fair value**
	($ in millions)	
Gold	$ 3.0	$ (3.0)
Silver	0.4	(0.4)
Crude oil	—	(0.1)
Total	$ 3.4	$ (3.5)

Foreign Currency Risk

Certain of our reinsurance contracts are denominated in foreign currencies, whereby premiums are receivable and losses are payable in foreign currencies. Foreign currency exchange rate risk exists to the extent that our foreign currency reinsurance balances are more than (or less than) the corresponding foreign currency cash balances and there is an increase (or decrease) in the exchange rate of that foreign currency.

While we do not seek to precisely match our liabilities under reinsurance policies that are payable in foreign currencies with investments denominated in such currencies, we continually monitor our exposure to potential foreign currency losses and may use foreign currency cash and cash equivalents or forward foreign currency exchange contracts to mitigate against adverse foreign currency movements. At March 31, 2022, our exposure to GBP denominated net reinsurance asset balance was £11.3 million. At March 31, 2022, a 10% decrease in the U.S. dollar against the GBP (all else constant) would result in an estimated $1.5 million foreign exchange gain. Alternatively, a 10% increase in the U.S dollar against the GBP would result in an estimated $1.5 million foreign exchange loss. Similarly, at March 31, 2022, our net exposure to Euro-denominated reinsurance liability balances was €5.0 million. At March 31, 2022, a 10% decrease in the U.S. dollar against the Euro (all else constant) would result in an estimated $0.6 million foreign exchange loss. Alternatively, a 10% increase in the U.S dollar against the Euro would result in an estimated $0.6 million foreign exchange gain.

We may also be exposed to foreign currency risk through SILP's underlying cash, forwards, options, and investments in securities denominated in foreign currencies. At March 31, 2022, most of our currency exposures resulting from foreign denominated securities (longs and shorts) were reduced by offsetting cash balances denominated in the corresponding foreign currencies.

At March 31, 2022, a 10% increase or decrease in the value of the U.S. dollar against foreign currencies would have no meaningful impact on the value of our Investment Portfolio.

Interest Rate Risk

Our investment in SILP includes interest-rate sensitive securities, such as corporate and sovereign debt instruments and interest rate options. The primary market risk exposure for any debt instrument is interest rate risk. As interest rates rise, the fair value of a long fixed-income portfolio generally falls. Similarly, falling interest rates generally lead to increases in the fair value of fixed-income securities. Additionally, some derivative investments may be sensitive to interest rates, and their value may indirectly fluctuate with changes in interest rates.

At March 31, 2022, a 100 basis points increase or decrease in interest rates would have no meaningful impact on the value of our Investment Portfolio.

We, along with DME Advisors, monitor the net exposure to interest rate risk and generally do not expect changes in interest rates to have a materially adverse impact on our operations.

Credit Risk

Credit risk relates to the uncertainty of a counterparty's ability to make timely payments in accordance with terms of the instrument or contract. Our maximum exposure to credit risk is the carrying value of our financial assets. We evaluate the financial condition of our business partners and clients relating to balances receivable under our reinsurance contracts, including premiums receivable, losses recoverable, and commission adjustments recoverable. We obtain collateral in the form of funds withheld, trusts, and letters of credit from our counterparties to mitigate this credit risk. We monitor our net exposure to each counterparty relative to the financial strength of our counterparties and assess the collectibility of these balances on a regular basis. See Note 2 of the accompanying condensed consolidated financial statements for further details on allowance for credit loss on reinsurance assets.

In addition, the securities, commodities, and cash in SILP's investment portfolio are held with several prime brokers and derivative counterparties, subjecting SILP, and indirectly us, to a significant concentration of credit risk. While we have no direct control over SILP, DME Advisors regularly monitors the concentration of credit risk with each counterparty and, if appropriate, transfers cash or securities between counterparties or requests collateral to diversify and mitigate this credit risk.

Political Risk

Through our assumed reinsurance contracts, we currently provide a limited amount of political risk insurance coverage. We do not expect this exposure to have a materially adverse impact on our underwriting results.

We are exposed to political risk to the extent that we underwrite business from entities located in foreign markets and to the extent that DME Advisors, on behalf of SILP and subject to our investment guidelines, trades securities listed on various U.S. and foreign exchanges and markets. The governments in any of these jurisdictions could impose restrictions, regulations, or other measures, which may have a material adverse impact on our underwriting operations and investment strategy. See "Item 1A. Risk Factors - We could face unanticipated losses from political instability which could have a material adverse effect on our financial condition and results of operations" included in our Form 10-K for the fiscal year ended December 31, 2021.

Item 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As required by Rules 13a-15 and 15d-15 of the Exchange Act, the Company has evaluated, with the participation of management, including the Chief Executive Officer and the Chief Financial Officer, the effectiveness of its disclosure controls and procedures (as defined in such rules) as of the end of the period covered by this report. Based on such evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports prepared in accordance with the rules and regulations of the SEC is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that the Company's disclosure controls and procedures will prevent all errors and all frauds. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake.

Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the fiscal quarter ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company continues to review its disclosure controls and procedures, including its internal controls over financial reporting, and may from time to time make changes aimed at enhancing their effectiveness and to ensure that the Company's systems evolve with its business.

PART II — OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

From time to time, in the normal course of business, we may be involved in formal and informal dispute resolution procedures, which may include arbitration or litigation, the outcomes of which determine our rights and obligations under our reinsurance contracts and other contractual agreements. In some disputes, we may seek to enforce our rights under an agreement or to collect funds owing to us. In other matters, we may resist attempts by others to collect funds or enforce alleged rights. While the final outcome of legal disputes cannot be predicted with certainty, we do not believe that any of our existing contractual disputes, when finally resolved, will have a material adverse effect on our business, financial condition or operating results.

Item 1A. RISK FACTORS

Factors that could cause our actual results to differ materially from those in this report are any of the risks described in "Part I. Item 1A. Risk Factors" included in our Form 10-K for the fiscal year ended December 31, 2021, as filed with the "Securities and Exchange Commission ("SEC") on March 8, 2022 (the "Form 10-K"). Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations.

As of March 31, 2022, other than as disclosed below, there have been no other material changes to the risk factors disclosed in "Part I. Item 1A. Risk Factors" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 as filed with the SEC. We may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC.

Our results of operations and financial condition could be adversely affected by the ongoing conflict between Russia and Ukraine and related disruptions in the global economy.

The military conflict between Russia and Ukraine has negatively impacted the global economy. While we have no operations in Russia or Ukraine, some of our operations may be adversely affected by this conflict and its effects.

Our specialty business includes marine, energy, aviation, political violence, terrorism, and credit risk, which protects insureds with interests in foreign jurisdictions in the event that governmental action prevents them from exercising their contractual rights, and may also protect their assets against physical damage perils. The insurance provided may include cover for losses arising from expropriation, forced abandonment, license cancellation, trade embargo, contract frustration, non-payment, war on land or political violence (including terrorism, revolution, insurrection and civil unrest).

In certain instances, we specifically reinsure risks resulting from acts of war or terrorism. Even in cases where we attempt to exclude losses from acts of war or terrorism and certain other similar risks from some coverages written by us, there can be no assurance that a court or arbitration panel will interpret policy language or otherwise issue a ruling favorable to us. Accordingly, we can offer no assurance that our reserves for losses and loss expenses in connection with acts of war or terrorism, including, but not limited to, events related to the Russian-Ukrainian conflict, will be adequate to cover losses should they materialize.

Furthermore, governments in the U.S., United Kingdom, and European Union, among others, have each imposed export controls on certain products and financial and economic sanctions on certain industry sectors and parties in Russia. These export controls and sanctions, or our failure to comply with them, could restrict our ability to do business with counterparties in one or more of the jurisdictions or have other adverse effects. Our Form 10-K discusses such effects in Item 1A Risk Factors under "Non-compliance with laws, regulations, and taxation regarding transactions with international counterparties may adversely affect our business."

We cannot predict the impact the ongoing conflict will have on our business or the global economy. Escalation of this conflict could result in, among other things, heightened cybersecurity threats, supply disruptions, protracted or increased inflation, lower consumer demand, fluctuations in interest and foreign exchange rates, and increased volatility in financial markets. Any of these developments could adversely affect our businesses, results of operations, and financial condition. In addition, the ongoing conflict may trigger or intensify other risks described under "Part I. Item 1A. Risk Factors" included in our Form 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Our board of directors has adopted a share repurchase plan authorizing the Company to repurchase Class A ordinary shares. From time to time, the repurchase plan has been re-approved or modified at the election of our Board of Directors. The existing plan expires on June 30, 2022. On April 26, 2022, the Board of Directors re-approved the share repurchase plan effective from July 1, 2022, until June 30, 2023, authorizing the Company to repurchase up to $25.0 million of Class A ordinary shares or securities convertible into Class A ordinary shares in the open market, through privately negotiated transactions or Rule 10b5-1 stock trading plans.

The Company is not required to repurchase any Class A ordinary shares and the repurchase plan may be modified, suspended or terminated at any time without prior notice.

There were no share repurchases during the three months ended March 31, 2022.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable

Item 5. OTHER INFORMATION

None

Item 6. EXHIBITS

10.1	Amended and Restated Employment Agreement, dated as of February 22, 2022, by and among Greenlight Capital Re, Ltd, Greenlight Reinsurance, Ltd. and Simon Burton (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on February 28, 2022)
10.2	Greenlight Capital Re, Ltd. Form of Employee Restricted Stock Unit Award Agreement (Irish Employees)
10.3	Greenlight Capital Re, Ltd. Form of Employee Restricted Stock Unit Award Agreement (UK Employees)
10.4	Greenlight Capital Re, Ltd. Form of Employee Restricted Stock Award Agreement
31.1	Certification of the Chief Executive Officer filed hereunder pursuant to Section 302 of the Sarbanes Oxley Act of 2002
31.2	Certification of the Chief Financial Officer filed hereunder pursuant to Section 302 of the Sarbanes Oxley Act of 2002
32.1	Certification of the Chief Executive Officer filed hereunder pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (*)
32.2	Certification of the Chief Financial Officer filed hereunder pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (*)
101	The following materials from the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2022 formatted in Inline XBRL (Extensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets; (ii) the Condensed Consolidated Statements of Operations; (iii) the Condensed Consolidated Statements of Changes in Shareholders' Equity; (iv) the Condensed Consolidated Statements of Cash Flows; and (v) the Notes to Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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SIGNATURES

Pursuant to the requirements 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.

GREENLIGHT CAPITAL RE, LTD.
(Registrant)

By: /s/ SIMON BURTON

Simon Burton
Director and Chief Executive Officer
(principal executive officer)
May 3, 2022

By: /s/ NEIL GREENSPAN

Neil Greenspan
Chief Financial Officer
(principal financial and accounting officer)
May 3, 2022

Irish Employee Version

GREENLIGHT CAPITAL RE, LTD.
AMENDED AND RESTATED
2004 STOCK INCENTIVE PLAN
STOCK AWARD AGREEMENT

This Stock Award Agreement (the "Agreement") is made, effective as of the [●] day of [●], 20[●] (the "Grant Date"), between Greenlight Capital Re, Ltd., a Cayman Islands exempted company (the "Company"), and [●] (the "Grantee").

RECITALS:

WHEREAS, the Company has adopted the Greenlight Capital Re, Ltd. Amended and Restated 2004 Stock Incentive Plan (as may be amended, the "Plan") pursuant to which awards of restricted Class A ordinary shares of the Company (the "Shares") may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant a conditional award of Shares provided for herein (the "Stock Award") to the Grantee in recognition of the Grantee's services to the Company, such grant to be subject to the terms set forth herein.

NOW, THEREFORE, in consideration for the services rendered by the Grantee to the Company and the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Grant of Stock Award**. Pursuant to Section 7 of the Plan, the Company hereby issues to the Grantee on the Grant Date a Stock Award consisting of an unfunded and unsecured promise to deliver, in the aggregate, [●] Shares, subject to adjustment as provided in this Agreement (the "Restricted Stock Units"), having the rights and subject to the restrictions set out in this Agreement, the Plan and any employment agreement between the Grantee and the Company and/or any Affiliate of the Company (as may be amended, the "Employment Agreement"). The Restricted Stock Units shall vest and settle in accordance with Section 4 hereof.

2. **Incorporation by Reference**. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have the authority to interpret and construe the Plan and this Agreement and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Grantee and his legal representative in respect of any questions arising under the Plan or this Agreement.

3. **Restrictions**. Except as otherwise provided in the Plan or this Agreement, the Stock Award and Restricted Stock Units may not, any time prior to becoming vested, be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall result in the entire Stock Award and Restricted Stock Units being automatically cancelled by the Company. In such case, all of the Grantee's rights to the Restricted Stock Units and any underlying Shares shall immediately terminate.

4. **Vesting and Settlement**.

   (a) Service-Based Restricted Stock Units. [●] of the Restricted Stock Units shall be deemed to be "**Service-Based Restricted Stock Units**". Subject to and conditioned upon Grantee's (x) Continuous Service through the applicable Service Vesting Date (as defined below) and (y) compliance with the terms and conditions of this Agreement, the Service-Based Restricted Stock Units shall vest as follows:

(1) One-third of the Service-Based Restricted Stock Units (rounded down to the nearest whole Restricted Stock Unit, if necessary) shall vest on January 1, 20[●];

(2) One-third of the Service-Based Restricted Stock Units (rounded down to the nearest whole Stock Unit, if necessary) shall vest on January 1, 20[●]; and

(3) The remaining Service-Based Restricted Stock Units shall vest on January 1, 20[●] (each such date, a "**Service Vesting Date**").

(b) Performance-Based Restricted Stock Units. [●] of the Restricted Stock Units shall be deemed to be "**Performance-Based Restricted Stock Units**". Subject to and conditioned upon Grantee's (x) Continuous Service through January 1, 20[●] and (y) compliance with the terms and conditions of this Agreement, the Performance-Based Restricted Stock Units shall vest in accordance with the terms and conditions set forth on Exhibit A hereto, incorporated herein by reference, based upon the Company's achievement of Performance Objectives (as defined in Exhibit A) during the three-year period beginning January 1, 20[●] and ending December 31, 20[●] (the "**Performance Period**").

(c) Settlement. Subject to the terms and conditions of the Plan and this Award Agreement, upon vesting of the Restricted Stock Units the Company will deliver to the Grantee one Share for each such vested Restricted Stock Unit within five (5) days of the applicable vesting date.

5. Effect of Termination of Continuance Service. Subject to the terms and conditions of the Employment Agreement, if any, the Grantee's compliance with any restrictive covenants by which the Grantee may be bound:

(a) Termination due to Death or Disability. Upon the termination of the Grantee's Continuous Service due to death or Disability:

(1) all outstanding unvested Service-Based Restricted Stock Units, if any, shall vest; and

(2) a pro-rated portion of the outstanding unvested Performance-Based Restricted Stock Units, if any, based on a fraction, the numerator being the calendar days elapsing from the beginning of the Performance Period through and until (but not including) the date of Grantee's termination of service and the denominator being the number of calendar days in the applicable Performance Period (such amount of Performance-Based Restricted Stock Units, the "**Eligible Performance-Based Restricted Stock Units**"), shall vest at the target level of achievement of the applicable performance objectives (i.e., based on an applicable percentage of 50% as described in Exhibit A). Any Performance-Based Restricted Stock Units that are not Eligible Performance-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Restricted Stock Units and any underlying Shares shall immediately terminate.

(b) Change in Control. Upon the occurrence of a Change in Control (i) all of the outstanding unvested Service-Based Restricted Stock Units, if any, shall vest and (ii) all of the outstanding Performance-Based Restricted Stock Units, if any, shall vest at the target level of achievement of the applicable performance objectives (i.e., based on an applicable percentage of 50% as described in Exhibit A); provided, that, in each case, the Grantee is in Continuous Service immediately prior to such Change in Control.

(c) Termination of Continuous Service. Except as otherwise provided for in Sections 5(a) or 5(b) above or 5(c) below, if the Grantee's Continuous Service terminates for any reason at any time prior to: (i) the Service Vesting Date, the unvested Service-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Service-Based Restricted Stock Units and any underlying Shares shall immediately terminate; or (ii) January 1, 20[●], the unvested Performance-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Performance-Based Restricted Stock Units and any underlying Shares shall immediately terminate.

(d) Forfeiture. Upon the Grantee's violation of any restrictive covenant by which Grantee may be bound or upon the termination of Grantee's Continuous Service for Cause prior to: (i) the Service Vesting Date, the unvested Service-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Service-Based Restricted Stock Units and any underlying Shares shall immediately terminate; or (ii) the Performance Vesting Date, the unvested Performance-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Performance-Based Restricted Stock Units and any underlying Shares shall immediately terminate.

6. **Taxes**. The Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan the amount of taxes required by law to be withheld therefrom, or to require the Grantee to pay the Company in cash such amount required to be withheld. The Grantee may satisfy any foreign, federal, state or local tax withholding obligation relating to the acquisition of Shares under this Stock Award by any of the following means (in addition to the Company's right to withhold or to direct the withholding from any compensation paid to the Grantee by the Company or by an Affiliate) or by a combination of such means: (i) tendering a cash payment; (ii) authorizing the Company to withhold Shares otherwise deliverable to the Grantee hereunder; provided, however, that no Shares are withheld with a value exceeding the minimum amount of tax required to be withheld by applicable law; or (iii) transferring to the Company or to an Affiliate for repurchase for the aggregate sum of US$1.00, owned and unencumbered Shares with a Fair Market Value equal to the amount of the applicable tax liability in exchange for the Company's or Affiliate's commitment to remit such amounts to the taxing authority.

7. **Rights as Shareholder**. Neither the Grantee nor any person claiming under or through the Grantee will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Grantee. After such issuance, recordation and delivery, the Grantee will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

8. **Compliance with Laws and Regulations**. The grant of the Stock Award and issuance of Shares upon settlement of the Stock Award shall be subject to compliance by the Company and the Grantee with all applicable requirements of securities laws and with all

applicable requirements of any stock exchange on which the Company's Shares may be listed at the time of such issuance or transfer.

9. **No Right to Continuous Service; No Compensation for Loss**. Nothing in this Agreement shall be deemed by implication or otherwise to impose any limitation on any right that the Company or any of its Affiliates may have to terminate the Grantee's Continuous Service at any time, subject to applicable law. Under no circumstances on ceasing to be an employee of the Company or any Affiliate will the Grantee be entitled to any compensation for any loss of any right or benefit or prospective right or benefit in connection with the Stock Award which the Grantee might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

10. **Notices**. Any notice provided for in this Agreement or under the Plan must be in writing and must be either personally delivered, transmitted via electronic mail, mailed by first class mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) to the recipient at the address below indicated or at such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder and received when delivered personally, when received if transmitted via electronic mail, five (5) days after deposit in the mail and one (1) day after deposit for overnight delivery with a reputable overnight courier service.

    If to the Company:

    Greenlight Capital Re, Ltd.
    65 Market Street, Suite 1207
    Jasmine Court, Camana Bay
    Grand Cayman, KY1-1205
    Cayman Islands
    Facsimile: (345) 745-4576

    If to the Grantee, to Grantee's physical and/or email address most recently on file with the Company with a copy (which shall not constitute notice) to such other persons as may be designated by Participant in writing.

11. **Bound by Plan**. By signing this Agreement, the Grantee acknowledges that the Grantee has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all of the terms and provisions of the Plan.

12. **Clawback/Recoupment Policy**. Notwithstanding anything contained herein to the contrary, the Stock Award and Restricted Stock Units shall be and remain subject to any incentive compensation clawback, forfeiture or recoupment or similar policy currently in effect or as may be adopted by the Board or Committee and, in each case, as may be amended from time to time. Further, if in the opinion of the independent directors of the Board, the Company's financial results are restated or materially misstated due in whole or in part to intentional fraud or misconduct by one or more of the Company's executive officers, the Company's independent directors may, based upon the facts and circumstances surrounding the restatement, direct that the Company recover all or a portion of the Stock Award granted pursuant to this Agreement and may also seek to recoup any gains realized with respect to such Stock Award.

13. **Successors**. The terms of this Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, and on the Grantee and the beneficiaries, executors and administrators, heirs and successors of the Grantee.

14. **Amendment of Stock Award**. Subject to Section 15 of this Agreement, the Board at any time and from time to time may amend the terms of this Stock Award; provided, however, that the Grantee's rights under this Stock Award shall not be impaired by any such amendment unless (i) the Company requests the Grantee's consent and (ii) the Grantee consents in writing.

15. **Adjustment Upon Changes in Capitalization**. The Stock Award may be adjusted as provided in the Plan including, without limitation, Section 11 of the Plan. The Grantee, by his execution and entry into this Agreement, irrevocably and unconditionally consents and agrees to any such adjustments as may be made at any time hereafter.

16. **Governing Law**. The validity, construction, interpretation and effect of this Agreement shall exclusively be governed by, and determined in accordance with, the laws of the Cayman Islands.

17. **Severability**. Every provision of this Agreement is intended to be severable and any illegal or invalid term shall not affect the validity or legality of the remaining terms.

18. **Headings**. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation of construction, and shall not constitute a part of this Agreement.

19. **Signature in Counterparts**. This Agreement may be signed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the [●] day of [●], 20[●].

GREENLIGHT CAPITAL RE, LTD.

____

By: [____________]
Title: [______________]

____

Grantee

Exhibit A

Vesting Terms and Conditions of Performance-Based Restricted Stock Units

A.1 Performance-Objectives**.** The Performance-Based Restricted Stock Units are eligible to vest on the Determination Date (the "**Performance Vesting Date**") subject to and based upon the level of achievement of two performance objectives: [●], or sixty-five (65%), of the Performance-Based Restricted Stock Units are eligible to vest based on BVPS Growth (as defined below) increase for the Performance Period (the "**BVPS Restricted Stock Units**") and [●], or thirty-five percent (35%), of the Performance-Based Restricted Stock Units are eligible to vest based on the Average Combined Ratio (as defined below) (the "**Combined Ratio Restricted Stock Units**"), in each case as described below.

(a) BVPS Growth. The number of BVPS Restricted Stock Units that shall vest, if any, on the Determination Date, shall be determined as follows:

	3 Year BVPS Growth Increase	Applicable Percentage
3 Year BVPS Growth Increase Threshold	[●]%	25%
3 Year BVPS Growth Increase Target	[●]%	50%
3 Year BVPS Growth Increase Maximum	[●]%	100%

The BVPS Restricted Stock Units that vest for the Performance Period will equal the product of Applicable Percentage determined above (based on the BVPS Growth Increase) and the BVPS Restricted Stock Units. The Applicable Percentage will be interpolated on a linear basis between each (i) the BVPS Growth Increase Threshold and BVPS Growth Increase Target, and (ii) the BVPS Growth Increase Target and BVPS Growth Increase Maximum. Any fractional BVPS Restricted Stock Units, if any, shall be rounded to the nearest whole number. For the avoidance of doubt, no BVPS Restricted Stock Units shall vest if the BVPS Growth Increase is less than [●]% and in no event shall the Applicable Percentage be greater than one hundred percent (100%).

For purposes of this Agreement:

"**BVPS**" shall mean the "Fully Diluted Book Value Per Share" as reported in the Company's Annual Report on Form 10-K filed with the SEC for each respective year during the Performance Period; provided, however, that if the Company does not file an Annual Report on Form 10-K with the SEC by March 15 of the fiscal year immediately following a Performance Period, then BVPS for any such Performance Period shall mean the "Fully Diluted Book Value Per Share" as calculated consistent with past practice and authorized by the audit committee of the board of directors of the Company.

"**BVPS Growth Increase**" shall mean the cumulative "Increase (decrease) in fully diluted book value per share (%)" amounts as reported in the Company's Annual Report on Form 10-K filed with the SEC, for each respective year during the

Performance Period. For the avoidance of doubt, the cumulative increase shall be calculated on a compounded basis.

(b) Combined Ratio. The number of Combined Ratio Restricted Stock Units that shall vest, if any, on the Determination Date, shall be determined as follows:

	Average Combined Ratio	Applicable Percentage
Average Combined Ratio Threshold	[●]%	25%
Average Combined Ratio Target	[●]%	50%
Average Combined Ratio Maximum	[●]% or less	100%

The Combined Ratio Restricted Stock Units that vest for the Performance Period will equal the product of Applicable Percentage determined above (based on the Average Combined Ratio) and the Combined Ratio Restricted Stock Units. The Applicable Percentage will be interpolated on a linear basis between each (i) the Average Combined Ratio Growth Threshold and Average Combined Ratio Growth Target, and (ii) the Average Combined Ratio Growth Target and Average Combined Ratio Growth Maximum. Any fractional Combined Ratio Restricted Stock Units, if any, shall be rounded to the nearest whole number. For the avoidance of doubt, no Combined Ratio Restricted Stock Units shall vest if the Average Combined Ratio is greater than [●]% and in no event shall the Applicable Percentage be greater than one hundred percent (100.0%).

For purposes of this Agreement:

"**Average Combined Ratio**" shall mean 1 minus (the sum of the Underwriting Income (or Loss), for each of the three fiscal periods ended December 31 during the Performance Period, divided by the sum of the Net Earned Premium during each of the Company's three fiscal periods ended December 31 during the Performance Period).

"**Underwriting Income**" and "Net Earned Premium" shall be based on the amounts reported in the Company's Annual Reports on Form 10-K for each respective year during the Performance Period.

A.2 General

The Administrator shall determine whether and to what extent each Performance Objective is satisfied and the number of Performance-Based Restricted Stock Units that vest, which determinations shall be made no later than March 15 of the year following the Performance Period (such actual date of determination, the "**Determination Date**"). Any such determination by the Administrator shall be final and binding.

GREENLIGHT CAPITAL RE, LTD.
AMENDED AND RESTATED
2004 STOCK INCENTIVE PLAN
STOCK AWARD AGREEMENT

This Stock Award Agreement (the "Agreement") is made, effective as of the [●] day of [●], 20[●] (the "Grant Date"), between Greenlight Capital Re, Ltd., a Cayman Islands exempted company (the "Company"), and [●] (the "Grantee").

RECITALS:

WHEREAS, the Company has adopted the Greenlight Capital Re, Ltd. Amended and Restated 2004 Stock Incentive Plan (as may be amended, the "Plan") pursuant to which awards of restricted Class A ordinary shares of the Company (the "Shares") may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant a conditional award of Shares provided for herein (the "Stock Award") to the Grantee in recognition of the Grantee's services to the Company, such grant to be subject to the terms set forth herein.

NOW, THEREFORE, in consideration for the services rendered by the Grantee to the Company and the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Grant of Stock Award**. Pursuant to Section 7 of the Plan, the Company hereby issues to the Grantee on the Grant Date a Stock Award consisting of an unfunded and unsecured promise to deliver, in the aggregate, [●] Shares, subject to adjustment as provided in this Agreement (the "Restricted Stock Units"), having the rights and subject to the restrictions set out in this Agreement, the Plan and any employment agreement between the Grantee and the Company and/or any Affiliate of the Company (as may be amended, the "Employment Agreement"). The Restricted Stock Units shall vest and settle in accordance with Section 4 hereof.

2. **Incorporation by Reference**. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have the authority to interpret and construe the Plan and this Agreement and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Grantee and his legal representative in respect of any questions arising under the Plan or this Agreement.

3. **Restrictions**. Except as otherwise provided in the Plan or this Agreement, the Stock Award and Restricted Stock Units may not, any time prior to becoming vested, be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall result in the entire Stock Award and Restricted Stock Units being automatically cancelled by the Company. In such case, all of the Grantee's rights to the Restricted Stock Units and any underlying Shares shall immediately terminate.

4. **Vesting and Settlement**.

   (a) Service-Based Restricted Stock Units. [●] of the Restricted Stock Units shall be deemed to be "**Service-Based Restricted Stock Units**". Subject to and conditioned upon Grantee's (x) Continuous Service through the applicable Service Vesting Date (as defined below) and (y) compliance with the terms and conditions of this Agreement, the Service-Based Restricted Stock Units shall vest as follows:

(1) One-third of the Service-Based Restricted Stock Units (rounded down to the nearest whole Restricted Stock Unit, if necessary) shall vest on January 1, 20[●];

(2) One-third of the Service-Based Restricted Stock Units (rounded down to the nearest whole Stock Unit, if necessary) shall vest on January 1, 20[●]; and

(3) The remaining Service-Based Restricted Stock Units shall vest on January 1, 20[●] (each such date, a "**Service Vesting Date**").

(b) Performance-Based Restricted Stock Units. [●] of the Restricted Stock Units shall be deemed to be "**Performance-Based Restricted Stock Units**". Subject to and conditioned upon Grantee's (x) Continuous Service through January 1, 20[●] and (y) compliance with the terms and conditions of this Agreement, the Performance-Based Restricted Stock Units shall vest in accordance with the terms and conditions set forth on Exhibit A hereto, incorporated herein by reference, based upon the Company's achievement of Performance Objectives (as defined in Exhibit A) during the three-year period beginning January 1, 20[●] and ending December 31, 20[●] (the "**Performance Period**").

(c) Settlement. Subject to the terms and conditions of the Plan and this Award Agreement, upon vesting of the Restricted Stock Units the Company will deliver to the Grantee one Share for each such vested Restricted Stock Unit within five (5) days of the applicable vesting date.

5. Effect of Termination of Continuance Service. Subject to the terms and conditions of the Employment Agreement, if any, the Grantee's compliance with any restrictive covenants by which the Grantee may be bound:

(a) Termination due to Death or Disability. Upon the termination of the Grantee's Continuous Service due to death or Disability:

(1) all outstanding unvested Service-Based Restricted Stock Units, if any, shall vest; and

(2) a pro-rated portion of the outstanding unvested Performance-Based Restricted Stock Units, if any, based on a fraction, the numerator being the calendar days elapsing from the beginning of the Performance Period through and until (but not including) the date of Grantee's termination of service and the denominator being the number of calendar days in the applicable Performance Period (such amount of Performance-Based Restricted Stock Units, the "**Eligible Performance-Based Restricted Stock Units**"), shall vest at the target level of achievement of the applicable performance objectives (i.e., based on an applicable percentage of 50% as described in Exhibit A). Any Performance-Based Restricted Stock Units that are not Eligible Performance-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Restricted Stock Units and any underlying Shares shall immediately terminate.

(b) Change in Control. Upon the occurrence of a Change in Control (i) all of the outstanding unvested Service-Based Restricted Stock Units, if any, shall vest and (ii) all of the outstanding Performance-Based Restricted Stock Units, if any, shall vest at the target level of achievement of the applicable performance objectives (i.e., based on an applicable percentage of 50% as described in Exhibit A); provided, that, in each case, the Grantee is in Continuous Service immediately prior to such Change in Control.

(c) Termination of Continuous Service. Except as otherwise provided for in Sections 5(a) or 5(b) above or 5(c) below, if the Grantee's Continuous Service terminates for any reason at any time prior to: (i) the Service Vesting Date, the unvested Service-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Service-Based Restricted Stock Units and any underlying Shares shall immediately terminate; or (ii) January 1, 20[●], the unvested Performance-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Performance-Based Restricted Stock Units and any underlying Shares shall immediately terminate.

(d) Forfeiture. Upon the Grantee's violation of any restrictive covenant by which Grantee may be bound or upon the termination of Grantee's Continuous Service for Cause prior to: (i) the Service Vesting Date, the unvested Service-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Service-Based Restricted Stock Units and any underlying Shares shall immediately terminate; or (ii) the Performance Vesting Date, the unvested Performance-Based Restricted Stock Units shall be automatically cancelled by the Company and all of the Grantee's rights to such Performance-Based Restricted Stock Units and any underlying Shares shall immediately terminate.

6. **Taxes**. The Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan the amount of taxes and social security contributions required by law to be withheld therefrom, or to require the Grantee to pay the Company in cash such amount required to be withheld. The Grantee may satisfy any foreign, federal, state or local tax and social security withholding obligation relating to the acquisition of Shares under this Stock Award by any of the following means (in addition to the Company's right to withhold or to direct the withholding from any compensation paid to the Grantee by the Company or by an Affiliate) or by a combination of such means: (i) tendering a cash payment; (ii) authorizing the Company to withhold Shares otherwise deliverable to the Grantee hereunder; provided, however, that no Shares are withheld with a value exceeding the minimum amount of tax required to be withheld by applicable law; or (iii) transferring to the Company or to an Affiliate for repurchase for the aggregate sum of US$1.00, owned and unencumbered Shares with a Fair Market Value equal to the amount of the applicable tax liability in exchange for the Company's or Affiliate's commitment to remit such amounts to the taxing authority. The Grantee hereby agrees that the Company or any of its Affiliates may use any one or more of the methods set out in this Section 6 to obtain sufficient funds to satisfy any tax and social security withholding obligations as determined by the Company.

7. **Rights as Shareholder**. Neither the Grantee nor any person claiming under or through the Grantee will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Grantee. After such issuance, recordation and delivery, the Grantee will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

8. **Compliance with Laws and Regulations**. The grant of the Stock Award and issuance of Shares upon settlement of the Stock Award shall be subject to compliance by the Company and the Grantee with all applicable requirements of securities laws, the rules or other requirements of any relevant regulatory authority, and with all applicable requirements of any stock exchange on which the Company's Shares may be listed at the time of such issuance or transfer. In operating and administering the Plan and this Stock Award, the Company and its Affiliates will be bound by the provisions (as from time to time in force) of the internal code and/or policies that regulate their compliance with applicable data privacy laws.

9. **Relationship with Service.**

   (a) No Right to Continuous Service. Nothing in this Agreement shall be deemed by implication or otherwise to impose any limitation on any right of the Company or any of its Affiliates to terminate the Grantee's Continuous Service at any time.

   (b) Compensation. The Grantee shall not be entitled to any compensation or damages for any loss or potential loss which the Grantee may suffer by reason of the Share Award not vesting or being cancelled in consequence of the loss or termination of the Grantee's Continuous Service with the Company or any of its Affiliate for any reason (including, without limitation, in breach of contract by the employer) or in any other circumstances whatsoever.

10. **Notices**. Any notice provided for in this Agreement or under the Plan must be in writing and must be either personally delivered, transmitted via electronic mail, mailed by first class mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) to the recipient at the address below indicated or at such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder and received when delivered personally, when received if transmitted via electronic mail, five (5) days after deposit in the mail and one (1) day after deposit for overnight delivery with a reputable overnight courier service.

    If to the Company:

    Greenlight Capital Re, Ltd.
    65 Market Street, Suite 1207
    Jasmine Court, Camana Bay
    Grand Cayman, KY1-1205
    Cayman Islands
    Facsimile: (345) 745-4576

    If to the Grantee, to Grantee's physical and/or email address most recently on file with the Company with a copy (which shall not constitute notice) to such other persons as may be designated by Participant in writing.

11. **Bound by Plan**. By signing this Agreement, the Grantee acknowledges that the Grantee has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all of the terms and provisions of the Plan.

12. **Clawback/Recoupment Policy**. Notwithstanding anything contained herein to the contrary, the Stock Award and Restricted Stock Units shall be and remain subject to any incentive compensation clawback, forfeiture or recoupment or similar policy currently in effect or as may be adopted by the Board or Committee and, in each case, as may be

amended from time to time. Further, if in the opinion of the independent directors of the Board, the Company's financial results are restated or materially misstated due in whole or in part to intentional fraud or misconduct by one or more of the Company's executive officers, the Company's independent directors may, based upon the facts and circumstances surrounding the restatement, direct that the Company recover all or a portion of the Stock Award granted pursuant to this Agreement and may also seek to recoup any gains realized with respect to such Stock Award.

13. **Beneficiary**. The Grantee may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Grantee, the executor or administrator of the Grantee's estate shall be deemed to be the Grantee's beneficiary.

14. **Successors**. The terms of this Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, and on the Grantee and the beneficiaries, executors and administrators, heirs and successors of the Grantee.

15. **Amendment of Stock Award**. Subject to Section 16 of this Agreement, the Board at any time and from time to time may amend the terms of this Stock Award; provided, however, that the Grantee's rights under this Stock Award shall not be impaired by any such amendment unless (i) the Company requests the Grantee's consent and (ii) the Grantee consents in writing.

16. **Adjustment Upon Changes in Capitalization**. The Stock Award may be adjusted as provided in the Plan including, without limitation, Section 11 of the Plan. The Grantee, by his execution and entry into this Agreement, irrevocably and unconditionally consents and agrees to any such adjustments as may be made at any time hereafter.

17. **Governing Law**. The validity, construction, interpretation and effect of this Agreement shall exclusively be governed by, and determined in accordance with, the laws of the Cayman Islands.

18. **Severability**. Every provision of this Agreement is intended to be severable and any illegal or invalid term shall not affect the validity or legality of the remaining terms.

19. **Headings**. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation of construction, and shall not constitute a part of this Agreement.

20. **Signature in Counterparts**. This Agreement may be signed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the [●] day of [●], 20[●].

GREENLIGHT CAPITAL RE, LTD.

____

By: [____________________]
Title: [______________]

____

Grantee

Exhibit A

Vesting Terms and Conditions of Performance-Based Restricted Stock Units

A.1 Performance-Objectives. The Performance-Based Restricted Stock Units are eligible to vest on the Determination Date (the "**Performance Vesting Date**") subject to and based upon the level of achievement of two performance objectives: XXX, or sixty-five (65%), of the Performance-Based Restricted Stock Units are eligible to vest based on BVPS Growth (as defined below) increase for the Performance Period (the "**BVPS Restricted Stock Units**") and XXX, or thirty-five percent (35%), of the Performance-Based Restricted Stock Units are eligible to vest based on the Average Combined Ratio (as defined below) (the "**Combined Ratio Restricted Stock Units**"), in each case as described below.

(a) BVPS Growth. The number of BVPS Restricted Stock Units that shall vest, if any, on the Determination Date, shall be determined as follows:

	3 Year BVPS Growth Increase	Applicable Percentage
3 Year BVPS Growth Increase Threshold	[●]%	25%
3 Year BVPS Growth Increase Target	[●]%	50%
3 Year BVPS Growth Increase Maximum	[●]%	100%

The BVPS Restricted Stock Units that vest for the Performance Period will equal the product of Applicable Percentage determined above (based on the BVPS Growth Increase) and the BVPS Restricted Stock Units. The Applicable Percentage will be interpolated on a linear basis between each (i) the BVPS Growth Increase Threshold and BVPS Growth Increase Target, and (ii) the BVPS Growth Increase Target and BVPS Growth Increase Maximum. Any fractional BVPS Restricted Stock Units, if any, shall be rounded to the nearest whole number. For the avoidance of doubt, no BVPS Restricted Stock Units shall vest if the BVPS Growth Increase is less than [●]% and in no event shall the Applicable Percentage be greater than one hundred percent (100%).

For purposes of this Agreement:

"**BVPS**" shall mean the "Fully Diluted Book Value Per Share" as reported in the Company's Annual Report on Form 10-K filed with the SEC for each respective year during the Performance Period; provided, however, that if the Company does not file an Annual Report on Form 10-K with the SEC by March 15 of the fiscal year immediately following a Performance Period, then BVPS for any such Performance Period shall mean the "Fully Diluted Book Value Per Share" as calculated consistent with past practice and authorized by the audit committee of the board of directors of the Company.

"**BVPS Growth Increase**" shall mean the cumulative "Increase (decrease) in fully diluted book value per share (%)" amounts as reported in the Company's Annual Report on Form 10-K filed with the SEC, for each respective year during the

Performance Period. For the avoidance of doubt, the cumulative increase shall be calculated on a compounded basis.

(b) Combined Ratio. The number of Combined Ratio Restricted Stock Units that shall vest, if any, on the Determination Date, shall be determined as follows:

	Average Combined Ratio	Applicable Percentage
Average Combined Ratio Threshold	[●]%	25%
Average Combined Ratio Target	[●]%	50%
Average Combined Ratio Maximum	[●]% or less	100%

The Combined Ratio Restricted Stock Units that vest for the Performance Period will equal the product of Applicable Percentage determined above (based on the Average Combined Ratio) and the Combined Ratio Restricted Stock Units. The Applicable Percentage will be interpolated on a linear basis between each (i) the Average Combined Ratio Growth Threshold and Average Combined Ratio Growth Target, and (ii) the Average Combined Ratio Growth Target and Average Combined Ratio Growth Maximum. Any fractional Combined Ratio Restricted Stock Units, if any, shall be rounded to the nearest whole number. For the avoidance of doubt, no Combined Ratio Restricted Stock Units shall vest if the Average Combined Ratio is greater than [●]% and in no event shall the Applicable Percentage be greater than one hundred percent (100.0%).

For purposes of this Agreement:

"**Average Combined Ratio**" shall mean 1 minus (the sum of the Underwriting Income (or Loss), for each of the three fiscal periods ended December 31 during the Performance Period, divided by the sum of the Net Earned Premium during each of the Company's three fiscal periods ended December 31 during the Performance Period).

"**Underwriting Income**" and "Net Earned Premium" shall be based on the amounts reported in the Company's Annual Reports on Form 10-K for each respective year during the Performance Period.

A.2 General

The Administrator shall determine whether and to what extent each Performance Objective is satisfied and the number of Performance-Based Restricted Stock Units that vest, which determinations shall be made no later than March 15 of the year following the Performance Period (such actual date of determination, the "**Determination Date**"). Any such determination by the Administrator shall be final and binding.

GREENLIGHT CAPITAL RE, LTD.
AMENDED AND RESTATED
2004 STOCK INCENTIVE PLAN
RESTRICTED STOCK AWARD AGREEMENT

This Restricted Stock Award Agreement (the "Agreement") is made, effective as of the [●] day of [●], 20[●] (the "Grant Date"), between Greenlight Capital Re, Ltd., a Cayman Islands exempted company (the "Company"), and [●] (the "Grantee").

RECITALS:

WHEREAS, the Company has adopted the Greenlight Capital Re, Ltd. Amended and Restated 2004 Stock Incentive Plan (as may be amended, the "Plan") pursuant to which awards of restricted Class A ordinary shares of the Company (the "Shares") may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its shareholders to grant an award of restricted Shares provided for herein (the "Restricted Stock Award") to the Grantee in recognition of the Grantee's services to the Company, such grant to be subject to the terms set forth herein.

NOW, THEREFORE, in consideration for the services rendered by the Grantee to the Company and the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Grant of Restricted Stock Award**. Pursuant to Section 7(b) of the Plan, the Company hereby issues to the Grantee on the Grant Date a Restricted Stock Award consisting of an aggregate of [●] Shares (the "Restricted Shares") having the rights and subject to the restrictions set out in the Third Amended and Restated Memorandum and Articles of Association of the Company, this Agreement, the Plan and any employment agreement between the Grantee and the Company and/or any Affiliate of the Company (as may be amended, the "Employment Agreement"). The Restricted Shares shall vest in accordance with Section 4 hereof.

2. **Incorporation by Reference**. The provisions of the Plan are hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have the authority to interpret and construe the Plan and this Agreement and to make any and all determinations thereunder, and its decision shall be binding and conclusive upon the Grantee and his legal representative in respect of any questions arising under the Plan or this Agreement.

3. **Restrictions**. Except as otherwise provided in the Plan or Section 17 of this Agreement, the Restricted Shares may not, any time prior to becoming vested, be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall result in such Shares being automatically cancelled by the Company. In such case, all of the Grantee's rights to such Shares shall immediately terminate.

4. **Vesting**.

   (a) Service-Based Restricted Shares. [●] of the Restricted Shares shall be deemed to be "**Service-Based Restricted Shares**". Subject to and conditioned upon Grantee's (x) Continuous Service through the applicable Service Vesting Date (as defined below) and (y) compliance with the terms and conditions of this Agreement, the Service-Based Restricted Shares shall vest (and the restrictions described in Section 3 above will lapse) as follows:

(1) One-third of the Service-Based Restricted Shares (rounded down to the nearest whole Share, if necessary) shall vest on December 31, [●];

(2) One-third of the Service-Based Restricted Shares (rounded down to the nearest whole Share, if necessary) shall vest on December 31, [●]; and

(3) The remaining Service-Based Restricted Shares shall vest on December 31, [●] (each such date, a "**Service Vesting Date**").

(b) Performance-Based Restricted Shares. [●] of the Restricted Shares shall be deemed to be "**Performance-Based Restricted Shares**". Subject to and conditioned upon Grantee's (x) Continuous Service through January 1, [●] and (y) compliance with the terms and conditions of this Agreement, the Performance-Based Restricted Shares shall vest (and the restrictions described in Section 3 above will lapse) in accordance with the terms and conditions set forth on Exhibit A hereto, incorporated herein by reference, based upon the Company's achievement of Performance Objectives (as defined in Exhibit A) during the three-year period beginning January 1, [●] and ending December 31, [●] (the "**Performance Period**").

5. Effect of Termination of Continuance Service. Subject to the terms and conditions of the Employment Agreement, if any, the Grantee's compliance with any restrictive covenants by which the Grantee may be bound:

(a)Termination due to Death or Disability. Upon the termination of the Grantee's Continuous Service due to death or Disability:

(1) all outstanding unvested Service-Based Restricted Shares, if any, shall vest and all restrictions shall lapse; and

(2) a pro-rated portion of the outstanding unvested Performance-Based Shares, if any, based on a fraction, the numerator being the calendar days elapsing from the beginning of the Performance Period through and until (but not including) the date of Grantee's termination of service and the denominator being the number of calendar days in the applicable Performance Period (such amount of Performance-Based Shares, the "**Eligible Performance-Based Shares**"), shall vest at the target level of achievement of the applicable performance objectives (i.e., based on an applicable percentage of 50% as described in Exhibit A). Any Performance-Based Shares that are not Eligible Performance-Based Shares shall be automatically cancelled by the Company and all of the Grantee's rights to such Shares shall immediately terminate.

(b) Change in Control. Upon the occurrence of a Change in Control (i) all of the outstanding unvested Service-Based Restricted Shares, if any, shall vest and all restrictions shall lapse and (ii) all of the outstanding Performance-Based Restricted Shares, if any, shall vest at the target level of achievement of the applicable performance objectives (i.e., based on an applicable percentage of 50% as described in Exhibit A), and all restrictions shall lapse; provided, that, in each case, the Grantee is in Continuous Service immediately prior to such Change in Control.

(c) Termination of Continuous Service. Except as otherwise provided for in Sections 5(a) or 5(b) above or 5(c) below, if the Grantee's Continuous Service terminates for any reason at any time prior to: (i) the Service Vesting Date, the unvested Service-Based Restricted Shares shall be automatically cancelled by the Company and all of the Grantee's rights to such Service-Based Restricted Shares and any dividends or distributions with respect thereto, if any, shall immediately terminate; or (ii) January 1, 2025, the unvested Performance-Based Restricted Shares shall be automatically cancelled by the Company and all of the Grantee's rights to such Performance-Based Restricted Shares and any dividends or distributions with respect thereto, if any, shall immediately terminate.

(d) Forfeiture. Upon the Grantee's violation of any restrictive covenant by which Grantee may be bound or upon the termination of Grantee's Continuous Service for Cause prior to: (i) the Service Vesting Date, the unvested Service-Based Restricted Shares shall be automatically cancelled by the Company and all of the Grantee's rights to such Service-Based Restricted Shares and any dividends or distributions with respect thereto, if any, shall immediately terminate; or (ii) the Performance Vesting Date, the unvested Performance-Based Restricted Shares shall be automatically cancelled by the Company and all of the Grantee's rights to such Performance-Based Restricted Shares and any dividends or distributions with respect thereto, if any, shall immediately terminate.

6. **Taxes**.

(a) Tax Withholding. The Company shall have the right to deduct from any compensation paid to the Grantee pursuant to the Plan the amount of taxes required by law to be withheld therefrom, or to require the Grantee to pay the Company in cash such amount required to be withheld. The Grantee may satisfy any foreign, federal, state or local tax withholding obligation relating to the acquisition of Shares under this Restricted Stock Award by any of the following means (in addition to the Company's right to withhold or to direct the withholding from any compensation paid to the Grantee by the Company or by an Affiliate) or by a combination of such means: (i) tendering a cash payment; (ii) authorizing the Company to withhold vested Restricted Shares otherwise deliverable to the Grantee hereunder; provided, however, that no Restricted Shares are withheld with a value exceeding the minimum amount of tax required to be withheld by applicable law; or (iii) transferring to the Company or to an Affiliate for repurchase for the aggregate sum of US$1.00, owned and unencumbered Shares with a Fair Market Value equal to the amount of the applicable tax liability in exchange for the Company's or Affiliate's commitment to remit such amounts to the taxing authority.

(b) Section 83(b) of the Code. If the Grantee properly elects, within thirty (30) days of the Grant Date, to include in gross income for federal income tax purposes an amount equal to the Fair Market Value of the Restricted Shares as of the Grant Date pursuant to Section 83(b) of the Code, to the extent required by law, the Grantee shall pay to the Company, or make other arrangements satisfactory to the Committee to pay to the Company in the year of such grant, any federal, state or local taxes required to be withheld with respect to such Shares. If the Grantee fails to make such payments, the Company or its Affiliates shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to the Grantee any federal, state or local taxes of any kind required by law to be withheld with respect to such Shares.

7. **Rights as Shareholder; Dividends**. The Grantee shall be the record owner of the Restricted Shares unless and until such Shares are cancelled pursuant to Section 3, 4 or 5 hereof or sold or otherwise disposed of, and as record owner shall be entitled to all rights

of a shareholder of the Company, including, without limitation, voting rights, if any; provided, however, that any dividends or distributions paid on the Restricted Shares while those shares remain forfeitable will be distributed if, and when, the Restricted Shares to which the dividends or distributions relate become nonforfeitable.

8. **Certificates**. Reasonably promptly following the Grant Date, the Company shall cause to be issued to the Grantee a certificate in respect of the Restricted Shares which shall bear the following (or a similar) legend in addition to any other legends that may be required under federal or state securities laws:

   "THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE) CONTAINED IN THE GREENLIGHT CAPITAL RE, LTD. AMENDED AND RESTATED 2004 STOCK INCENTIVE PLAN AND THE RESTRICTED STOCK AWARD AGREEMENT DATED AS OF 15th March, 2022 ENTERED INTO BETWEEN THE REGISTERED OWNER AND GREENLIGHT CAPITAL RE, LTD. A COPY OF THE PLAN AND THE AWARD AGREEMENT ARE ON FILE AT THE OFFICES OF GREENLIGHT CAPITAL RE, LTD."

   The Committee shall require that the certificate evidencing such Restricted Shares be delivered upon issuance to the Company or such other depository as may be designated by the Committee as a depository for safekeeping until the Restricted Shares are cancelled or until the restrictions set forth herein and in the Plan lapse. At the expiration of the restrictions, the Company shall deliver to the Grantee (or the Grantee's legal representative, beneficiary or heir, if applicable) share certificates for the Shares deposited with it free from legend except as otherwise provided by the Plan or as otherwise required by applicable law.

9. **Compliance with Laws and Regulations**. The issuance and transfer of the Restricted Shares shall be subject to compliance by the Company and the Grantee with all applicable requirements of securities laws and with all applicable requirements of any stock exchange on which the Company's Shares may be listed at the time of such issuance or transfer.

10. **Stop-Transfer Instructions**. The Grantee agrees that, to ensure compliance with the restrictions imposed by this Agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent, if any, and if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

11. **Refusal to Transfer**. The Company will not be required to (i) register any transfer of Shares on its register of members if such Shares have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) treat as owner of such Shares, or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares have been so transferred.

12. **No Right to Continuous Service**. Nothing in this Agreement shall be deemed by implication or otherwise to impose any limitation on any right of the Company or any of its Affiliates to terminate the Grantee's Continuous Service at any time.

13. **Notices**. Any notice provided for in this Agreement or under the Plan must be in writing and must be either personally delivered, transmitted via electronic mail, mailed by first class mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) to the recipient at the address below indicated or at such

other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder and received when delivered personally, when received if transmitted via electronic mail, five (5) days after deposit in the mail and one (1) day after deposit for overnight delivery with a reputable overnight courier service.

If to the Company:

Greenlight Capital Re, Ltd.
65 Market Street, Suite 1207
Jasmine Court, Camana Bay
Grand Cayman, KY1-1205
Cayman Islands
Facsimile: (345) 745-4576

If to the Grantee, to Grantee's physical and/or email address most recently on file with the Company with a copy (which shall not constitute notice) to such other persons as may be designated by Participant in writing.

14. **Bound by Plan**. By signing this Agreement, the Grantee acknowledges that the Grantee has received a copy of the Plan and has had an opportunity to review the Plan and agrees to be bound by all of the terms and provisions of the Plan.

15. **Clawback/Recoupment Policy**. Notwithstanding anything contained herein to the contrary, the Restricted Stock Award and Restricted Shares shall be and remain subject to any incentive compensation clawback, forfeiture or recoupment or similar policy currently in effect or as may be adopted by the Board or Committee and, in each case, as may be amended from time to time. Further, if in the opinion of the independent directors of the Board, the Company's financial results are restated or materially misstated due in whole or in part to intentional fraud or misconduct by one or more of the Company's executive officers, the Company's independent directors may, based upon the facts and circumstances surrounding the restatement, direct that the Company recover all or a portion of the Restricted Shares granted pursuant to this Agreement and may also seek to recoup any gains realized with respect to such Restricted Shares.

16. **Beneficiary**. The Grantee may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Grantee, the executor or administrator of the Grantee's estate shall be deemed to be the Grantee's beneficiary.

17. **Successors**. The terms of this Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, and on the Grantee and the beneficiaries, executors and administrators, heirs and successors of the Grantee.

18. **Amendment of Restricted Stock Award**. Subject to Section 19 of this Agreement, the Board at any time and from time to time may amend the terms of this Restricted Stock Award; provided, however, that the Grantee's rights under this Restricted Stock Award shall not be impaired by any such amendment unless (i) the Company requests the Grantee's consent and (ii) the Grantee consents in writing.

19. **Adjustment Upon Changes in Capitalization**. Restricted Stock Awards may be adjusted as provided in the Plan including, without limitation, Section 11 of the Plan. The Grantee, by his execution and entry into this Agreement, irrevocably and

unconditionally consents and agrees to any such adjustments as may be made at any time hereafter.

20. **Governing Law**. The validity, construction, interpretation and effect of this Agreement shall exclusively be governed by, and determined in accordance with, the laws of the Cayman Islands.

21. **Severability**. Every provision of this Agreement is intended to be severable and any illegal or invalid term shall not affect the validity or legality of the remaining terms.

22. **Headings**. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation of construction, and shall not constitute a part of this Agreement.

23. **Signature in Counterparts**. This Agreement may be signed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the [●] day of [●], 20[●].

GREENLIGHT CAPITAL RE, LTD.

____

By: [________________]
Title: [____________]

____

Grantee

Exhibit A

Vesting Terms and Conditions of Performance-Based Restricted Shares

A.1 Performance-Objectives. The Performance-Based Restricted Shares are eligible to vest on the Determination Date (the "**Performance Vesting Date**") subject to and based upon the level of achievement of two performance objectives: [●], or sixty-five (65%), of the Performance-Based Restricted Shares are eligible to vest based on BVPS Growth (as defined below) increase for the Performance Period (the "**BVPS Restricted Shares**") and [●], or thirty-five percent (35%), of the Performance-Based Restricted Shares are eligible to vest based on the Average Combined Ratio (as defined below) (the "**Combined Ratio Restricted Shares**"), in each case as described below.

(a) BVPS Growth. The number of BVPS Restricted Shares that shall vest and that Grantee shall be entitled to receive, if any, on the Determination Date, shall be determined as follows:

	3 Year BVPS Growth Increase	Applicable Percentage
3 Year BVPS Growth Increase Threshold	[●]%	25%
3 Year BVPS Growth Increase Target	[●]%	50%
3 Year BVPS Growth Increase Maximum	[●]%	100%

The BVPS Restricted Shares that vest for the Performance Period will equal the product of Applicable Percentage determined above (based on the BVPS Growth Increase) and the BVPS Restricted Shares. The Applicable Percentage will be interpolated on a linear basis between each (i) the BVPS Growth Increase Threshold and BVPS Growth Increase Target, and (ii) the BVPS Growth Increase Target and BVPS Growth Increase Maximum. Any fractional BVPS Restricted Shares, if any, shall be rounded to the nearest whole number. For the avoidance of doubt, no BVPS Restricted Shares shall vest if the BVPS Growth Increase is less than [●]% and in no event shall the Applicable Percentage be greater than one hundred (100%).

For purposes of this Agreement:

"**BVPS**" shall mean the "Fully Diluted Book Value Per Share" as reported in the Company's Annual Report on Form 10-K filed with the SEC for each respective year during the Performance Period; provided, however, that if the Company does not file an Annual Report on Form 10-K with the SEC by March 15 of the fiscal year immediately following a Performance Period, then BVPS for any such Performance Period shall mean the "Fully Diluted Book Value Per Share" as calculated consistent with past practice and authorized by the audit committee of the board of directors of the Company.

"**BVPS Growth Increase**" shall mean the cumulative "Increase (decrease) in fully diluted book value per share (%)" amounts as reported in the Company's Annual Report on Form 10-K filed with the SEC, for each respective year during the

Performance Period. For the avoidance of doubt, the cumulative increase shall be calculated on a compounded basis.

(b) Combined Ratio. The number of Combined Ratio Restricted Shares that shall vest and that Grantee shall be entitled to receive, if any, on the Determination Date, shall be determined as follows:

	Average Combined Ratio	Applicable Percentage
Average Combined Ratio Threshold	[●]%	25%
Average Combined Ratio Target	[●]%	50%
Average Combined Ratio Maximum	[●]% or less	100%

The Combined Ratio Restricted Shares that vest for the Performance Period will equal the product of Applicable Percentage determined above (based on the Average Combined Ratio) and the Combined Ratio Restricted Shares. The Applicable Percentage will be interpolated on a linear basis between each (i) the Average Combined Ratio Growth Threshold and Average Combined Ratio Growth Target, and (ii) the Average Combined Ratio Growth Target and Average Combined Ratio Growth Maximum. Any fractional Combined Ratio Restricted Shares, if any, shall be rounded to the nearest whole number. For the avoidance of doubt, no Combined Ratio Restricted Shares shall vest if the Average Combined Ratio is greater than ([●]%) and in no event shall the Applicable Percentage be greater than one hundred percent (100.0%).

For purposes of this Agreement:

"**Average Combined Ratio**" shall mean 1 minus (the sum of the Underwriting Income (or Loss), for each of the three fiscal periods ended December 31 during the Performance Period, divided by the sum of the Net Earned Premium during each of the Company's three fiscal periods ended December 31 during the Performance Period).

"**Underwriting Income**" and "Net Earned Premium" shall be based on the amounts reported in the Company's Annual Reports on Form 10-K for each respective year during the Performance Period.

A.2 General

The Administrator shall determine whether and to what extent each Performance Objective is satisfied and the number of Performance-Based Restricted Shares that vest, which determinations shall be made no later than March 15 of the year following the Performance Period (such actual date of determination, the "**Determination Date**"). Any such determination by the Administrator shall be final and binding.

EXHIBIT 31.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER OF
GREENLIGHT CAPITAL RE, LTD.

I, Simon Burton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Greenlight Capital Re, 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 periods 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 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 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.

Dated: May 3, 2022

/s/ SIMON BURTON

Simon Burton
Chief Executive Officer
(principal executive officer)

EXHIBIT 31.2

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER OF
GREENLIGHT CAPITAL RE, LTD.**

I, Neil Greenspan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Greenlight Capital Re, 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 periods 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 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 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.

Dated: May 3, 2022

/s/ NEIL GREENSPAN
Neil Greenspan
Chief Financial Officer
(principal financial officer)

EXHIBIT 32.1

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER OF
GREENLIGHT CAPITAL RE, LTD.**

This certification is provided pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and accompanies the quarterly report on Form 10-Q (the "Form 10-Q") for the period ended March 31, 2022 of Greenlight Capital Re, Ltd. (the "Issuer").

I, Simon Burton, the Principal Executive Officer of the Issuer, certify that to the best of my knowledge:

1. The Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)), as amended; and

2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Dated: May 3, 2022

/s/ SIMON BURTON

Simon Burton
Chief Executive Officer
(principal executive officer)

EXHIBIT 32.2

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER OF
GREENLIGHT CAPITAL RE, LTD.**

This certification is provided pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and accompanies the quarterly report on Form 10-Q (the ‘‘Form 10-Q’’) for the period ended March 31, 2022 of Greenlight Capital Re, Ltd. (the ‘‘Issuer’’).

I, Neil Greenspan, the Principal Financial Officer of the Issuer, certify that to the best of my knowledge:

1. The Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)), as amended; and

2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Dated: May 3, 2022

/s/ NEIL GREENSPAN
Neil Greenspan
Chief Financial Officer
(principal financial officer)