

PLATINUM UNDERWRITERS HOLDINGS LTD

Form DEF 14A

March 29, 2010

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SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

PLATINUM UNDERWRITERS HOLDINGS, LTD.
(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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 - (3) Filing Party:
 - (4) Date Filed:
-

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The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08 Bermuda

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 29, 2010

To the Shareholders of Platinum Underwriters Holdings, Ltd.:

Notice is hereby given that the 2010 Annual General Meeting of Shareholders (the Annual Meeting) of Platinum Underwriters Holdings, Ltd. (the Company) will be held at the Fairmont Hamilton Princess Hotel, 76 Pitts Bay Road, Pembroke HM 11 Bermuda, on Thursday, April 29, 2010 at 10:00 a.m., local time, for the following purposes:

1. To elect the nine directors nominated by the Company s Board of Directors to the Company s Board of Directors to serve until the Company s 2011 Annual General Meeting of Shareholders.
2. To approve eight proposals amending and restating the Bye-laws of the Company to reflect recent developments in the laws of Bermuda and the United States and to improve the organization and clarity of the Bye-laws. Each of the eight proposals is conditioned on shareholder approval of all of the proposals. Failure by the shareholders to approve any one of the proposals will lead to none of the proposals being adopted and the current Bye-laws will remain in effect.
3. To approve the Company s 2010 Share Incentive Plan.
4. To re-approve the material terms of the performance goals under the Company s Section 162(m) Performance Incentive Plan so that compensation payable thereunder to certain executive officers of the Company is tax deductible under Section 162(m) of the Internal Revenue Code.
5. To approve the nomination of KPMG, a Bermuda partnership, as the Company s independent registered public accounting firm for the 2010 fiscal year.

At the Annual Meeting, shareholders will receive the audited consolidated financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2009 with the independent registered public accounting firm s report thereon, and may also be asked to consider and take action with respect to such other business as may properly come before the meeting, or any postponement or adjournment thereof.

The Company s Board of Directors has fixed the close of business on March 15, 2010 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting and any postponement or adjournment thereof. You are cordially invited to be present. Shareholders who do not expect to attend in person are requested to sign and return the enclosed form of proxy in the envelope provided. At any time prior to their being voted at the Annual Meeting, proxies are revocable by written notice to the Secretary of the Company, by a duly executed proxy bearing a later date or by voting in person at the Annual Meeting.

By order of the Board of Directors,

/s/ Michael E. Lombardozzi
Michael E. Lombardozzi
*Executive Vice President, General Counsel,
Chief Administrative Officer and Secretary*

Pembroke, Bermuda
March 29, 2010

Important Notice Regarding the Availability of Proxy Materials for the Platinum Underwriters Holdings, Ltd. 2010 Annual Meeting of Shareholders to be Held on April 29, 2010.

**The proxy statement, proxy and 2009 Annual Report to Shareholders are available at
www.platinumre.com/proxymaterials.**

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**PLATINUM UNDERWRITERS HOLDINGS, LTD.
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08 Bermuda**

**PROXY STATEMENT
FOR
ANNUAL GENERAL MEETING OF SHAREHOLDERS
April 29, 2010**

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GENERAL INFORMATION

This proxy statement and the accompanying form of proxy are being furnished to holders of the common shares (the Common Shares) of Platinum Underwriters Holdings, Ltd. (the Company, we, us, or our) to solicit proxies on behalf of the Board of Directors of the Company (the Board) for the 2010 Annual General Meeting of Shareholders (the Annual Meeting) to be held at the Fairmont Hamilton Princess Hotel, 76 Pitts Bay Road, Pembroke HM 11 Bermuda, on Thursday, April 29, 2010 at 10:00 a.m., local time. These proxy materials are first being mailed to shareholders on or about March 29, 2010.

The Board has fixed the close of business on March 15, 2010 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting. As of such date, there were 45,492,077 Common Shares outstanding and entitled to vote. Each shareholder is entitled to one vote for each Common Share held of record on the record date with respect to each matter to be acted upon at the Annual Meeting, provided that if the number of Controlled Shares (as defined below) of any shareholder constitutes 10% or more of the combined voting power of the issued Common Shares (such holder, a 10% Shareholder), the vote of any such shareholder is limited to 9.9% of the voting power of the outstanding Common Shares pursuant to our Bye-laws. Controlled Shares of any person refers to all Common Shares owned (i) directly, (ii) with respect to persons who are United States persons, by application of the attribution and constructive ownership rules of Sections 958(a) and 958(b) of the U.S. Internal Revenue Code of 1986, as amended (the Internal Revenue Code), or (iii) beneficially, directly or indirectly, within the meaning of Rule 13(d)(3) of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the rules and regulations thereunder.

Because the applicability of the voting power reduction provisions to any particular shareholder depends on facts and circumstances that may be known only to the shareholder or related persons, we request that any holder of Common Shares with reason to believe that it is a 10% Shareholder (as defined in our Bye-laws and described above) contact us promptly so that we may determine whether the voting power of such holder's Common Shares should be reduced. By submitting a proxy, a holder of Common Shares will be deemed to have confirmed that, to its knowledge, it is not, and is not acting on behalf of, a 10% Shareholder. The directors of the Company are empowered to require any shareholder to provide information as to that shareholder's beneficial ownership of Common Shares, the names of persons having beneficial ownership of the shareholder's Common Shares, relationships with other shareholders or any other facts the directors may consider relevant to the determination of the number of Controlled Shares attributable to any person. The directors may disregard the votes attached to Common Shares of any holder who fails to respond to such a request or who, in their judgment, submits incomplete or inaccurate information. The directors retain certain discretion to make such final adjustments that they consider fair and reasonable in all the circumstances as to the aggregate number of votes attaching to the Common Shares of any shareholder to ensure that no person shall be entitled to cast more than 9.9% of the voting power of the outstanding Common Shares at any time.

The presence, in person or by proxy, of holders of more than 50% of the Common Shares outstanding and entitled to vote on the matters to be considered at the Annual Meeting is required to constitute a quorum for the transaction of business at the Annual Meeting. Each of the proposals to be considered at the Annual Meeting will be decided by the affirmative vote of a majority of the voting power of the Common Shares present, in person or by proxy, at the Annual Meeting, and entitled to vote thereon. A hand vote will be taken unless a poll is requested pursuant to our Bye-laws.

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SOLICITATION AND REVOCATION

Proxies in the form enclosed are being solicited on behalf of the Board. Common Shares may be voted at the Annual Meeting by returning the enclosed proxy card or by attending the Annual Meeting and voting in person. The enclosed proxy card authorizes each of Dan R. Carmichael, Michael D. Price and Michael E. Lombardozzi to vote the Common Shares represented thereby in accordance with the instructions given or, if no instructions are given, in their discretion. They may also vote such Common Shares to adjourn or postpone the meeting and will be authorized to vote such Common Shares at any adjournment or postponement of the Annual Meeting. Common Shares held in street name by a broker, bank or other nominee (hereinafter referred to as a broker) must be voted by the broker according to the instructions given by the beneficial owner of the Common Shares or, if no instructions are given and the particular proposal to be voted on is considered to be a routine matter, in the broker's discretion. In this proxy statement, proposal 5 (to approve the independent registered public accounting firm) is considered to be routine. Proposals 1 (to elect directors), 2 (to approve proposals amending and restating our Bye-laws), 3 (to approve the Company's 2010 Share Incentive Plan) and 4 (to re-approve the material terms of the performance goals under the Company's Section 162(m) Performance Incentive Plan) are considered to be non-routine matters on which a broker will not have discretionary authority to vote if no instructions are given by the beneficial owner of the Common Shares.

Proxies may be revoked at any time prior to the Annual Meeting by giving written notice to the Secretary of the Company, by a duly executed proxy bearing a later date or by voting in person at the Annual Meeting. For Common Shares held in street name by a broker, new voting instructions must be delivered to the broker prior to the Annual Meeting.

If a shareholder abstains from voting on a particular proposal, or if a shareholder's Common Shares are treated as a broker non-vote, those Common Shares will not be considered as votes cast in favor of or against the proposal but will be included in the number of Common Shares represented for the purpose of determining whether a quorum is present. Generally, broker non-votes occur when Common Shares held for a beneficial owner are not voted on a particular proposal because the broker has not received voting instructions from the beneficial owner, and the broker does not have discretionary authority to vote the Common Shares on the particular proposal because it is non-routine. If a quorum is not present, the shareholders who are represented may adjourn the Annual Meeting until a quorum is present. The time and place of the adjourned meeting will be announced at the time the adjournment is taken, and no other notice need be given. An adjournment will have no effect on the business that may be conducted at the adjourned meeting.

We will bear all costs of this proxy solicitation. Proxies may be solicited by mail, in person, by telephone or by facsimile by our officers, directors, and employees. We may also reimburse brokerage firms, banks, custodians, nominees and fiduciaries for their expenses incurred in forwarding proxy materials to beneficial owners. We have retained Mellon Investor Services, LLC to assist in the solicitation of proxies and will pay a fee of \$7,500 plus reimbursement of out-of-pocket expenses for those services.

THE COMPANY

We provide property and marine, casualty and finite risk reinsurance coverages, through reinsurance intermediaries, to a diverse clientele of insurers and select reinsurers on a worldwide basis. We operate through two licensed reinsurance subsidiaries: Platinum Underwriters Bermuda, Ltd. (Platinum Bermuda) and Platinum Underwriters Reinsurance, Inc. (Platinum US).

PROPOSAL 1 ELECTION OF DIRECTORS

The Board currently consists of the following seven members, each of whom was elected as a director on April 29, 2009 at our 2009 Annual General Meeting of Shareholders (the 2009 Annual Meeting): H. Furlong Baldwin, Dan R. Carmichael, A. John Hass, Edmund R. Megna, Michael D. Price, Peter T. Pruitt and James P. Slattery. The term of office of each of the current directors will expire at the Annual Meeting. The Board, after considering the recommendation of the Governance Committee, nominated each of the current directors for reelection as directors at the Annual Meeting to serve until our 2011 Annual General Meeting of Shareholders.

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The Board voted to increase the authorized number of directors from seven to nine as of the Annual Meeting. At the recommendation of the Governance Committee, the Board has nominated Christopher J. Steffen and Antony P. D. Lancaster for election as directors at the Annual Meeting to serve until our 2011 Annual General Meeting of Shareholders. Mr. Steffen was recommended to the Governance Committee by Mr. Baldwin. Mr. Lancaster was recommended to the Governance Committee by Mr. Price, our Chief Executive Officer. If elected, Mr. Steffen will be appointed to the Audit and Compensation Committees and Mr. Lancaster will be appointed to the Governance Committee.

The Board has no reason to believe that any of its nine nominees would be unable or unwilling to serve if elected. If a nominee becomes unable or unwilling to accept nomination or election, the Board may select a substitute nominee and the Common Shares represented by proxies may be voted for such substitute nominee unless shareholders indicate otherwise.

Information Concerning Nominees

Set forth below is biographical and other information regarding the nominees for election as directors, including their principal occupations during the past five years.

H. Furlong Baldwin
Age: 78
Director since 2002
Member of the Audit, Governance and
Executive Committees

Mr. Baldwin served as Chairman of the Board of Mercantile Bankshares Corporation, a public bank holding company, from 1984 until his retirement in 2003. He also served as a director of Mercantile Bankshares Corporation from 1970 to 2003 and as President and Chief Executive Officer from 1976 to 2001. Mr. Baldwin has been the Chairman of the Board of Directors of The NASDAQ OMX Group, Inc., a public global exchange company, since 2003 and a director since 2000. He has been a director of W.R. Grace & Company, a public company that produces and sells specialty chemicals and specialty materials, since 2002 and a director of Allegheny Energy, Inc., a public integrated energy company, since 2003. Mr. Baldwin currently serves on W.R. Grace & Company's compensation committee, nominating and governance committee and audit committee (and has been designated as an audit committee financial expert). He also serves as the Chairman of Allegheny Energy, Inc.'s compensation committee. Mr. Baldwin was nominated to serve on the Board because of this experience as a public company executive and director.

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Dan R. Carmichael

Age: 65

Director since 2002

Non-executive Chairman of the Board,
Chairman of the Governance and
Executive Committees and member of
the Audit Committee

Mr. Carmichael has been an advisor to FirstMark Capital, a private equity firm, since January 2009. He was an advisor and consultant to Proudfoot Consulting, a management consulting firm, from January 2008 to December 2009. From August 2007 to October 2008, he was an executive consultant to Liberty Mutual Agency Markets, a business unit of Liberty Mutual Group, an insurance company. From December 2000 to August 2007, Mr. Carmichael was President, Chief Executive Officer and a director of Ohio Casualty Corporation, a public insurance holding company. Prior thereto, Mr. Carmichael served as President and Chief Executive Officer of IVANs, Inc., an industry-owned organization that provides electronic communications services to insurance, healthcare and related companies. He has had significant involvement in the property and casualty insurance industry in various capacities and served as a Chief Executive Officer of insurance and non-insurance companies for more than twenty years. Mr. Carmichael has been a director of Alleghany Corporation, a public property and casualty insurance holding company, since 1993. Mr. Carmichael currently serves as the Chairman of Alleghany Corporation's compensation committee and as a member of Alleghany Corporation's audit committee (and has been designated as an audit committee financial expert). Mr. Carmichael was nominated to serve on the Board because of this insurance industry experience and this experience as a public company executive and director.

A. John Hass

Age: 44

Director since 2007

Chairman of the Compensation Committee and
member of the Audit Committee

Mr. Hass has been a partner at PEAK6 Investments, L.P., a financial services company, since October 2008 and the Chief Financial Officer since February 2009. He was the Chief Executive Officer of OptionsHouse, Inc., a brokerage company and subsidiary of PEAK6 Investments, L.P., from October 2006 until September 2008. From 1988 to October 2006, Mr. Hass was employed at Goldman Sachs & Co., a public financial services company, most recently as a Managing Director in the Investment Banking Division. Mr. Hass was nominated to serve on the Board because of this executive, finance and investment experience.

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Antony P. D. Lancaster
Age: 67
Nominee

Mr. Lancaster currently serves on the board of directors of several private insurance companies and other financial institutions and served as a non-executive director of Platinum Re (UK) Limited, a subsidiary of the Company, from December 2002 until December 2009. From 1991 to 1998, Mr. Lancaster served as Chairman and Chief Executive Officer of GAN Insurance Company Limited, an insurance company based in France. Following the acquisition in 1998 of GAN by Groupama, an international insurance group based in France, Mr. Lancaster served as Chairman and Chief Executive Officer of Groupama Insurance Co. Limited (Groupama's United Kingdom subsidiary) until his retirement in 2002. Mr. Lancaster commenced his employment in the insurance industry in 1961 and was employed at various times as a general manager, senior vice president, chief executive and chairman of insurance and reinsurance companies and broker businesses in a number of overseas locations. He was a director of IPC Holdings, Ltd., a public reinsurance company based in Bermuda, from 2006 until 2009. Mr. Lancaster was nominated to serve on the Board because of this international insurance industry experience, this experience as a public company director and his familiarity with the Company.

Edmund R. Megna
Age: 63
Director since 2007
Member of the Compensation and
Governance Committees

Mr. Megna was Vice Chairman of Guy Carpenter & Co., Inc., the reinsurance intermediary division of Marsh & McLennan Companies, Inc., from November 2002 until his retirement in April 2007. From 1975 until November 2002, he held a variety of positions at Guy Carpenter & Co., Inc., including serving as President from March 1999 until November 2002. Mr. Megna was nominated to serve on the Board because of this experience as an insurance industry executive.

Michael D. Price
Age: 43
Director since 2005
Member of the Executive Committee

Mr. Price has been our President and Chief Executive Officer since October 2005, was our Chief Operating Officer from August 2005 until October 2005, and was President of Platinum US from November 2002 until August 2005. Mr. Price was Chief Underwriting Officer of St. Paul Re from June 2002 until November 2002. Prior thereto, Mr. Price was Chief Operating Officer of Associated Aviation Underwriters Incorporated, a subsidiary of Global Aerospace Underwriting Managers Ltd. specializing in aerospace insurance. Mr. Price was nominated to serve on the Board because, as our Chief Executive Officer, he brings deep knowledge of our

operations to the Board.

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Peter T. Pruitt

Age: 77

Director since 2002

Member of the Compensation Committee

Mr. Pruitt was Chairman of Willis Re Inc., a reinsurance intermediary, from June 1995 until his retirement in December 2001. He also served as Chief Executive Officer of Willis Re Inc. from June 1995 through September 1999. Prior thereto, Mr. Pruitt was President and a director of Frank B. Hall & Co., Inc., a public global insurance broker. Mr. Pruitt was nominated to serve on the Board because of this experience as a public company and insurance industry executive and director.

James P. Slattery

Age: 58

Director since 2009

Chairman of the Audit Committee

Mr. Slattery has been President of JPS & Co., LLC, an insurance and investment consulting company, since April 2001. He was Senior Vice President Insurance of Alleghany Corporation, a public property and casualty insurance holding company, and President of Alleghany Insurance Holdings, LLC, the insurance holding company subsidiary of Alleghany Corporation, from April 2002 until his retirement in July 2008. From 1986 to 2001, he was employed by subsidiaries of Swiss Re, a public reinsurance company based in Switzerland, most recently as Chief Operating Officer and Deputy Chief Executive Officer of Swiss Reinsurance America Corporation. Mr. Slattery was employed by various public and private reinsurance companies from 1978 to his retirement in 2008, including as a senior financial officer. Prior thereto, he was an auditor with KPMG LLP. Mr. Slattery is also a certified public accountant and a member of the American Institute of Certified Public Accountants and the New York Society of Certified Public Accountants. Mr. Slattery was a director of Darwin Professional Underwriters, Inc., a public insurance holding company, from 2006 to 2008. Mr. Slattery was nominated to serve on the Board because of this experience as a public company executive and director and his finance and insurance industry experience.

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Christopher J. Steffen
Age: 68
Nominee

Mr. Steffen has been an advisor to Wall Street Management & Capital, Inc., a consulting firm, since April 2002 and has served on various committees advising the Financial Accounting Standards Board. From 1993 until his retirement in 1996, he served as Vice Chairman and a director of Citicorp and its principal subsidiary, Citibank N.A. In 1993, he was the Chief Financial Officer of Eastman Kodak, a public imaging technology products and services company, and from 1989 to 1993 he was the Chief Financial Officer and Chief Administrative Officer and a director of Honeywell International, Inc., a public diversified technology and manufacturing company. Mr. Steffen was also a certified public accountant. Mr. Steffen has been a director and the Chairman of the Board of Directors of ViaSystems, Inc., a public company that provides complex multi-layer printed circuit boards and electro-mechanical solutions, since 2003. He has been a director of W.R. Grace & Company, a public company that produces and sells specialty chemicals and specialty materials, since 2006 and a director of Accelrys, Inc., a public company that develops and commercializes scientific business intelligence software and solutions, since 2004. Mr. Steffen is the Chairman of Accelrys, Inc.'s audit committee (and has been designated as an audit committee financial expert) and serves on Accelrys, Inc.'s compensation committee and nominating and governance committee. He also currently serves on W.R. Grace & Company's compensation committee, nominating and governance committee and audit committee. In addition, Mr. Steffen is Chairman of ViaSystems, Inc.'s nominating and governance committee and serves on ViaSystems, Inc.'s compensation committee and audit committee (and has been designated as an audit committee financial expert). Mr. Steffen was nominated to serve on the Board because of this finance experience and his experience as a public company executive and director.

THE BOARD RECOMMENDS A VOTE FOR ALL NOMINEES TO THE COMPANY'S BOARD OF DIRECTORS.

CORPORATE GOVERNANCE

Independence of Directors

New York Stock Exchange (NYSE) listing standards require us to have a majority of independent directors serving on the Board. A member of the Board qualifies as independent if the Board affirmatively determines that the director has

no material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company. The Board has determined that each of Messrs. Baldwin, Carmichael, Hass, Megna, Pruitt and Slattery, constituting a majority of the Board, has no material relationship with the Company other than in his capacity as a member of the Board and committees thereof, and thus each is an independent director of the Company. The Board has also determined that each of Messrs. Steffen and Lancaster, nominees for election as directors of the Company, has no material relationship

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with the Company and thus each would be an independent director if elected at the Annual Meeting. In addition, the Board had considered the independence of Jonathan F. Bank and Robert V. Deutsch, who served on the Board until their terms expired at the Annual General Meeting of Shareholders held on April 29, 2009, prior to their departure from the Board on that date and determined that each had no material relationship with the Company other than in his capacity as a member of the Board and committees thereof, and thus each was an independent director of the Company prior to their departure from the Board.

None of Messrs. Baldwin, Carmichael, Hass and Megna has any relationship with the Company, and prior to his departure from the Board Mr. Bank had no relationship with the Company, other than as a director and member of committees of the Board. Mr. Steffen currently has no relationship with the Company.

Mr. Pruitt's son is a partner of the law firm of Dewey & LeBoeuf LLP. Dewey & LeBoeuf LLP provides, and one of its predecessor firms provided, legal services to us. Mr. Pruitt's son became a partner at Dewey & LeBoeuf when his law firm merged with the predecessor firm; he is not involved in the provision of these legal services to us. In addition, payments made by us to Dewey & LeBoeuf LLP and its predecessor firm did not exceed the greater of \$1 million or 2% of the consolidated gross revenues of such firm in any of the last three fiscal years. Based on the foregoing, the Board has determined that Mr. Pruitt has no material relationship with the Company. In addition, the Board reviewed and approved Mr. Pruitt's relationship with Dewey & LeBoeuf LLP and determined that it does not constitute a conflict of interest under our Code of Business Conduct and Ethics because Mr. Pruitt does not have a significant financial interest in, and is not an affiliate of, a company with which the Company does business or proposes to do business.

Mr. Slattery was party to a letter agreement with us dated June 5, 2008 pursuant to which he provided consulting services to the Board and Audit Committee from July 1, 2008 until he joined the Board on April 29, 2009. Mr. Slattery received a total of \$90,000 in fees for these consulting services, paid in three equal installments on or about September 30, 2008, December 31, 2008 and March 31, 2009. Based on the foregoing, the Board has determined that Mr. Slattery has no material relationship with the Company.

Mr. Lancaster served as a non-executive director of Platinum (Re) UK Limited, a subsidiary of the Company, from December 2002 until December 2009. Mr. Lancaster received fees for his service as a director of Platinum (Re) UK Limited of £20,000 per year (or approximately \$32,300 per year based on an exchange rate of 1.6149 U.S. dollars per British pound as of December 31, 2009) during the term of his service. Based on the foregoing, the Board has determined that Mr. Lancaster has no material relationship with the Company.

Mr. Deutsch was the President and a director of Ironshore, Inc., an insurance holding company. During 2008, the Company provided reinsurance coverage to a subsidiary of Ironshore, Inc. resulting in premiums to the Company of approximately \$1.12 million, representing approximately 0.08% of the Company's consolidated total revenue for 2008. Mr. Deutsch did not receive any special benefits from the contract. Based on the foregoing, the Board determined that Mr. Deutsch had no material relationship with the Company prior to his departure from the Board.

Board Leadership Structure

Our Corporate Governance Guidelines provide that the Board should have the flexibility to decide whether it is best for the Company at any given point in time for the roles of the Chief Executive Officer and Chairman to be separate or combined and, if separate, whether the Chairman should be selected from the independent directors. Currently, different individuals serve in the roles of Chairman of the Board and Chief Executive Officer. Mr. Carmichael, an independent director, is the non-executive Chairman of the Board and the Chairman of the Governance Committee and, as such, he presides at the meetings of the Board and at the meetings of independent directors that are held after each Board meeting. We believe that it is important for the Company to have independent, non-management

leadership at the Board level. The separation of the Chief Executive Officer and Chairman roles provides a balance between management and independent, non-management leadership. However, the Board retains the flexibility to consider other structures that provide a similar balance of leadership, such as one that combines the roles of Chairman and Chief Executive Officer and includes the naming of a lead independent director. Accordingly, the Board periodically reviews its leadership structure.

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Board Role in Risk Oversight

Pursuant to its charter, the Audit Committee has the responsibility to discuss with management our guidelines and policies with respect to corporate risk assessment and risk management. Given the importance of these issues to our operations, the Audit Committee has determined that all Board members should be involved in discussions relating to these issues in order to foster a better understanding of our risk profile. Accordingly, at the request of the Audit Committee, our Chief Risk Officer, Kenneth A. Kurtzman, reports to the full Board on a quarterly basis with respect to our exposure to various types of risk on an aggregate and per risk basis, including exposure from our property and casualty reinsurance business and our investment portfolio. In addition, the Board participates in an annual strategy session with management that includes a discussion led by the Chief Executive Officer and an assessment of our risk management procedures. Our Chief Executive Officer also reports on the impact of changes made in our risk management procedures as a result of the prior year's strategy session.

Standing Committees of the Board of Directors

The Board maintains four standing committees: the Audit, the Compensation, the Governance and the Executive Committees. Each of the Audit, Compensation, Governance and Executive Committees operates pursuant to a charter. Each of these charters is posted on our website at www.platinumre.com and may be found under the Investor Relations section by selecting Corporate Governance. Copies of these charters may also be obtained, without charge, upon written request to the Secretary of the Company at our principal executive offices.

Audit Committee

The Audit Committee presently consists of Messrs. Baldwin, Carmichael, Hass and Slattery (Chairman). The Board has determined that each member of the Audit Committee is independent as defined in the NYSE listing standards and meets the NYSE standards of financial literacy and accounting or related financial management expertise. The Board has also determined that each of Messrs. Baldwin and Slattery is an audit committee financial expert as defined by the United States Securities and Exchange Commission (SEC). In addition, the Board has determined that Mr. Steffen would be independent as defined in the NYSE listing standards, would meet the NYSE standards of financial literacy and accounting or related financial management expertise and would be an audit committee financial expert as defined by the SEC if elected at the Annual Meeting and appointed to the Audit Committee as planned.

The Audit Committee's primary responsibilities, as set forth in its charter, are to:

engage the independent registered public accounting firm (subject to ratification by the shareholders of the Company as required by Bermuda law), determine the compensation and oversee the performance of the independent registered public accounting firm, and approve in advance all audit services and all permitted non-audit services to be provided to us by the independent registered public accounting firm;

assess and take appropriate action regarding the independence of our independent registered public accounting firm;

oversee the compensation, activities and performance of our internal audit function and review the quality and adequacy of our internal controls and internal auditing procedures;

periodically review with management and the independent registered public accounting firm our accounting policies, including critical accounting policies and practices and the estimates and assumptions used by

management in the preparation of our financial statements;

review with management and the independent registered public accounting firm any material financial or other arrangements of the Company which do not appear on our financial statements;

discuss with management our guidelines and policies with respect to corporate risk assessment and risk management;

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discuss with management each of the earnings press releases;

review with management and the independent registered public accounting firm the financial statements to be included in our quarterly and annual reports, including management's discussion and analysis of financial condition and results of operations, and recommend to the Board whether the audited financial statements should be included in our annual reports;

approve a code of ethics, as required by SEC rules, for our senior financial officers and such other of our employees and agents as the Audit Committee determines;

establish procedures for the handling of complaints received by us regarding accounting, internal accounting controls or auditing matters; and

annually review and evaluate Audit Committee performance and assess the adequacy of the Audit Committee charter.

Compensation Committee

The Compensation Committee presently consists of Messrs. Hass (Chairman), Megna and Pruitt. The Board has determined that each member of the Compensation Committee is independent as defined in the NYSE listing standards. In addition, the Board has determined that Mr. Steffen would be independent as defined in the NYSE listing standards if elected at the Annual Meeting and appointed to the Compensation Committee as planned.

The Compensation Committee's primary responsibilities, as set forth in its charter, are to:

review our compensation policies and practices and those of our subsidiaries, including incentive compensation plans and equity-based plans that are subject to Board approval;

review the recommendations of the Chief Executive Officer concerning the compensation of our officers and officers of our subsidiaries who report directly to the Chief Executive Officer and of any consultants, agents and other persons to the extent that determinations with respect to the compensation of such consultants, agents and other persons are expressly delegated to the Compensation Committee, and make determinations with respect thereto;

review a report from the Chief Executive Officer concerning the compensation of our officers and officers of our subsidiaries with a title of Senior Vice President and more senior (other than those officers reporting directly to the Chief Executive Officer), and make such recommendations (if any) to the Chief Executive Officer with respect thereto as the Compensation Committee deems appropriate;

review and approve the corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives and set the Chief Executive Officer's compensation level based on such evaluation after consultation with each of the directors on the Board;

review and make recommendations relating to director compensation for discussion and approval by the Board;

review the recommendation of the Chief Executive Officer concerning the aggregate amount available for the annual incentive bonus program each year, and make a determination with respect thereto;

oversee the administration of our incentive-compensation plans and equity-based plans, and any other plans that provide for administration by the Compensation Committee, amend and interpret such plans and the awards and agreements issued pursuant thereto, and make awards to eligible persons under such plans and to determine the terms of such awards;

review and discuss with management our Compensation Discussion and Analysis, recommend whether the Compensation Discussion and Analysis should be included in our proxy statement, and produce an annual report to such effect for inclusion in our proxy statement; and

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annually review and evaluate Compensation Committee performance and assess the adequacy of the Compensation Committee charter.

Compensation Process and Procedures. The Compensation Committee charter provisions set forth above outline the scope of authority of the Compensation Committee. The Compensation Committee has the sole authority to set the Chief Executive Officer's compensation. As noted above, the Compensation Committee consults with each of the other directors on the Board in setting such compensation. In determining any long-term incentive component of the Chief Executive Officer's compensation, the Compensation Committee considers, among other factors, our financial performance and shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and awards given to the Chief Executive Officer in past years.

Compensation determinations for our other named executive officers are also made by the Compensation Committee. The Compensation Committee receives recommendations regarding such compensation from the Chief Executive Officer, who considers, among other factors, competitive compensation information. The Compensation Committee also consults with the Chief Executive Officer regarding the form of compensation and benefits to be provided to the other named executive officers. The Compensation Committee may request a report from a compensation consulting firm in support of such proposed compensation and may consider comparative competitive data prepared by a compensation consulting firm or our human resources personnel.

Director compensation is reviewed by the Compensation Committee, which makes recommendations with respect to director compensation for discussion and approval by the Board. When making recommendations, the Compensation Committee considers the complexity and size of the Company. To create a direct linkage between director compensation and our performance, a portion of a director's compensation is paid in share units which convert into Common Shares. The Chief Executive Officer is not involved in making decisions regarding director compensation.

Pursuant to its charter, the Compensation Committee may retain professional firms and outside experts to assist in the discharge of its duties. The Compensation Committee has the sole authority to retain, evaluate and replace such firms, including the sole authority to approve the firms' fees and other retention terms. The Compensation Committee selects the peer group of companies used by compensation consulting firms it hires and reviews the methodology employed by such firms in their reports to the Compensation Committee.

In 2009, in connection with the Board's decision to extend the Chief Executive Officer's employment agreement, the Compensation Committee engaged Fredrick W. Cook & Co. (FWC), a professional compensation consulting firm, to advise it on such extension. In connection with this engagement, FWC reviewed all material employment agreements and arrangements between us and the Chief Executive Officer and evaluated the competitiveness of the Chief Executive Officer's compensation against our peer group of companies. Based on its review and evaluation, FWC recommended amendments to the Chief Executive Officer's employment agreement and adjustments to his compensation. The Compensation Committee also engaged FWC to provide a comprehensive review of the competitiveness of the total direct compensation of our other executive officers against our peer group of companies in 2009. The peer group of companies against which FWC evaluated the compensation of the Chief Executive Officer and other executive officers was selected by the Compensation Committee and determined as described below under Executive Compensation Compensation Discussion and Analysis Retention Competitive Market Practices below. FWC did not provide any additional services to us or our affiliates during 2009.

Governance Committee

The Governance Committee presently consists of Messrs. Carmichael (Chairman), Baldwin and Megna. The Board has determined that each member of the Governance Committee is independent as defined in the NYSE listing

standards. In addition, the Board has determined that Mr. Lancaster would be independent as defined in the NYSE listing standards if elected at the Annual Meeting and appointed to the Governance Committee as planned.

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The Governance Committee's primary responsibilities, as set forth in its charter, are to:

develop a Board that is diverse in nature and provides management with experienced and seasoned advisors with an appropriate mix of skills in fields related to the current or future business directions of the Company and seek qualified candidates for Chief Executive Officer with the necessary skills and experience to contribute to the achievement of our business objectives;

identify, interview and screen individuals qualified to become members of the Board and committees thereof, and to become the Chief Executive Officer, for recommendation to the Board;

develop and recommend to the Board a set of corporate governance guidelines applicable to us addressing, among other matters determined by the Governance Committee to be appropriate, director qualifications and responsibilities, director orientation and continuing education, management succession and the annual performance evaluation of the Board;

regularly review issues and developments relating to corporate governance and recommend to the Board proposed changes to the corporate governance guidelines from time to time as the Governance Committee determines to be appropriate;

evaluate at least annually the overall effectiveness of the Board and our senior management, coordinate the annual evaluations of the committees of the Board and make recommendations to the Board with respect thereto as appropriate, provided that any determinations or recommendations relating to compensation are reserved for the Compensation Committee;

review at least annually all committees of the Board and recommend to the Board changes, as appropriate, in the composition, responsibilities, charters and structure of the committees;

recommend that the Board establish such special committees as may be necessary or appropriate to address ethical, legal or other matters that may arise; and

annually review and evaluate Governance Committee performance and assess the adequacy of the Governance Committee charter.

Director Nomination Process. The Governance Committee regularly assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or for other reasons, and is responsible for identifying and recommending to the Board qualified candidates for nomination to the Board. The Governance Committee believes that members of the Board should have the highest professional and personal ethics and values, consistent with our ethics and values. Directors should be committed to enhancing shareholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. While we value public company service and seek that experience in candidates for nomination to the Board, service on other boards of public companies should be limited to a number that permits our directors, given their individual circumstances, to perform responsibly all their duties to the Company. In identifying nominees, the Governance Committee seeks diversity in the viewpoints, skills, professional experience, expertise and other individual qualities and attributes of Board members in order to assure that specific talents, skills and other characteristics that are needed to promote the Board's effectiveness are possessed by an appropriate combination of directors. The Board also considers the benefits of a Board with diverse skills, experience, and expertise when evaluating the Governance Committee's recommendations. Each director must represent the interests of all shareholders.

Candidates may come to the attention of the Governance Committee through current Board members, professional search firms, shareholders or other persons. These candidates will be evaluated at regular or special meetings of the Governance Committee and may be considered at any point during the year. Candidates recommended by shareholders for nomination to the Board will be considered and evaluated by the Governance Committee using the same criteria that is used to evaluate all other candidates. Any shareholder recommendations should include the candidate's name and qualifications for Board membership and should be submitted in writing to the Governance Committee in care of the Secretary of the Company at our principal executive offices.

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Executive Committee

The Executive Committee presently consists of Messrs. Baldwin, Carmichael (Chairman) and Price. The Executive Committee is authorized to exercise all of the powers of the Board when the Board is not in session (i) upon a written determination of the Chairman of the Board that it is impracticable to convene a meeting of the Board to exercise such powers, (ii) only as specifically delegated to the Executive Committee by the Board in writing, and (iii) subject to additional limitations set forth in its charter or as may from time to time be established by resolution of the Board.

Meetings and Attendance

During 2009, the Board met four times, the Audit Committee met four times, the Compensation Committee met two times, the Governance Committee met four times and the Executive Committee did not meet. Each director attended at least 75% of the aggregate number of meetings of the Board and meetings of the committees of the Board on which he served that were held in 2009.

Board members are encouraged to attend our Annual General Meetings of Shareholders. All directors attended our 2009 Annual General Meeting of Shareholders held on April 29, 2009 in Bermuda.

Corporate Governance Guidelines and Code of Conduct

We have adopted Corporate Governance Guidelines and a Code of Business Conduct and Ethics. Copies of these documents are available on our website at www.platinumre.com and may be found under the Investor Relations section by selecting Corporate Governance. Copies of these documents may also be obtained, without charge, upon written request to the Secretary of the Company at our principal executive offices.

Executive Sessions

In accordance with our Corporate Governance Guidelines and the NYSE's corporate governance rules, separate executive sessions of independent directors are held after each Board meeting. Mr. Carmichael, as non-executive Chairman of the Board and Chairman of the Governance Committee, presides at such sessions.

Compensation Committee Interlocks and Insider Participation

Messrs. Hass, Megna and Pruitt, and Jonathan F. Bank and Robert V. Deutsch served on the Compensation Committee of the Board during the 2009 fiscal year. Each member of the Compensation Committee is or was an independent director and no member of the Compensation Committee was an officer or an employee of the Company during 2009 or a former officer of the Company. Additionally, no member of the Compensation Committee had any relationship with the Company requiring disclosure under Item 404 of SEC Regulation S-K. No executive officer of the Company served on any board of directors or compensation committee of any other company for which any of our directors served as an executive officer at any time during the 2009 fiscal year.

Communications with the Board

Interested parties may communicate with the Board, anonymously if they wish, by writing to the General Counsel at Platinum Underwriters Holdings, Ltd., The Belvedere Building, 69 Pitts Bay Road, Pembroke HM 08 Bermuda. Communications that are intended specifically for non-management directors should be sent to the above address to the attention of the Chairman of the Board (as the independent director who presides at meetings of such directors), in care of the General Counsel. All such communications will be treated as confidential and delivered to the appropriate Board member or members.

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The following information relates to compensation of each director who served on the Board in 2009, other than Mr. Price whose compensation as our President and Chief Executive Officer is reflected in the Summary Compensation Table below.

Director Compensation for Fiscal Year ending December 31, 2009

Name	Fees Earned or Paid in Cash⁽¹⁾	Stock Awards⁽²⁾	Option Awards⁽³⁾	All Other Compensation⁽⁴⁾	Total
(a)	(\$)	(\$)	(\$)	(\$)	(\$)
	(b)	(c)	(d)	(g)	(h)
H. Furlong Baldwin	110,769	50,010		1,551	162,330
Dan R. Carmichael	182,500	50,010		1,641	234,151
A. John Hass	121,875	50,010		356	172,241
Edmund R. Megna	104,231	50,010		356	154,597
Peter T. Pruitt	105,048	50,010		1,578	156,636
James P. Slattery	97,496	50,010		60,000	207,506
Jonathan F. Bank ⁽⁵⁾	45,440			14,538	59,978
Robert V. Deutsch ⁽⁵⁾	40,467			4,487	44,954

- (1) Our current nonemployee director compensation policy is described in detail below under Nonemployee Director Compensation Policy. Prior to the 2009 Annual Meeting, the nonemployee directors were paid under a prior policy pursuant to which Mr. Carmichael, as non-executive Chairman of the Board, received an annual retainer of \$150,000 and each other nonemployee director received an annual retainer of \$75,000. In addition, the Chairman of the Audit Committee received an annual retainer of \$20,000 per year, and each member of that committee received an annual retainer of \$10,000 per year. The Chairmen of the Compensation and Governance Committees each received an annual retainer of \$15,000 per year, and each other nonemployee member of the Compensation, Governance and Executive Committees received an annual retainer of \$7,500 per year. Each nonemployee director also received \$2,500 for attendance at each meeting of the Board and of any committee of which he was a member.
- (2) The amounts shown in the Stock Awards column represent the aggregate grant date fair value of share unit awards granted to the directors in 2009, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 718. The number of Common Shares underlying outstanding stock awards held by each of the directors who served on the Board in 2009 as of December 31, 2009 was as follows: Mr. Baldwin: 15,233; Mr. Bank: 0; Mr. Carmichael: 21,293; Mr. Deutsch: 0; Mr. Hass: 6,769; Mr. Megna: 4,990; Mr. Pruitt: 10,841 and Mr. Slattery: 1,769. The assumptions made in the valuation of these stock awards are discussed in Note 11 to the consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2009 (the 2009 Form 10-K).
- (3) We did not grant any options to directors in 2009. The number of Common Shares underlying outstanding options held by each of the directors who served on the Board in 2009 as of December 31, 2009 was as follows: Mr. Baldwin: 30,000; Mr. Bank: 0; Mr. Carmichael: 0; Mr. Deutsch: 0; and Mr. Pruitt: 0. Messrs. Baldwin, Bank,

Carmichael and Pruitt each forfeited 5,000 options originally granted to them on May 6, 2004 upon the expiration of those options in accordance with their terms on May 5, 2009.

- (4) The amounts for each of Messrs. Baldwin, Bank, Carmichael, Deutsch, Hass, Megna and Pruitt represent the dollar value of dividends paid on the annual share unit grant and the share unit portion of director fees which converted in 2009 that were not factored into the grant date fair value computation. The amount for Mr. Slattery represents fees paid to him for consulting services he provided to the Board and Audit Committee pursuant to the letter agreement with us dated June 5, 2008. The letter agreement is described in more detail under, Corporate Governance Independence of Directors above.
- (5) Messrs. Bank and Deutsch ceased serving on the Board when their terms expired on April 29, 2009.

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Nonemployee Director Compensation Policy

Annual Retainers. Each nonemployee director (a director who is not an employee of the Company or any of its affiliates) receives a \$100,000 annual retainer. Mr. Carmichael receives an additional \$75,000 annual retainer for his service as the non-executive Chairman of the Board and the Chairman of the Governance Committee, the Chairman of the Audit Committee receives an additional \$45,000 annual retainer, and the Chairman of the Compensation Committee receives an additional \$25,000 annual retainer. All annual retainers are paid in cash, quarterly in arrears. Nonemployee directors do not receive per meeting attendance fees or fees for membership on Board committees.

Annual Share Unit Award. On the date of each Annual General Meeting of Shareholders, each nonemployee director elected at such Annual General Meeting of Shareholders receives an annual grant under the 2006 Share Incentive Plan of that number of share units equal to \$50,000 divided by the closing price of the Common Shares on the business day immediately preceding the date of such grant. These share units vest and convert on a one-to-one basis into Common Shares on the earlier to occur of the first anniversary of the date of the grant and the date of our next Annual General Meeting of Shareholders following the date of the grant, provided that the director continues to serve on the Board through the date of conversion. During the vesting period, we credit the directors with dividend equivalent rights with respect to these share units each time a dividend is paid on our Common Shares. The dividend equivalent rights are subject to the same vesting requirements as the share units and are paid in cash upon vesting.

On the date of our 2008 Annual General Meeting of Shareholders, each of the nonemployee directors received 1,112 share units, which vested and converted on a one-to-one basis into Common Shares on April 23, 2009. Dividend equivalent rights that were credited to the directors prior to vesting were paid in cash on April 23, 2009 upon the vesting of the share units. Each of the nonemployee directors received 1,769 share units on the date of our 2009 Annual Meeting.

Share Unit Plan for Nonemployee Directors. Pursuant to the Amended and Restated Share Unit Plan for Nonemployee Directors (the Share Unit Plan), prior to January 1, 2009, 50% of all fees earned by a nonemployee director (including annual retainers, committee retainers and per meeting attendance fees) during each calendar quarter were mandatorily converted into that number of share units equal to the amount of such fees divided by the closing price of the Common Shares on the last day of the calendar quarter and directors could elect to have up to 100% of their fees converted into share units. Pursuant to these provisions of the Share Unit Plan, a nonemployee director receives a distribution in respect of his share units upon the expiration of five calendar years following the year in which he was credited with such share units or upon termination of his service on the Board, if earlier, each such share unit valued at the closing price of one Common Share on the date of such expiration or termination. Each distribution under the Share Unit Plan is made, in the discretion of the Board, either in cash or Common Shares or a combination thereof. Prior to distribution, the directors are credited with dividend equivalent rights with respect to these share units each time a dividend is paid on our Common Shares. These dividend equivalent rights are paid in cash upon a distribution under the Share Unit Plan in respect of the share units to which they relate. In January 2010, each of Messrs. Baldwin, Carmichael and Pruitt received a distribution of Common Shares and cash dividends with respect to share units credited to them as fees for 2004.

As a result of the enactment of Section 457A of the Internal Revenue Code, in order to eliminate the deferral of income tax on compensation for services performed after December 31, 2008 by any director of the Company who is a taxpayer in the United States, the Share Unit Plan was amended to provide that, beginning in the first quarter of 2009, no additional share units will be granted or credited under the Share Unit Plan. Dividend equivalent rights will continue to be credited on share units that were outstanding as of January 1, 2009 and such share units and all dividend equivalent amounts will be paid in cash in accordance with the terms of the Share Unit Plan. On February 22, 2010, the Board terminated the Share Unit Plan as to future awards, and all Common Shares remaining

available under that plan are no longer reserved for issuance thereunder.

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TRANSACTIONS WITH RELATED PERSONS

Our Code of Business Conduct and Ethics, which is in writing and which was recommended by the Audit Committee and approved by the Board, provides that our employees and directors must avoid any interest that conflicts or appears to conflict with the interests of the Company. A conflict of interest exists if actions by an employee or director are, or could reasonably appear to be, influenced directly or indirectly by personal considerations, duties owed to or interests in persons or entities other than the Company, or by actual or potential personal benefit or gain. Although the Code of Business Conduct and Ethics states that it is not possible to describe every conceivable conflict of interest, conflicts may include an employee or director conducting Company business with family members, employees, directors or their family members having a financial interest in another company with which we do business or that competes with us in the reinsurance market, and an employee taking a second job in the reinsurance industry or serving as a director of another entity.

Any time that an employee believes that a conflict of interest may exist, the conflict must be reported to and approved by that employee's compliance officer and reported to our General Counsel. A conflict of interest that involves an officer who is a Senior Vice President or more senior or its equivalent, including all of our named executive officers, must be approved by the Board.

The Code of Business Conduct and Ethics provides that nonemployee directors may not have significant financial interests in or be affiliated with any entity with which we do business or propose to do business unless the director:

- (i) discloses any such relationship promptly after the director becomes aware of it;
- (ii) removes himself or herself from any Board activity that directly impacts the relationship between us and any such entity with respect to which the director has a significant financial interest or with which the director is affiliated; and
- (iii) obtains prior approval of the Board for any transaction of which the director is aware between us and any such entity that is not in the ordinary course of our business.

Further, our Corporate Governance Guidelines, which are in writing and which were recommended by the Governance Committee and approved by the Board, provide that, except as authorized by the Board, no director shall have a direct economic relationship with the Company (other than fees for services as a member of the Board or any committee thereof).

In 2009, Platinum Bermuda entered into two reinsurance transactions with PartnerRe Ltd. Marvin Pestcoe, the husband of H. Elizabeth Mitchell, is an officer of a subsidiary of PartnerRe Ltd. and the head of the business unit at PartnerRe Ltd. that is involved in these transactions with Platinum Bermuda. We expect that premiums to Platinum Bermuda from these transaction will total approximately \$7.5 million dollars, payable over the term of the contracts. We cannot determine whether Mr. Pestcoe has a material interest in these transactions or the amount of such interest, if any. As the President and Chief Executive Officer of Platinum US, Ms. Mitchell does not have any involvement in the business of Platinum Bermuda and is not involved in these transactions. Ms. Mitchell does not have a material interest in these transactions.

SHARE OWNERSHIP GUIDELINES

We have adopted share ownership guidelines intended to align the interests of our nonemployee directors, Chief Executive Officer and executive officers reporting directly to the Chief Executive Officer with shareholders. Each of our executive officers has achieved his or her target share ownership level. Of our nonemployee directors, each of Messrs. Baldwin, Carmichael and Pruitt has achieved his target share ownership level.

Under the guidelines, such persons are expected to retain a portion of the Common Shares received by them as compensation until they have accumulated Common Shares at target ownership levels established by the Compensation Committee. The target ownership levels are 100,000 Common Shares for our Chief Executive

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Officer, 50,000 Common Shares for the Chief Executive Officer of Platinum Bermuda, the Chief Executive Officer of Platinum US and our Executive Vice President, Chief Administrative Officer and General Counsel, 30,000 Common Shares for our Chief Financial Officer, the Executive Vice President and Chief Risk Officer of Platinum Administrative Services, Inc. and the Executive Vice President and Chief Actuary of Platinum Administrative Services, Inc. and 10,000 Common Shares for our nonemployee directors. The Board may adjust the levels from time to time. Until the nonemployee directors, the Chief Executive Officer and the other executive officers reach their target ownership levels, they must retain Common Shares with a fair market value on the date of exercise or vesting equal to at least a specified percentage of the after-tax gain from the exercise of options or the after-tax value upon the vesting of restricted shares and the vesting of share units. The specified percentages are 75% of the after-tax gain or after-tax value for the nonemployee directors and the Chief Executive Officer and 50% of the after-tax gain or after-tax value for the other executive officers. Once the target ownership level is attained, the nonemployee directors, Chief Executive Officer and other executive officers are expected to maintain that level until termination of service or employment unless the Chairman of the Compensation Committee waives compliance with the specified share ownership level. Common Shares owned outright, including Common Shares held in street name accounts, jointly with a spouse, or in a trust for the benefit of the executive officer, are counted toward fulfilling the share ownership requirement. Common Shares that are subject to unexercised share options, unvested restricted shares and unvested share units are not counted toward fulfilling this requirement.

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INFORMATION CONCERNING EXECUTIVE OFFICERS

Set forth below is biographical and other information regarding our executive officers, including their principal occupations during the past five years.

Michael D. Price
Age: 43
President and Chief Executive Officer

Mr. Price has been our President and Chief Executive Officer since October 2005 and was our Chief Operating Officer from August 2005 until October 2005. Prior thereto, he was President of Platinum US.

James A. Krantz
Age: 49
Executive Vice President and
Chief Financial Officer

Mr. Krantz has been our Executive Vice President and Chief Financial Officer since June 2007. He served as our Senior Vice President and Chief Accounting Officer from August 2006 to May 2007. Mr. Krantz was Senior Vice President, Chief Financial Officer and Treasurer of Platinum US from March 2003 until August 2006.

Kenneth A. Kurtzman
Age: 42
Executive Vice President and Chief
Risk Officer of Platinum Administrative Services, Inc.

Mr. Kurtzman has been Executive Vice President and Chief Risk Officer of Platinum Administrative Services, Inc. since March 2006. Mr. Kurtzman was head of casualty underwriting at Swiss Re Underwriters Agency, Inc., a division of Swiss Reinsurance Company, from July 2004 until March 2006. Prior thereto, Mr. Kurtzman was head of property and casualty risk management at Swiss Reinsurance Company.

Michael E. Lombardozzi
Age: 48
Executive Vice President, General
Counsel, Chief Administrative Officer and
Secretary

Mr. Lombardozzi has been our Executive Vice President and General Counsel since September 2002 and our Chief Administrative Officer since August 2005. Mr. Lombardozzi has also served as our Secretary since November 2002.

H. Elizabeth Mitchell
Age: 48
President and Chief Executive Officer
of Platinum US

Ms. Mitchell has been President of Platinum US since August 2005 and Chief Executive Officer of Platinum US since November 2007. Ms. Mitchell was Executive Vice President of Platinum US from November 2002 until August 2005 and Chief Operating Officer of Platinum US from September 2003 until August 2005.

Robert S. Porter
Age: 45
Chief Executive Officer
of Platinum Bermuda

Mr. Porter has been Chief Executive Officer of Platinum Bermuda since March 2006. Mr. Porter was Chief Executive Officer of Platinum Re (UK) Limited from June 2003 until March 2006. Prior thereto, Mr. Porter was a Senior Vice President of Platinum US.

Neal J. Schmidt
Age: 53
Executive Vice President
and Chief Actuary of Platinum
Administrative Services, Inc.

Mr. Schmidt has been Executive Vice President and
Chief Actuary of Platinum Administrative Services, Inc.
since January 2005 and was Executive Vice President
and Chief Actuary of Platinum US from November 2002
until December 2004.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Objectives of Our Compensation Program

We seek to achieve attractive long-term returns for our shareholders through disciplined risk management and market leadership in selected classes of property and marine, casualty and finite risk reinsurance by employing the following strategy:

We operate as a multi-class reinsurer, offering a broad range of reinsurance coverages to our ceding company clients. In support of this strategy, our business plan contemplates a mix of property and casualty underwriting. We believe that this approach enables us to more effectively serve our clients, diversify our risk and leverage our capital. Although our property reinsurance business can be very profitable in periods when there are few catastrophic events, it is also subject to large losses if catastrophes are frequent or severe. Our casualty reinsurance business is typically less volatile, providing steadier earnings from year to year and moderating the volatility of our property business. However, there tends to be a greater time lag between the occurrence, reporting and payment of casualty reinsurance claims, requiring a longer term perspective on the part of our management for this aspect of our business.

We exercise disciplined underwriting and risk management, emphasizing profitability rather than premium volume or market share. The property and casualty reinsurance business has historically been a cyclical industry, characterized by periods of intense price competition due to excessive underwriting capacity as well as periods when shortages of capacity permitted favorable pricing. Our strategy of emphasizing profitability requires us to focus on business that meets our risk selection and pricing criteria, rather than writing business simply to meet production levels.

We seek to operate from a position of financial strength. In support of this strategy, our business plan contemplates maintaining financial strength ratings of at least A (Excellent), which is the third highest of 16 categories, from A.M. Best Company (A.M. Best) and A (Strong), which is the sixth highest of 21 categories, from Standard & Poor's Ratings Services, a division of the McGraw Hill Companies Inc. (Standard & Poor's). Financial strength ratings are used by ceding companies as an important means of assessing the quality of reinsurers. Our capital base has been maintained at a level that supports these ratings. We believe our ratings allow us to compete for a broad array of business.

Our executive compensation program provides for compensation to our executive officers, including Messrs. Price, Krantz, Lombardozzi and Porter and Ms. Mitchell, who comprise our named executive officers for purposes of this proxy statement.

The principal elements of our executive compensation program are base salary, annual incentive bonus awards under the Amended and Restated Annual Incentive Plan (the Annual Incentive Plan), long-term incentive awards under the 2006 Share Incentive Plan and long-term incentive awards under the Amended and Restated Executive Incentive Plan (the Executive Incentive Plan), each comprising roughly a quarter of the target compensation package. Our executive compensation program is designed to motivate our named executive officers to achieve both short-term and long-term financial results consistent with the strategies supporting our business goal. Accordingly, our program is significantly weighted toward performance-based compensation, and provides the named executive officers with an opportunity to ultimately earn total annual compensation equal to approximately four times their base salaries if financial targets are

met and up to a maximum of approximately six to seven times their base salaries for superior financial results.

The principal financial performance measures on which we base our compensation program are our return on common shareholders' equity and share price. The focus on share price provides a direct link to our business goal of achieving attractive long-term returns for our shareholders. In addition, we believe that sustained returns on equity contribute to share appreciation over time. Both our Annual Incentive Plan and our Executive Incentive Plan, which comprise roughly half of the compensation package for our named executive officers,

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employ return on equity as the measure of corporate performance. All of our long-term incentive awards are paid in Common Shares. These measures are described in more detail below under Performance Measures.

The Annual Incentive Plan and Executive Incentive Plan work in conjunction with the 2006 Share Incentive Plan or any successor plan. If we make awards under the Annual Incentive Plan and the Executive Incentive Plan in the form of share units, those share units are also awarded pursuant to the terms of the 2006 Share Incentive Plan or any successor plan and count towards the aggregate number of Common Shares that may be issued pursuant to all awards made under the 2006 Share Incentive Plan or any successor plan.

Our compensation program is also designed to retain highly qualified personnel. We promote the retention of our named executive officers by offering a level of compensation that we believe is competitive in the reinsurance industry and delayed vesting of the long-term incentive awards. These features are described below under Retention.

Performance Measures

Return on Equity

Currently, both our Annual Incentive Plan and our Executive Incentive Plan employ return on equity as the measure of financial performance. We believe return on equity, which takes into account both our net income and capital used to produce that net income, is an important measure of our profitability. Since premium volume and market share are not objectives of our business plan, none of our compensation programs utilize revenue as a measure of corporate performance. With respect to the Annual Incentive Plan, at the beginning of a plan year, the Compensation Committee may, in its discretion, select net income, return on equity, another measure of the Company's performance, or a combination of these performance criteria as the measure of financial performance.

For each of the Annual Incentive Plan and the Executive Incentive Plan, return on equity is determined on an annual basis by dividing our net income or loss attributable to holders of our Common Shares by beginning shareholders equity, adjusted by the Compensation Committee for the weighted average effect of material capital transactions during the year, less the par value and capital attributable to preferred shares. Thus, for the Annual Incentive Plan there is one calculation for the year, and for the Executive Incentive Plan, one calculation will be done for each of the years in a performance cycle, which amounts will then be added together and divided by the number of years in the performance cycle.

In February 2009, the Compensation Committee determined that return on equity would be the measure of financial performance for 2009 under the Annual Incentive Plan and that in order for participants to receive payouts at target levels for awards made under our Annual Incentive Plan in respect of 2009 we would have to achieve a return on equity of at least 10%, which compares with a return on equity of at least 12% in respect of 2008. The percentage required to achieve target payouts was reduced in respect of 2009 by the Compensation Committee in light of significant declines since the beginning of 2008 in interest rates. In addition, the Compensation Committee determined that in order for participants to receive payouts at target levels under our Executive Incentive Plan for the 2009-2011 performance cycle, we would have to achieve a return on equity of at least 12%. We believe that such returns over the long term would be attractive to investors. The Compensation Committee also determined that the bonus pool under the Annual Incentive Plan in respect of 2009 would fund at 100% of the sum of all participants' target bonuses at a target return on equity for 2009 of 10% to 13%, with a range of funding from 50% of such sum (for return on equity of 4%) to 200% of such sum (for return on equity of 20% or more). The amounts below and above the target are determined through straight-line interpolation. The bonus pool available to our named executive officers does not fund if return on equity is below 4%. The long-term incentive awards made under the Executive Incentive Plan in 2009 for the 2009-2011 performance cycle provide for a payout at 100% if we achieve an average return on equity for the three-year period of 12%, with a range of payout from 0% (for return on equity of less than 6%) to 200% (for a return

on equity of 18% or more), to be determined through straight-line interpolation.

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In February 2010, the Compensation Committee determined that the same performance measures, targets and payout levels will apply for awards made under our Annual Incentive Plan in respect of 2010 and under our Executive Incentive Plan for the 2010-2012 performance cycle.

Share Price

Share price is a significant performance-based element of our compensation program, which is designed to result in the accumulation of Common Shares by our named executive officers in order to align their interests with those of our other shareholders. Changes in share price directly impact the value of our equity-based compensation. All of the long-term equity incentives granted under our 2006 Share Incentive Plan, including those granted under our Executive Incentive Plan, are paid in Common Shares and we expect our named executive officers to attain a meaningful level of ownership of our Common Shares through our share ownership guidelines described above. We believe the combination of share-based compensation and share ownership guidelines motivates our named executive officers to focus on increasing the market value of our Common Shares. In addition, our share ownership guidelines prohibit executive officers and directors from hedging the economic risk of their share ownership.

We have granted long-term equity incentives under our 2006 Share Incentive Plan in the form of restricted shares, share units that convert into Common Shares and options to purchase Common Shares. Our Executive Incentive Plan provides for awards of share units that are paid after a three-year performance cycle in cash, Common Shares or a combination of cash and Common Shares, in the discretion of the Compensation Committee. The share units granted pursuant to the Executive Incentive Plan are also awarded in conjunction with the 2006 Share Incentive Plan. The number of share units is determined by dividing the dollar amount of the award by the fair market value of the Common Shares on the date of grant. The Compensation Committee has determined that any payment of awards of share units under our Executive Incentive Plan will be made entirely in Common Shares.

Our share ownership guidelines are described in detail under Share Ownership Guidelines above. The specified levels of share ownership for our named executive officers are 100,000 Common Shares for Mr. Price, 50,000 Common Shares for Mr. Lombardozzi, Mr. Porter and Ms. Mitchell and 30,000 Common Shares for Mr. Krantz. The share ownership levels of 100,000, 50,000 and 30,000 Common Shares would represent an investment in the Company of about \$3.8 million, \$1.9 million and \$1.1 million, respectively, based on the closing price of \$38.29 per Common Share on December 31, 2009. We believe that the levels of share ownership specified above provide a meaningful alignment of the interests of our named executive officers with the interests of our shareholders, which furthers our goal to provide attractive long-term returns for our shareholders. As of the date hereof, all of our named executive officers have achieved their target ownership levels.

Retention

We seek to employ senior executives having substantial experience and expertise in their fields, and who will maintain a high level of commitment to our business goal. The retention of such executives is an important objective of our compensation program, particularly in light of the competition for talented reinsurance professionals, especially in Bermuda and New York. Our retention strategies are discussed below.

Competitive Market Practices

With the assistance of compensation consultants engaged from time to time and our human resources personnel, the Compensation Committee considers several factors, including competitive compensation practices and trends and market demand for talent, to assess the effectiveness and competitiveness of our compensation structure. The Compensation Committee evaluates base salary and incentive compensation awards for named executive officers using available market data compiled by compensation consultants or our human resources personnel. This market

data is derived from publicly available information relating to companies in the reinsurance industry with which we compete for business and talent. This group of

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companies can vary depending on changes in market dynamics and the extent to which the particular companies have business strategies and executive officer positions that compare to ours.

We consider compensation information for a group of public companies with significant operations in Bermuda, selected by the Compensation Committee. Although none of the companies fit our profile exactly, we share similar characteristics such as location, public company status and certain elements of their business. Each company has reinsurance as at least a substantial component of its business. In 2009, those companies were Arch Capital Group Ltd., Axis Capital Holdings Limited, Endurance Specialty Holdings Ltd., Everest Re Group, Ltd., Max Capital Group Ltd., Montpelier Re Holdings Ltd., Odyssey Re Holdings Corp., PartnerRe Ltd., RenaissanceRe Holdings Ltd. and Transatlantic Holdings, Inc. In February 2010, the Compensation Committee assessed our group of peer companies and determined to remove Odyssey Re Holdings Corp. and add Aspen Insurance Holdings Limited, Flagstone Reinsurance Holdings Limited and Validus Holdings, Ltd. to ensure that our peer group of companies continues to accurately reflect our profile.

In 2009, the Compensation Committee engaged FWC, a professional compensation consulting firm, to provide the services described above under Corporate Governance Standing Committees of the Board of Directors Compensation Committee. The results of FWC's review and evaluation are discussed below under Elements of Compensation.

Delayed Vesting of Long-Term Incentives

Awards granted under our 2006 Share Incentive Plan have been made in the form of restricted shares, share units that convert on a one-to-one basis into Common Shares and options to purchase Common Shares. All of these awards vest over a period of time. For example, in February 2008 and in prior years, we made awards under our 2006 Share Incentive Plan half in the form of share units which vest in equal installments on the third and fourth anniversaries of the date of grant, and half in the form of options which become exercisable in equal annual installments on the first four anniversaries of the date of grant. Restricted share awards granted under our 2006 Share Incentive Plan to our named executive officers in July 2008 vest in three equal annual installments on the first three anniversaries of the date of grant, and the restricted share award granted to Mr. Price in October 2009 in connection with the extension of his employment agreement vests in two equal annual installments in July 2012 and July 2013. All of these awards are generally conditioned upon the continued employment of the recipient on each installment date. Share unit awards granted under our Executive Incentive Plan in 2009 vest after completion of a three-year performance cycle. In general, vesting of share units awarded under the Executive Incentive Plan is conditioned upon the continued employment of the participant and the return on equity achieved throughout the three-year performance cycle.

The vesting of awards under the 2006 Share Incentive Plan and the Executive Incentive Plan may be accelerated under limited circumstances as discussed below under Acceleration Events.

Change in Control Severance Plan

In May 2007, with the assistance of FWC, the Compensation Committee adopted the Amended and Restated Change in Control Severance Plan (the CIC Plan), which provides severance benefits to certain of our employees, including our named executive officers, in the event of a termination of employment by us without cause or by the employee for good reason during the two-year period following a change in control. The purpose of the CIC Plan is to secure the continued services, dedication and objectivity of our employees in the event of any possible or actual change in control without concern as to whether such employees might be hindered or distracted by personal uncertainties and risks created thereby.

In determining whether to adopt the CIC Plan and the benefits available to our named executive officers under the CIC Plan, the Compensation Committee reviewed estimates of the total cost of the CIC Plan to us and considered the

recommendations of FWC regarding the CIC Plan with respect to the scope of participation, the provision for excise tax gross-ups for any parachute payments under Section 280G of the Internal Revenue Code, and restrictive covenants applicable to participants. By adopting the CIC Plan, we increased the severance multiples for our named executive officers to levels in line with those typically provided to senior executives of our peer group of companies in change in control situations. We believe that the CIC

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Plan, when combined with our other retention strategies, further strengthens our ability to retain our senior executive officers. The severance benefits provided under the CIC Plan are described in more detail under [Elements of Compensation](#) [Acceleration Events](#), [Elements of Compensation](#) [Severance Arrangements](#) and [Potential Payments Upon Termination or Change in Control](#) below.

Elements of Compensation

The principal elements of executive compensation are base salary, annual incentive bonus awards under the Annual Incentive Plan, long-term incentive awards under the 2006 Share Incentive Plan and long-term incentive awards under the Executive Incentive Plan. These elements, as well as perquisites and other compensation, are reviewed by the Compensation Committee on an annual basis at a meeting generally held in February of each year, and may be reviewed at other times if the Board or the Compensation Committee determines a review is necessary and appropriate. Pursuant to the charter of the Compensation Committee, the Compensation Committee determines the Chief Executive Officer's compensation after consultation with each of the directors on the Board, and reviews the recommendations of the Chief Executive Officer concerning the compensation of the other named executive officers and makes determinations with respect thereto. The elements of compensation are discussed below.

The initial term of Mr. Price's employment agreement was to expire on July 31, 2011. The Board and Compensation Committee determined that it was in the best interests of the Company to retain Mr. Price as the Chief Executive Officer beyond that date. Such decision was based on a variety of factors, such as our strong performance relative to our peer group of companies as measured by net income growth, earnings per share growth, return on equity and total shareholder return. Accordingly, in September 2009, the Compensation Committee determined that it should extend Mr. Price's employment agreement by two years and provide for automatic one-year extensions thereafter. In connection therewith and with the assistance of FWC, the Compensation Committee undertook a comprehensive review of the competitiveness of his compensation. In October 2009, the Compensation Committee approved an amended compensation arrangement with Mr. Price in order to ensure his continued service. The various components of the amended compensation arrangement are set forth in an employment agreement dated July 24, 2008, as amended October 29, 2009, which is described below under [Employment Agreements and Arrangements with Named Executive Officers](#) [Michael D. Price](#).

Base Salary

The Compensation Committee reviews and determines the base salary of the Chief Executive Officer and reviews and makes determinations with respect to the base salaries of the other named executive officers based on the recommendations of the Chief Executive Officer. Base salaries are generally adjusted to reflect promotions, increases in responsibilities and competitive considerations. Otherwise, we do not generally make annual increases in the base salaries of our named executive officers, preferring instead to focus on the performance-based elements of our compensation program. In connection with the amendment of Mr. Price's employment agreement in October 2009, Mr. Price's base salary was increased from \$750,000 to \$980,000 beginning on January 1, 2010. According to FWC's analysis of our peer group of companies, Mr. Price's base salary was in the bottom quarter of our peer group of companies, while our performance, based on measures including net income growth, earnings per share growth, return on equity and total shareholder return, put us in the top quarter of our peer group of companies. The higher salary and the other changes to Mr. Price's compensation arrangement discussed below will increase Mr. Price's fixed compensation; however, his overall pay mix is now better aligned with the typical practice of our peer group of companies. The other named executive officers' base salaries were not changed in 2009.

Awards granted to our named executive officers under each of the Annual Incentive Plan, the 2006 Share Incentive Plan and the Executive Incentive Plan, as discussed below, are generally based on a specified percentage of base salary, and thus any adjustments in base salary would generally result in corresponding adjustments in the value of

future awards under those plans.

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Annual Incentive Plan

Our Annual Incentive Plan is structured to reward our named executive officers based on short-term corporate performance, subject to adjustment in the discretion of the Compensation Committee based on individual performance. The Compensation Committee established return on equity as the corporate performance measure under the Annual Incentive Plan for the years 2009 and 2010.

The Annual Incentive Plan provides for the determination of an aggregate bonus pool in respect of the prior year equal to the sum of all participants' target bonuses, which is a percentage of the participants' base salaries, multiplied by the performance bonus multiplier that applies based on return on equity for the year. The actual annual incentive bonuses payable to our named executive officers out of the bonus pool are determined in the discretion of the Compensation Committee and reflect the individual performance of the named executive officers.

In February 2009, the Compensation Committee confirmed the decisions made in July 2008 in connection with its review of the competitiveness of the compensation of our named executive officers and determined that the 2009 target bonus for Mr. Price would be \$1,500,000 (equal to 200% of his base salary earned in 2009), that the 2009 target bonus for each of Mr. Porter and Ms. Mitchell would be 125% of his or her base salary earned in 2009 and that the 2009 target bonus for each of Messrs. Lombardozzi and Krantz would be 100% of his base salary earned in 2009. The target bonuses for Mr. Krantz, Ms. Mitchell and Mr. Porter represent increases to 100%, 125% and 125% of earned base salary, respectively, from 75%, 100% and 100%, respectively, in order to bring their annual incentive bonus compensation in line with that of our peer group of companies. In addition, with respect to Ms. Mitchell and Mr. Porter, the Compensation Committee wanted to increase the proportion of their total compensation that is performance-based because, as heads of our operating subsidiaries, they have the ability to directly influence our results of operations. In approving the increase to Mr. Krantz's target bonus, the Compensation Committee also considered internal compensation parity among the named executive officers and the importance of the Chief Financial Officer function. The Compensation Committee also determined that the performance bonus multiplier for 2009 would be 100% if return on equity was between 10% and 13%, 0% if return on equity was below 4%, 50% to 100% if return on equity was between 4% and 10%, and 100% to 200% if return on equity was between 13% and 20% or more, in each case determined through straight-line interpolation. For 2009, return on equity was 22.4% and thus the performance bonus multiplier for the year was 200%.

In October 2009, in connection with the amendment of Mr. Price's employment agreement, the Compensation Committee determined that, in addition to the increase in Mr. Price's base salary effective as of January 1, 2010, the target bonus for the annual incentive award expected to be made to Mr. Price under the Annual Incentive Plan with respect to the 2010 calendar year and subsequent calendar years would be decreased from 200% to 150% of earned base salary, resulting in a slightly lower target bonus of \$1,470,000 as compared with \$1,500,000 with respect to the 2009 calendar year. FWC's peer group analysis indicated that Mr. Price's overall pay mix was inconsistent with our peer group of companies in that his annual cash compensation opportunity (base salary plus annual incentive award) was more concentrated in annual incentives than in fixed base salary. The changes reflected in the amendment of Mr. Price's employment agreement will better align his overall pay mix with the typical practice of our peer group of companies. The actual annual incentive paid to Mr. Price will continue to equal his target bonus multiplied by the performance bonus multiplier, provided that the Compensation Committee in its sole discretion may determine the actual annual bonus paid to Mr. Price. Previously, the Compensation Committee's discretion to reduce the amount of the bonus was limited to an amount that was no greater than 20% of the product of the target bonus multiplied by the performance bonus multiplier. The elimination of the limit on the Compensation Committee's discretion was agreed to as part of the negotiation of the amendment to Mr. Price's employment agreement, which is described below under Employment Agreements and Arrangements with Named Executive Officers - Michael D. Price.

In February 2010, the Compensation Committee confirmed its October 2009 determination that the 2010 target bonus for Mr. Price would be 150% of his base salary earned in 2010. The Compensation Committee also determined that the 2010 target bonus for each of Mr. Porter and Ms. Mitchell would be 125% of his or her base salary earned in 2010 and that the 2010 target bonus for each of Messrs. Lombardozzi and Krantz would

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be 100% of his base salary earned in 2010. The Compensation Committee also determined that the performance bonus multiplier for 2010 would be 100% if return on equity is between 10% and 13%, 0% if return on equity is below 4%, 50% to 100% if return on equity is between 4% and 10%, and 100% to 200% if return on equity is between 13% and 20% or more, in each case determined through straight-line interpolation.

At its February 2009 meeting, in addition to the financial objectives discussed above, the Compensation Committee approved non-financial individual objectives for the Chief Executive Officer for 2009 which included monitoring tax legislation that may be considered in the United States, assessing alternative domiciles for the Company and Platinum Bermuda, maintaining our current A.M. Best and Standard & Poor's ratings, continuing personal on-site meetings with investors, continuing the fostering of teamwork in the executive group by conducting at least two executive management meetings outside the United States and managing any excess capital that may have developed in 2009. In February 2010, the Compensation Committee determined that Mr. Price substantially met these individual objectives. As a result, Mr. Price's annual incentive bonus for 2009 was determined to be \$3,000,000, which equals 200% of his earned base salary of \$750,000, multiplied by the Company's performance bonus multiplier of 200% for 2009.

The Compensation Committee also approved non-financial individual objectives for the Chief Executive Officer for 2010 at its February 2010 meeting, which include monitoring tax legislation that may be considered in the United States, monitoring developments that may suggest the need for alternative domiciles for the Company and Platinum Bermuda, maintaining our current A.M. Best and Standard & Poor's ratings, continuing personal on-site meetings with investors, continuing the fostering of teamwork in the executive group by conducting at least two executive management meetings outside the United States and managing any excess capital that may develop in 2010.

The Chief Executive Officer made a recommendation to the Compensation Committee that each of Messrs. Lombardozzi and Krantz receive an annual incentive bonus for 2009 equal to 100% of his earned base salary in 2009 multiplied by the performance bonus multiplier of 200%, and that each of Mr. Porter and Ms. Mitchell receive an annual incentive bonus for 2009 of 125% of his or her earned base salary in 2009 multiplied by the performance bonus multiplier of 200%. The Chief Executive Officer's recommendation was based on our financial performance and reflects his assessment of the individual performance of each named executive officer. In February 2010, the Compensation Committee approved the Chief Executive Officer's recommendation. The actual amounts of the annual incentive bonuses received by the named executive officers in respect of 2009 were paid in the first quarter of 2010.

We pay the annual incentive bonuses earned by our named executive officers under the Annual Incentive Plan in cash, or, if a named executive officer has not achieved his or her target share ownership level, in a combination of cash and share units that vest immediately and that convert on a one-to-one basis into Common Shares. The share unit portion of the annual incentive bonus, if any, will be awarded pursuant to the terms of the 2006 Share Incentive Plan and will convert into Common Shares 30 days after the award date, regardless of employment status at that time. We believe that paying the annual incentive bonus award in cash once an executive officer achieves his or her required level of share ownership increases the competitiveness of our compensation structure in that it better aligns our compensation with that of our peer group of companies, most of which pay annual incentive bonuses entirely in cash. The annual incentive bonus in respect of 2009 for each of our named executive officers was paid entirely in cash because each had achieved his or her target share ownership level.

Long-Term Incentives

2006 Share Incentive Plan. The 2006 Share Incentive Plan, which replaced a predecessor plan and was approved by shareholders at our 2006 Annual General Meeting of Shareholders, provides that the Compensation Committee has authority to grant equity awards in the form of restricted shares, share units, options to purchase Common Shares and share appreciation rights. These equity awards, which vest over time, focus our named executive officers on improving our share price over the long term and provide a significant retention incentive.

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We generally grant equity awards under the 2006 Share Incentive Plan to our named executive officers with a value of up to approximately 100% of base salary per year, and may also grant additional equity awards to our named executive officers in other circumstances, such as for new hires, promotions or in connection with adjustments to compensation arrangements or amendments to employment agreements. Ordinarily, equity awards are made at the Compensation Committee's February meeting. In the past, the equity awards were generally made with half of the value in the form of share units and half of the value in the form of options. More recently, equity awards have been made in the form of restricted shares or share units. While options provide an incentive to increase the Company's share price in order to realize any value, the embedded value of share units and restricted shares provides an incentive to preserve and increase the Company's share price and also provides a more significant incentive to remain with the Company during the vesting period.

The named executive officers are credited with dividend equivalent rights in respect of share units held by them each time a dividend is paid on our Common Shares. These dividend equivalent rights are subject to the same vesting requirements as the share units and will be paid in cash upon vesting. Any dividends paid on our Common Shares during the vesting period in respect of restricted shares held by a named executive officer are paid to such named executive officer in cash at the time the dividend is paid.

In July 2008, in connection with entering into a new employment agreement and the Compensation Committee's review of the competitiveness of our executive officer compensation, Mr. Price received an award of 100,000 restricted shares which vest in equal installments on each of July 31, 2009, 2010 and 2011 (the first three anniversaries of the date of grant). This award had a value of approximately \$3.6 million on the date of grant. In addition, in connection with entering into the amendment of his employment agreement, Mr. Price received an award of 65,682 restricted shares which will vest in two equal installments on each of July 31, 2012 and 2013. This award had a value of approximately \$2.4 million on the date of grant. Pursuant to these awards, Mr. Price was targeted to receive approximately \$1.2 million per year during the term of his employment agreement.

In July 2008, in connection with the Compensation Committee's review of the competitiveness of our executive officer compensation, Messrs. Lombardozzi, Krantz and Porter and Ms. Mitchell received awards of restricted shares which vest in equal installments on each of the first three anniversaries of the date of grant. In making these awards, the Compensation Committee and the Chief Executive Officer desired to increase the retention and stability of our executive management team for the next several years and considered restricted shares to be the best form of equity award for this purpose. Mr. Lombardozzi and Mr. Porter each received an award of 40,000 restricted shares valued at approximately \$1.4 million on the date of grant; Ms. Mitchell received an award of 35,000 restricted shares valued at approximately \$1.2 million on the date of grant; and Mr. Krantz received an award of 30,000 restricted shares valued at approximately \$1.1 million on the date of grant. Because of the restricted share awards granted in July 2008, no equity awards under the 2006 Share Incentive Plan were made to these named executive officers in February 2009 or February 2010.

2010 Share Incentive Plan. In February 2010, the Board, upon the recommendation of the Compensation Committee, adopted the 2010 Share Incentive Plan, subject to shareholder approval, in order to increase the number of shares we have available for equity incentive awards. We are seeking approval of the 2010 Share Incentive Plan by our shareholders at the Annual Meeting as described below under Proposal 3 Approval of the 2010 Share Incentive Plan. In the event that shareholder approval of the 2010 Share Incentive Plan is obtained at the Annual Meeting, no further awards will be granted under the 2006 Share Incentive Plan as all shares under the 2006 Share Incentive Plan will be transferred to the 2010 Share Incentive Plan.

Equity Award Policy. The 2006 Share Incentive Plan provides that equity awards may be granted by the Compensation Committee, by an officer of the Company pursuant to delegation of authority by the Compensation Committee and, for grants to nonemployee directors, by the Board. In order to provide uniformity among awards, and

to establish certainty with respect to certain award terms, in October 2006 the Compensation Committee adopted an equity award policy that applies to all awards made under the 2006 Share Incentive Plan to nonemployee directors (other than formula grants, the timing of which is predetermined), executive officers and other employees. This policy is also used for equity awards made pursuant to our Annual Incentive Plan and Executive Incentive Plan.

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The equity award policy provides that, in general, awards shall be granted to eligible persons once per year, at a meeting of the Compensation Committee (or, in the case of awards to nonemployee directors, the Board) held around the time of the public release of our year-end financial results in February. Awards may also be granted at other times if the Compensation Committee or the Board determines necessary, provided that the date of grant and fair market value of any such awards shall be determined in accordance with the equity award policy, as described below.

The equity award policy provides that each award shall have a date of grant and fair market value that are determined in a consistent manner and that the date of grant of each award may be any day falling within our open window periods for securities trading on or after the date the award is made. The fair market value, for purposes of determining the initial value of an award, including the exercise price of an award of options, is determined using the closing sales price of our Common Shares on the trading day immediately preceding the date of grant. The equity award policy is designed to ensure that the value of each award, which is based on the market price of our Common Shares, is determined at a time when there is no material non-public information relating to the Company and when our most recent financial results have been released to the public, with the opportunity for those results to be disseminated to the market over at least one full business day and reflected in the market price of our Common Shares. We believe that this removes any concern that material non-public information could be a factor in the timing and consequent valuation of equity awards.

The equity award policy also documents the Compensation Committee's delegation of authority to make awards. This delegation authorizes the Chief Executive Officer to grant awards to our employees or prospective employees with the title of Vice President or below, provided that the maximum number of Common Shares that the Chief Executive Officer may grant in any calendar year may not exceed 10,000 Common Shares to any one individual or 50,000 Common Shares to all such individuals. For purposes of calculating these maximums, each Common Share that may be issued pursuant to an award of options will be deemed to be one Common Share, and each Common Share that may be issued pursuant to an award of restricted shares or share units will be deemed to be 2.67 Common Shares (for example, an award of 1,000 share units would be deemed to be 2,670 Common Shares). The policy provides that the Chief Executive Officer may grant awards at any time that he determines to be necessary under the circumstances, provided that the date of grant and fair market value of any such awards shall be determined as described above.

The equity award policy provides that once a date of grant has been specified for an award, it may not be changed. Also, promptly following the date of grant of an award, an award agreement, which shall identify the date of grant and the fair market value, the vesting and the term, and any other relevant terms and conditions of the award, shall be prepared and signed by the Company and the recipient. These provisions are designed to avoid any ambiguity regarding the terms of an award.

Executive Incentive Plan. Our compensation program includes as an important element a long-term incentive for our named executive officers that measures performance over a three-year period in the form of share unit awards made under our Executive Incentive Plan in conjunction with our 2006 Share Incentive Plan. Our Executive Incentive Plan focuses our executive officers on profitability over a longer term than our Annual Incentive Plan, which is oriented toward single-year results. We believe that a portion of the compensation earned by our executive officers should be based upon the multi-year financial impact of their decisions. A longer term view is important for the success of our casualty business where, due to the greater time lag between the occurrence, reporting and payment of claims (as compared with property damage claims), results are not known for several years. We also believe that the Executive Incentive Plan provides a significant benefit in the retention of named executive officers over time. Average return on equity is the performance measure under the Executive Incentive Plan for each performance cycle.

The Executive Incentive Plan provides for awards of share units pursuant to the terms of the Executive Incentive Plan and the 2006 Share Incentive Plan. The number of share units awarded is determined by dividing the dollar amount of the award by the fair market value of the Common Shares on the date of grant. After the completion of the three-year

performance cycle and determination of the average return on equity, the number of share units will be multiplied by the performance percentage that applies based on that average return on equity for the cycle. In February 2009, for the 2009-2011 performance cycle, the Compensation Committee granted an award of share

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units to each of our named executive officers with a value approximately equal to 100% of their 2009 base salaries. As a result of the Compensation Committee's review of the competitiveness of the compensation of our named executive officers in July 2008, the target value of the share unit awards made under the Executive Incentive Plan in February 2009 to each of Messrs. Lombardozzi, Porter and Krantz and Ms. Mitchell was increased to 100% of base salary (compared with 75% of base salary for awards made in February 2008) in order to bring their long-term incentive compensation in line with that of our peer group of companies, to increase the retention and stability of our executive management team and to increase the proportion of their total compensation that is performance-based. The Compensation Committee also determined that the share units will be multiplied by a performance percentage of 0% for average return on equity of less than 6% and 1% to 200% for average return on equity of between 6% and 18% or more, determined through straight-line interpolation.

In February 2010, the Compensation Committee granted an award of share units under the Executive Incentive Plan for the 2010-2012 performance cycle to each of our named executive officers with a value equal to 100% of their 2010 base salaries. The Compensation Committee also determined that the share units will be multiplied by a performance percentage of 0% for average return on equity of less than 6% and 1% to 200% for average return on equity of between 6% and 18% or more, determined through straight-line interpolation.

Although the Executive Incentive Plan provides that share units may be paid in cash, Common Shares or a combination of cash and Common Shares as determined by the Compensation Committee in its sole discretion, we intend to pay the share units in Common Shares, by multiplying the number of share units awarded by the applicable performance percentage and converting that number of share units into Common Shares on a one-to-one basis. In general, vesting is conditioned upon the continued employment of the participant. The share units under the Executive Incentive Plan do not carry dividend equivalent rights.

The share unit awards made to each of Messrs. Price, Lombardozzi and Porter and Ms. Mitchell under the Executive Incentive Plan for the 2006-2008 performance cycle vested in February 2009. In February 2009, the Compensation Committee determined that, for purposes of the Executive Incentive Plan, average return on equity over the 2006-2008 performance cycle was greater than 18%, resulting in a payout to each of these named executive officers of that number of Common Shares equal to the number of share units awarded for the performance cycle multiplied by the maximum performance percentage for the performance cycle of 200%.

The share unit awards made to each of Messrs. Price, Krantz, Lombardozzi and Porter and Ms. Mitchell under the Executive Incentive Plan for the 2007-2009 performance cycle vested in February 2010. In February 2010, the Compensation Committee determined that, for purposes of the Executive Incentive Plan, average return on equity over the 2007-2009 performance cycle was greater than 18%, resulting in a payout to each of these named executive officers of that number of Common Shares equal to the number of share units awarded for the performance cycle multiplied by the maximum performance percentage for the performance cycle of 200%.

In February 2005, the Compensation Committee made awards to Messrs. Price and Lombardozzi and Ms. Mitchell under the Executive Incentive Plan with a five year performance cycle, to be paid in Common Shares with a value based on the achievement of certain returns on equity and a percentage of the named executive officer's average base salary over the performance cycle. These awards for this 2005-2009 performance cycle vested in February 2010. In February 2010, the Compensation Committee determined that, for purposes of the Executive Incentive Plan, average return on equity over the 2005-2009 performance cycle was 13.6%, resulting in a payout to each of these named executive officers of that number of Common Shares equal to his or her average base salary over the five year period covered by the award multiplied by the performance percentage (determined using straight-line interpolation) for the performance cycle of 118.4% for Mr. Price, and 44.4% for Mr. Lombardozzi and Ms. Mitchell, divided by the fair market value per share on the vesting date of \$36.90 per share.

Perquisites

Almost all of the perquisites that we pay to our named executive officers relate to the fact that our headquarters and Platinum Bermuda are located in Bermuda. All of our named executive officers except for Ms. Mitchell, who is the President and Chief Executive Officer of Platinum US, are based in Bermuda and have established a home in Bermuda. We follow the practice of many Bermuda companies of providing allowances to expatriate executives who have established a home in Bermuda.

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The principal prerequisites for the named executive officers based in Bermuda consist of housing and automobile allowances. The amounts paid in respect of these allowances are driven primarily by market conditions in Bermuda and the income taxes that may be assessed on such allowances. We also pay the membership fees associated with a club membership in Bermuda, which fees did not exceed \$7,700 for any named executive officer in 2009. Finally, the employment agreements of certain of our named executive officers provide for our payment of the costs of airfare for a specified number of visits by them and their families to the United States.

Other Items Comprising All Other Compensation

In addition to the elements of compensation discussed above, we make employer contributions to our various qualified and non-qualified defined contribution savings and profit-sharing plans totaling 10% of base salary for each of our employees, including our named executive officers. As a result of the enactment of Section 457A of the Internal Revenue Code, the non-qualified retirement savings plan of Platinum US was amended in 2008 to provide that our Bermuda-based named executive officers, Messrs. Price, Lombardozi, Porter and Krantz, are not eligible to participate therein for any periods after December 31, 2008. Instead, each of those named executive officers receives an amount in cash equal to the amount we would have contributed to the non-qualified retirement savings plan for him. We do not have a defined benefit pension plan or any supplemental retirement benefits.

Acceleration Events

As discussed above under Retention, our long-term incentives are subject to delayed vesting coupled with forfeiture for certain departures prior to vesting. These awards are also subject to accelerated vesting or payment under certain circumstances as discussed below.

In the event of the death or disability of the named executive officer or upon a change in control of the Company, share units held by our named executive officers (other than share units awarded under the Executive Incentive Plan) automatically vest and convert on a one-to-one basis into Common Shares and options vest and become fully exercisable. Restricted shares held by our named executive officers vest upon a change in control of the Company or in the event that the named executive officer's employment is terminated without cause by the Company or for good reason by the executive. In addition, for all of our named executive officers other than Mr. Price, these restricted shares would vest in the event of the death or disability of the named executive officer. In the event of Mr. Price's death or disability, all equity awards held by him (other than awards under the Executive Incentive Plan), including restricted shares, that would have vested or that would have become exercisable within one year after his death or disability would vest or become fully exercisable. Pursuant to Mr. Price's employment agreement, all unvested equity awards held by him (other than awards under the Executive Incentive Plan) would vest and become fully exercisable in the event that his employment is terminated without cause by the Company or by him for good reason.

Our Executive Incentive Plan provides for the award of share units at the beginning of a three-year performance cycle. Ordinarily, the share units are paid in Common Shares after completion of the cycle. However, under certain circumstances a named executive officer would be entitled to a prorated payment of Common Shares in respect of his or her share units prior to completion of the cycle. In the event of the death or disability of the named executive officer, his or her retirement with the consent of the Compensation Committee, the termination of employment without cause or for good reason, or a change in control of the Company (provided that the named executive officer continues to be employed by the Company at the time of the change in control), the named executive officer would be entitled to receive a payment of Common Shares on a prorated basis, based upon the period of service prior to the event and our performance as of the end of the fiscal quarter following a termination of employment or prior to a change in control. In addition, pursuant to Mr. Price's employment agreement, in the event Mr. Price's employment terminates upon or after the expiration of the term of his employment, he is entitled to receive payment in respect of each award granted to him under the Executive Incentive Plan during the term of his employment agreement on a

prorated basis based on his period of service prior to the termination of employment and our performance as of the end of the fiscal quarter preceding the termination of employment, provided he signs a release. Our view is that this portion of the award will have been earned at the time of termination, and the named executive officer's termination will have been involuntary or with our consent.

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Pursuant to the CIC Plan, in the event of a termination of a named executive officer's employment by the Company without cause or by the named executive officer for good reason during the two-year period following a change in control, all share options, restricted shares or other equity incentives held by a participant, that have not previously vested (other than share units awarded under our Executive Incentive Plan, which vest in accordance with their terms) will vest, and all share options will remain exercisable for one year following the termination of employment (or the expiration of the full original term of the option, if earlier). Other severance benefits provided for under the CIC Plan are more fully described under *Severance Arrangements* and *Potential Payments Upon Termination or Change in Control* below.

For purposes of these acceleration events, in general *cause* means the willful failure to perform duties, conviction of a felony, fraud or dishonesty, or, in certain cases, the willful engagement in illegal conduct or gross misconduct which is injurious to the Company, the breach of restrictive covenants contained in an employment or award agreement or the sale of Common Shares other than as permitted by the Company; *good reason* means reduction of base salary or target bonus, reduction in the scope of duties or responsibilities or change in location of employment, or, in certain cases, an adverse change in titles or offices with the Company, a breach by us of a material provision of an employment agreement; and *change in control* means an acquisition of at least 50% of the Common Shares by an individual or group other than any such acquisition directly from the Company, a change in the composition of a majority of the Board during any two-year period without the approval of at least two-thirds of the directors who were in office at the beginning of the period or who subsequently received such two-thirds approval, or certain mergers or consolidations involving the Company.

Except as discussed below under *Severance Arrangements* and *Potential Payments Upon Termination or Change in Control*, the named executive officers are not entitled to any other post-termination payments or benefits in the event of a change in control or retirement.

Severance Arrangements

Change in Control Severance Plan. The severance benefits to which each of the named executive officers is entitled under the CIC Plan in the event of a termination of employment by the Company without cause or by the executive for good reason during the two-year period following a change in control include a severance payment equal to the sum of one year's base salary in the last twelve months plus target bonus for the year of termination then multiplied by a severance multiple of 200%, continued health care, disability and life insurance coverage for the executive and his or her dependents for two years, and reasonable relocation expenses to return to his or her home country. Any amounts payable to a participant in the CIC Plan under any other plan or agreement with us on account of the participant's termination will be offset against payments made to the participant pursuant to the CIC Plan to the extent necessary to avoid duplication of benefits. These severance benefits are more fully described under *Potential Payments Upon Termination or Change in Control* below.

Employment Agreements. Each of our named executive officers has an employment or other agreement that provides for a lump sum cash payment equal to one year's base salary and target bonus in the event that his or her employment is terminated by the Company without cause or by the executive for good reason. In addition, Mr. Price's employment agreement provides that Mr. Price will receive a prorated payment of his annual incentive bonus award under the Annual Incentive Plan upon the occurrence of a termination by the Company without cause or by Mr. Price for good reason. These provisions were included in the employment agreements in order to attract qualified professionals, and we believe that these provisions have continued utility for us in that the separation payment that is required to be made to each of our named executive officers is fixed in advance at a reasonable level, and it is payable only upon execution of a release by the named executive officer in favor of us. We also view the one-year period as a reasonable length of time for the named executive officer to secure employment in an equivalent executive position.

Other Considerations

Section 162(m) of the Internal Revenue Code imposes a limitation of \$1 million per year on the U.S. corporate income tax deduction for compensation paid to our named executive officers that are employees of our

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U.S.-based subsidiaries. Among other exceptions, the deduction limit does not apply to compensation that meets the specified requirements for performance-based compensation. Of our named executive officers, only Ms. Mitchell is employed by one of our U.S.-based subsidiaries. The 2006 Share Incentive Plan was designed to meet the requirements for performance-based compensation. Our Section 162(m) Performance Incentive Plan, which can be utilized for incentive compensation awards to Ms. Mitchell under the Annual Incentive Plan and the Executive Incentive Plan, was also designed to meet the requirements for performance-based compensation. In order for the Section 162(m) Performance Incentive Plan to continue to meet the requirements for performance-based compensation, the material terms of its performance goals are required to be re-approved by our shareholders at the Annual Meeting as described below under Proposal 4 Re-Approval of the Material Terms of the Performance Goals Under the Company's Section 162(m) Performance Incentive Plan. Nevertheless, the Compensation Committee retains the flexibility under circumstances that it considers appropriate to pay compensation that may not be deductible by our U.S.-based subsidiaries under Section 162(m).

Conclusion

Our compensation program provides our named executive officers with an opportunity to ultimately earn total annual compensation equal to approximately four times their base salaries if financial targets are met and up to a maximum of approximately six to seven times their base salaries for superior financial results. Taken together, the elements of the program are designed to achieve several goals. Base salary, which is paid throughout the year in cash, provides a current stream of income to our named executive officers. Our Annual Incentive Plan promotes the achievement of short-term financial results. All of the long-term incentives are paid in Common Shares to promote a focus on the preservation and appreciation of our share price over time. Finally, the Executive Incentive Plan promotes the achievement of long-term financial results over a multi-year period. Our compensation program is also designed to provide significant retention incentives by paying compensation that we believe is competitive in the industry and that vests over time. All of these elements work together, providing a balanced approach to achieving our business goal of attractive long-term returns for our shareholders, while establishing us as a disciplined risk manager and market leader in selected classes of property and casualty reinsurance.

Summary Compensation Table

The following sets forth information relating to compensation of the Chief Executive Officer and the Chief Financial Officer serving during the fiscal year ended December 31, 2009 and our three next most highly compensated executive officers for 2009 who were serving as executive officers at the end of the fiscal year ended December 31, 2009, collectively referred to in this proxy statement as the named executive officers.

Name and Principal Position (a)	Year (b)	Salary (\$) (c)	Bonus ⁽¹⁾ (\$) (d)	Stock Awards ⁽²⁾ (\$) (e)	Option Awards ⁽³⁾ (\$) (f)	Non-Equity Incentive		Total (\$) (j)
						Plan Compensation ⁽⁴⁾ (\$) (g)	All Other Compensation ⁽⁴⁾ (\$) (i)	
Michael D. Price	2009	750,000		3,129,002		3,000,000	634,737	7,513,739
President and Chief Executive Officer of the Company	2008	750,000		4,360,005		1,500,000	621,748	7,231,753
	2007	750,000		827,181		2,500,000	611,483	4,688,664

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James A. Krantz	2009	425,000		425,023		850,000	362,194	2,062,217
Executive Vice	2008	415,000	150,000	1,621,994	136,877	155,625	367,606	2,847,102
President and								
Chief Financial	2007	337,917		805,385	268,751	253,438	394,140	2,059,631
Officer of the								
Company since								
June 2007								
Robert S. Porter	2009	500,000		500,000		1,250,000	519,834	2,769,834
Chief Executive	2008	487,500		1,938,889	212,504	487,500	508,371	3,634,764
Officer of								
Platinum Bermuda	2007	425,000		1,201,556	456,882	425,000	497,977	3,006,415
Michael E.	2009	500,000		500,000		1,000,000	572,181	2,572,181
Lombardozzi								
Executive Vice	2008	494,583		1,992,008	233,754	494,583	579,851	3,794,779
President,								
General Counsel,	2007	467,500		1,354,243	537,502	467,500	558,916	3,385,661
Chief								
Administrative								
Officer and								
Secretary of the								
Company								
H. Elizabeth	2009	475,000		475,017		1,187,500	64,332	2,201,849
Mitchell								
President and Chief	2008	466,667		1,762,939	212,504	466,667	56,392	2,965,169
Executive								
Officer of Platinum	2007	425,000		1,435,309	708,160	425,000	42,500	3,035,969
US								

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- (1) The amount shown in the Bonus column represents the amount paid to Mr. Krantz on March 31, 2008 pursuant to the Retention Bonus Plan that was adopted by our Board in March 2007.
- (2) The amounts shown in the Stock Awards column represent the aggregate grant date fair value of share unit and restricted share awards granted to the named executive officers in the applicable fiscal year, computed in accordance with FASB ASC Topic 718. The assumptions made in the valuation of stock awards are discussed in Note 11 to the consolidated financial statements contained in our 2009 Form 10-K. Includes the grant date fair value of performance-based share unit awards made to each of our named executive officers under the Executive Incentive Plan in 2007, 2008 and 2009. The maximum value as of the grant date for Executive Incentive Plan awards made in 2007 for the 2007-2009 performance cycle was as follows: Mr. Price: \$1,654,362; Mr. Krantz: \$603,833; Mr. Porter: \$703,061; Mr. Lombardozzi: \$773,436; and Ms. Mitchell: \$703,061. The maximum value as of the grant date for Executive Incentive Plan awards made in 2008 for the 2008-2010 performance cycle was as follows: Mr. Price: \$1,500,010; Mr. Krantz: \$547,537; Mr. Porter: \$637,560; Mr. Lombardozzi: \$701,262; and Ms. Mitchell: \$637,560. The maximum value as of the grant date for Executive Incentive Plan awards made in 2009 for the 2009-2011 performance cycle was as follows: Mr. Price: \$1,499,999; Mr. Krantz: \$850,046; Mr. Porter: \$1,000,000; Mr. Lombardozzi: \$1,000,000; and Ms. Mitchell: \$950,034.
- (3) The amounts shown in the Option Awards column represent the aggregate grant date fair value of option awards granted to the named executive officers in the applicable fiscal year, computed in accordance with FASB ASC Topic 718. The assumptions made in the valuation of option awards are discussed in Note 11 to the consolidated financial statements contained in our 2009 Form 10-K.
- (4) The amounts for 2009 include:

	Michael D. Price	James A. Krantz	Robert S. Porter	Michael E. Lombardozzi	H. Elizabeth Mitchell
Housing allowance	\$ 480,000	\$ 288,000	\$ 432,000	\$ 480,000	\$
401(k) and non-qualified plan contributions and cash paid in lieu thereof	75,000	42,500	50,000	50,000	47,500
Personal financial, legal or tax advice fees			2,500		
Automobile allowance	8,400	8,400	8,400	8,400	
Dividends paid on stock awards	35,074	10,115	12,488	14,829	16,832
Home leave allowance	28,462	5,829	6,316	18,502	
Club fees	7,350	7,350	7,665		
Disability insurance premiums			465		
Credit card fees	450			450	
All other compensation total	\$ 634,737	\$ 362,194	\$ 519,834	\$ 572,181	\$ 64,332

Table of Contents**Grants of Plan-Based Awards in Fiscal Year Ended December 31, 2009**

The following table shows the equity and non-equity awards granted to the named executive officers under our equity and non-equity incentive plans as well all other share and option awards during the fiscal year ended December 31, 2009.

Name (a)	Grant Date (b)	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (i)	Grant Date Fair Value of Stock and Option Awards (\$) (l)
		Threshold (\$) (c)	Target (\$) (d)	Maximum (\$) (e)	Threshold (#) (f)	Target (#) (g)	Maximum (#) (h)		
		Michael D. Price	2/23/09 ⁽¹⁾ 2/23/09 ⁽²⁾ 10/29/09 ⁽³⁾	\$ 750,000	\$ 1,500,000	\$ 3,000,000	262		
James A. Krantz	2/23/09 ⁽¹⁾ 2/23/09 ⁽²⁾	\$ 212,500	\$ 425,000	\$ 850,000	149	14,835	29,670		\$ 425,023
Robert S. Porter	2/23/09 ⁽¹⁾ 2/23/09 ⁽²⁾	\$ 312,500	\$ 625,000	\$ 1,250,000	175	17,452	34,904		\$ 500,000
Michael E. Lombardozzi	2/23/09 ⁽¹⁾ 2/23/09 ⁽²⁾	\$ 250,000	\$ 500,000	\$ 1,000,000	175	17,452	34,904		\$ 500,000
H. Elizabeth Mitchell	2/23/09 ⁽¹⁾ 2/23/09 ⁽²⁾	\$ 296,875	\$ 593,750	\$ 1,187,500	166	16,580	33,160		\$ 475,017

(1) Awards made pursuant to the Annual Incentive Plan in respect of 2009. The terms of the Annual Incentive Plan are described above under **Executive Compensation Compensation Discussion and Analysis Elements of Compensation Annual Incentive Plan**. The threshold amounts were calculated assuming payout of the awards based on achievement of 4% return on equity for 2009, the minimum return on equity that would result in payment pursuant to the awards. The named executive officers would not have received any payments under

these awards if return on equity were less than 4%. As these awards were paid on February 22, 2010, amounts reported in columns (c) – (h) represent estimated possible payouts. The actual amounts of the Annual Incentive Plan awards paid to our named executive officers are as reported in the Summary Compensation Table in column (g), Non-Equity Incentive Plan Compensation.

- (2) Awards made pursuant to the Executive Incentive Plan for the 2009-2011 performance cycle. The terms of the Executive Incentive Plan are described above under Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Long-Term Incentives – Executive Incentive Plan. The threshold amounts were calculated assuming payout of the awards based on achievement of 6% average return on equity for the 2009-2011 performance cycle, the minimum return on equity that would result in payment pursuant to the awards. The named executive officers will not receive any payments under these awards if return on equity is less than 6%.
- (3) Information relates to restricted shares granted to Mr. Price in 2009 under the 2006 Share Incentive Plan. Mr. Price’s restricted shares vest in two equal annual installments on each of July 31, 2012 and 2013.

Employment Agreements and Arrangements with Named Executive Officers

The awards and other compensation items set forth in the Summary Compensation Table and the Grants of Plan-Based Awards Table are described in more detail above under Executive Compensation – Compensation Discussion and Analysis in this proxy statement. The material terms of our employment agreements and arrangements with each of our named executive officers are described below.

Michael D. Price

Mr. Price entered into an employment agreement with us dated July 24, 2008 and an amendment thereto dated October 29, 2009 (the Price Agreement). The term of Mr. Price’s employment under the Price Agreement commenced on August 1, 2008 and will end on July 31, 2013. Thereafter, Mr. Price’s employment will be

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automatically extended annually for an additional year unless written notice is provided by one party to the other, at least 120 days prior to the end of the term, that the term shall not be extended. Pursuant to the Price Agreement, Mr. Price received a base salary at the rate of \$750,000 per year through December 31, 2009 and, as of January 1, 2010, receives a base salary at the rate of \$980,000 per year. Mr. Price is also eligible to receive an annual incentive bonus pursuant to the terms of the Annual Incentive Plan with a target equal to 200% of base salary for 2009 and 150% of base salary for each year thereafter. The actual annual incentive bonus paid to Mr. Price will be equal to the target multiplied by a performance bonus multiplier, as defined in the Annual Incentive Plan, which may range from 0% to 200% depending upon the achievement of the performance goals relative to the performance criteria established by the Compensation Committee for all participants in the Annual Incentive Plan. The Compensation Committee in its sole discretion may determine the actual annual incentive bonus paid to Mr. Price. Pursuant to the Price Agreement, on August 1, 2008 Mr. Price received a grant of 100,000 restricted shares under the terms of the 2006 Share Incentive Plan, which award will vest in three equal installments on July 31 of each of 2009, 2010 and 2011 and on October 29, 2009 Mr. Price received a grant of 65,682 restricted shares under the terms of the 2006 Share Incentive Plan which will vest in two equal installments on July 31 of each of 2012 and 2013. The Price Agreement also provides that on or prior to February 28 of each calendar year during the term of the agreement, Mr. Price will be eligible for an award under the Executive Incentive Plan of that number of share units equal to 100% of his base salary divided by the fair market value of one Common Share on the date of grant. The actual amount, terms and conditions and the form of payment of any Executive Incentive Plan award will be determined by the Compensation Committee in its sole discretion; provided that, on or prior to February 28, 2010, Mr. Price will receive an award under the Executive Incentive Plan of the number of share units equal to 100% of his base salary divided by the fair market value of one Common Share on the date of grant. The payout of all Executive Incentive Plan awards will be subject to the achievement by us of certain performance objectives over a three-year period. Mr. Price is required to maintain ownership of 100,000 Common Shares in accordance with our share ownership guidelines. In addition, he receives reimbursement for air travel for four visits by him and his family to the United States and certain housing and automobile allowances to compensate for the costs of living in Bermuda.

James A. Krantz

Mr. Krantz entered into an employment agreement with us dated June 1, 2007 (the *Krantz Agreement*) in connection with his appointment as our Executive Vice President and Chief Financial Officer. The term of Mr. Krantz's employment under the *Krantz Agreement* commenced on June 1, 2007 and will end on the third anniversary of that date (which date will be automatically extended annually for an additional year, unless written notice is provided by one party to the other, at least thirty days prior to the end of the term, that the term shall not be extended). Pursuant to the *Krantz Agreement*, Mr. Krantz receives a base salary at a minimum rate of \$365,000 per year and is eligible to receive an annual incentive bonus pursuant to the terms of the Annual Incentive Plan with a target equal to 75% of earned base salary and a range of 0% to 150% of earned base salary, depending upon the achievement of performance criteria established under the Annual Incentive Plan. In July 2008, Mr. Krantz's base salary was increased to the rate of \$425,000 per year as of March 1, 2008 and his target for the annual incentive bonus pursuant to the Annual Incentive Plan was increased to 100% of earned base salary with a range of 0% to 200% of earned base salary with respect to awards made in respect of 2009 and future years. The *Krantz Agreement* also provides that Mr. Krantz will participate in the Executive Incentive Plan, with an expected target annual award opportunity of 75% of his base salary if we achieve certain performance objectives over a multi- year period. In July 2008, Mr. Krantz's target annual award opportunity under the Executive Incentive Plan was increased to 100% of his base salary for awards made in respect of 2009 and future years. Mr. Krantz is required to accumulate 30,000 Common Shares in accordance with our share ownership guidelines. In addition, he receives certain housing and automobile allowances to compensate for the costs of living in Bermuda.

Robert S. Porter

Mr. Porter entered into an employment agreement dated February 26, 2006 with Platinum Bermuda (the Porter Agreement), pursuant to which he was appointed Chief Executive Officer of Platinum Bermuda. The

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term of Mr. Porter's employment under the Porter Agreement commenced on March 1, 2006, was automatically extended for an additional year on March 1, 2009 (the third anniversary of that date) and March 1, 2010, and will be automatically extended annually for an additional year unless written notice is provided by one party to the other, at least ninety days prior to the end of the term, that the term shall not be extended. Pursuant to the Porter Agreement, Mr. Porter receives a base salary at a minimum rate of \$425,000 per year, which salary shall be reviewed annually by the Chairman of Platinum Bermuda (currently Mr. Price), and Mr. Porter is eligible to receive an annual incentive bonus pursuant to the terms of the Annual Incentive Plan with a target equal to 100% of base salary and a range of 0% to 200% of base salary, depending upon the achievement of performance objectives established under the Annual Incentive Plan. In July 2008, Mr. Porter's base salary was increased to the rate of \$500,000 per year as of March 1, 2008 and his target for the annual incentive bonus pursuant to the Annual Incentive Plan was increased to 125% of earned base salary with a range of 0% to 250% of earned base salary with respect to awards made in respect of 2009 and future years. Pursuant to the Porter Agreement, Mr. Porter received a grant of 15,534 restricted shares and options to purchase 58,253 Common Shares at \$30.58 per Common Share under the terms of the 2006 Share Incentive Plan, which awards vested or became exercisable in equal annual installments on each of the first three anniversaries of the date of grant. The Porter Agreement also provides that Mr. Porter will participate in the Executive Incentive Plan, with an expected target annual award opportunity of 75% of his base salary if we achieve certain performance objectives over a multi-year period. In July 2008, Mr. Porter's target annual award opportunity under the Executive Incentive Plan was increased to 100% of his base salary for awards made in respect of 2009 and future years. Mr. Porter is required to accumulate 50,000 Common Share in accordance with our share ownership guidelines. Mr. Porter receives certain housing and automobile allowances to compensate for the costs of living in Bermuda.

Michael E. Lombardozzi

Mr. Lombardozzi entered into an agreement with us effective as of November 1, 2005 (the Lombardozzi Agreement). The term of Mr. Lombardozzi's employment under the Lombardozzi Agreement commenced on November 1, 2005, was automatically extended for an additional year on November 1, 2008 (the third anniversary of that date) and November 1, 2009, and will be automatically extended annually for an additional year unless written notice is provided by one party to the other, at least ninety days prior to the end of the term, that the term shall not be extended. Pursuant to the Lombardozzi Agreement, Mr. Lombardozzi receives a base salary at a minimum rate of \$467,500 per year and is eligible to receive an annual incentive bonus pursuant to the terms of the Annual Incentive Plan with a target equal to 100% of base salary and a range of 0% to 200% of base salary, depending upon the achievement of performance objectives established under the Annual Incentive Plan. In July 2008, Mr. Lombardozzi's base salary was increased to the rate of \$500,000 per year as of March 1, 2008. The Lombardozzi Agreement also provides that Mr. Lombardozzi will participate in the Executive Incentive Plan, with an expected target annual award opportunity of 75% of his base salary if we achieve certain performance objectives over a multi-year period. In July 2008, Mr. Lombardozzi's target annual award opportunity under the Executive Incentive Plan was increased to 100% of his base salary for awards made in respect of 2009 and future years. Mr. Lombardozzi is required to accumulate 50,000 Common Shares in accordance with our share ownership guidelines. Mr. Lombardozzi receives reimbursement for air travel for four visits for him and his family to the United States and certain housing and automobile allowances