

ASSURANT INC
Form S-3ASR
November 04, 2014
Table of Contents

As filed with the Securities and Exchange Commission on November 4, 2014

Registration No. 333-

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

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ASSURANT, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

6321
(Primary Standard Industrial
Classification Code number)

39-1126612
(I.R.S. Employer
Identification Number)

One Chase Manhattan Plaza

41st Floor

New York, New York 10005

(212) 859-7000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Bart R. Schwartz

Executive Vice President, Chief Legal Officer & Secretary

Stephen W. Gauster

Senior Vice President, Chief Corporate Counsel & Assistant Secretary

Assurant, Inc.

One Chase Manhattan Plaza

41st Floor

New York, New York 10005

(212) 859-7000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

Marion Leydier

Sullivan & Cromwell LLP

125 Broad Street

New York, New York 10004

(212) 558-4000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check, the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to rule 413(b) under the Securities Act, check the following box.

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

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee (1)(2)
Debt Securities				
Common Stock				
Preferred Stock				
Depository Shares (3)		(1)(2)		\$0
Warrants (4)				
Stock Purchase Contracts				
Units				

- (1) An unspecified aggregate initial offering price or number of the securities of each identified class is being registered as may from time to time be offered, reoffered or resold, at indeterminate prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are issued in units or represented by depository shares. In reliance on Rule 456(b) and Rule 457(r) under the Securities Act, the Registrant hereby defers payment of the registration fee required in connection with this registration statement.
- (2) This registration statement also covers an indeterminate number of debt securities, common stock, preferred stock, warrants, stock purchase contracts and units of Assurant, Inc. that may be reoffered and resold on an ongoing basis after their initial sale in remarketing or other resale transactions by the Registrant or affiliates of the Registrant.
- (3) Each depository share of the Registrant will be issued under a deposit agreement, will represent an interest in a fractional share or multiple shares of preferred stock of the Registrant and will be evidenced by a depository receipt.
- (4) Warrants may be sold separately or with senior debt securities, subordinated debt securities, common stock, preferred stock or depository shares.

Table of Contents

PROSPECTUS

ASSURANT, INC.

Debt Securities

Common Stock

Preferred Stock

Depositary Shares

Warrants

Stock Purchase Contracts

Units

We may offer these securities or a combination of these securities from time to time on terms to be determined at the time of the offering. We may sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers, on a continued or delayed basis. We will provide the specific terms of the securities and describe the manner in which they may be offered in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest.

Our shares of common stock are listed on the New York Stock Exchange under the trading symbol **AIZ**.

This prospectus and any applicable prospectus supplement may be used in the initial sale of the securities or in resales by selling securityholders. In addition, Assurant, Inc. or any of its affiliates may use this prospectus and the applicable prospectus supplement in a remarketing or other resale transaction involving the securities after their initial sale. These transactions may be executed at negotiated prices that are related to market prices at the time of purchase or sale, or at other prices, as determined from time to time.

You should consider carefully the risk factors beginning on page 4 of this prospectus and included in our reports filed with the Securities and Exchange Commission and in any applicable prospectus supplement before purchasing any of our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined whether this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 4, 2014

Table of Contents

TABLE OF CONTENTS

<u>About This Prospectus</u>	i
<u>Forward-Looking Information</u>	ii
<u>About Assurant, Inc.</u>	1
<u>Where You Can Find More Information</u>	2
<u>Risk Factors</u>	4
<u>Use of Proceeds</u>	5
<u>Ratio of Consolidated Earnings to Fixed Charges</u>	5
<u>Description of Debt Securities We May Offer</u>	6
<u>Description of Common Stock We May Offer</u>	22
<u>Description of Preferred Stock and Depositary Shares Representing Preferred Stock We May Offer</u>	25
<u>Description of Warrants We May Offer</u>	31
<u>Description of Stock Purchase Contracts We May Offer</u>	34
<u>Description of Units We May Offer</u>	35
<u>Legal Ownership and Book-Entry Issuance</u>	36
<u>Plan of Distribution</u>	42
<u>Legal Matters</u>	44
<u>Experts</u>	44

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the U.S. Securities and Exchange Commission (the SEC) using a shelf registration process. Using this process, we may offer any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer and the manner in which they may be offered. Each time we use this prospectus to offer securities, we will provide a prospectus supplement and, if applicable, a pricing supplement, that will describe the specific terms of the offering and the specific manner in which the securities will be offered. We and any underwriter or agent that we may from time to time retain may also provide you with other information relating to the offering, which we refer to as other offering material. The prospectus supplement, pricing supplement and any other offering material may add to, update or change the information contained in this prospectus. Throughout this prospectus, where we indicate that material may be supplemented in a prospectus supplement, that information may also be supplemented in other offering material provided to you. If there is any inconsistency between the information in this prospectus and any prospectus supplement or other offering material, you should rely on the information in the prospectus supplement or other offering material. Please carefully read this prospectus, the prospectus supplement, the pricing supplement and any other offering material together with the information contained in the documents we refer to under the heading Where You Can Find More Information.

We are responsible for the information contained in or incorporated by reference in this prospectus, the applicable prospectus supplement and any pricing supplement or other offering material, if any, provided by us or any underwriter or agent that we may from time to time retain. We have not authorized anyone to provide you with different information and we take no responsibility for any other information that others may give you. You should assume that the information appearing in or incorporated by reference into this prospectus, any prospectus supplement and any pricing supplement or other offering material is accurate only as of the date on its cover page and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since such dates. Neither we nor any underwriters or agent whom we may

from time to time retain is making or will make an offer of the securities in any jurisdiction where the offer or sale is not permitted.

-i-

Table of Contents

FORWARD-LOOKING INFORMATION

Some of the statements included in this prospectus and the documents incorporated by reference in this prospectus, particularly those anticipating future financial performance, business prospectus, growth and operating strategies and similar matters, are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they may use words such as will, may, anticipates, expects, estimates, projects, intends, plans, believes, targets, forecasts, potential, approximately or variations of those words and terms with a similar meaning. Any forward-looking statements contained in this prospectus and the documents incorporated by reference in this prospectus are based upon our historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. Our actual results might differ materially from those indicated in this prospectus and the documents incorporated by reference in this prospectus. We believe that these factors include but are not limited to those described under the subsection entitled Risk Factors in Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this prospectus and the documents incorporated by reference in this prospectus. We undertake no obligation to update any forward-looking statements in this prospectus as a result of new information or future events or developments.

The following risk factors could cause our actual results to differ materially from those currently estimated by management:

actions by governmental agencies or government-sponsored entities or other circumstances, including pending regulatory matters affecting our lender-placed insurance business that could result in the reduction of the premium rates we charge, an increase in expenses, including claims, commissions, fines or penalties, or other expenses;

loss of significant client relationships or business, distribution sources and contracts;

the effects of the Patient Protection and Affordable Care Act of 2010 and the Health Care and Education Reconciliation Act of 2010, and the rules and regulations thereunder, on our health and employee benefits businesses;

unfavorable outcomes in litigation and/or regulatory investigations that could negatively affect our business and reputation;

current or new laws and regulations that could increase our costs and decrease our revenues;

significant competitive pressures in our businesses;

failure to attract and retain sales representatives or key managers;

losses due to natural or man-made catastrophes;

a decline in our credit or financial strength ratings (including the risk of ratings downgrades in the insurance industry);

deterioration in the Company's market capitalization compared to its book value that could result in an impairment of the Company's goodwill;

risks related to our international operations, including fluctuations in exchange rates;

Table of Contents

general global economic, financial market and political conditions (including difficult conditions in financial, capital, credit and currency markets, the global economic slowdown, fluctuations in interest rates or a prolonged period of low interest rates, monetary policies, unemployment and inflationary pressure);

failure to find and integrate suitable acquisitions and new ventures;

cyber security threats and cyber attacks;

failure to effectively maintain and modernize our information systems;

data breaches compromising client information and privacy;

failure to predict or manage benefits, claims and other costs;

uncertain tax positions and unexpected tax liabilities;

inadequacy of reserves established for future claims;

risks related to outsourcing activities;

unavailability, inadequacy and unaffordable pricing of reinsurance coverage;

diminished value of invested assets in our investment portfolio (due to, among other things, volatility in financial markets; the global economic slowdown; credit, currency and liquidity risk; other than temporary impairments and increases in interest rates);

insolvency of third parties to whom we have sold or may sell businesses through reinsurance or modified co-insurance;

inability of reinsurers to meet their obligations;

credit risk of some of our agents in Assurant Specialty Property and Assurant Solutions;

inability of our subsidiaries to pay sufficient dividends;

failure to provide for succession of senior management and key executives; and

cyclicality of the insurance industry.

For a more detailed discussion of the risks that could affect our actual results, please refer to the risk factors identified in our SEC reports, including, but not limited to, our Annual Reports on Form 10-K and our Quarterly Reports on Form 10-Q, as filed with the SEC.

-iii-

Table of Contents

ABOUT ASSURANT, INC.

Assurant is a provider of specialty insurance products and related services in North America, Latin America, Europe and other select worldwide markets. As used in this prospectus, unless we state otherwise or the context indicates otherwise, Assurant, we, our and similar terms mean Assurant, Inc., and its subsidiaries.

We currently are comprised of four operating segments, Assurant Solutions, Assurant Specialty Property, Assurant Health and Assurant Employee Benefits, each focused on serving specific segments of the specialty insurance market. Our business units provide mobile device protection, debt protection administration, credit-related insurance, warranties and service contracts, pre-funded funeral insurance, lender-placed homeowners insurance, manufactured housing homeowners insurance, property appraisal, preservation and valuation services, renters insurance and related products, individual health and small employer group health insurance, group dental insurance, group disability insurance and group life insurance.

We pursue a differentiated strategy of building leading positions in specialized market segments for insurance products and related services in North America, Latin America, Europe and other select worldwide markets. These markets are generally complex, have a relatively limited number of competitors and, we believe, offer attractive long-term profitable growth opportunities. In these markets, we leverage the experience of our management team and apply our core capabilities for competitive advantage managing risk; managing relationships with large distribution partners; and integrating complex administrative systems. These core capabilities represent areas of expertise which are evident within each of our businesses. We seek to generate insurance industry top-quartile returns by building on specialized market knowledge, well-established distribution relationships and, in some businesses, economies of scale. As a result of our strategy, we are a leader in many of our chosen markets and products. We deploy capital through a combination of investments in our businesses, share repurchases and dividends. Our approach to mergers, acquisitions and other growth opportunities reflects our prudent and disciplined approach to managing our capital. Our mergers, acquisitions and business development process targets new business that complements or supports our existing business model.

Assurant, Inc. was incorporated in Delaware in October 2003. Our predecessor, Fortis, Inc., was incorporated in Nevada in April 1969. Fortis, Inc. was merged with and into Assurant, Inc. on February 4, 2004. Our principal executive offices are located at One Chase Manhattan Plaza, 41st Floor, New York, New York 10005. Our telephone number is (212) 859-7000.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read and copy these materials at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can obtain information about the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains information we have filed electronically with the SEC, which you can access over the Internet at <http://www.sec.gov>. You can also obtain information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005 and on our website at <http://www.assurant.com>.

This prospectus is part of a registration statement we have filed with the SEC relating to the securities we may offer. As permitted by SEC rules, this prospectus does not contain all of the information we have included in the registration statement and the accompanying exhibits and schedules we file with the SEC. You may refer to the registration statement and its exhibits and schedules for more information about us and the securities. The registration statement, exhibits and schedules are available at the SEC's public reference room or through its Internet site.

The SEC allows us to incorporate by reference the information we have filed with it, which means that we can disclose important information to you by referring you to those documents. The information we incorporate by reference is an important part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) after the date of this prospectus and until all of the offered securities are sold other than the information that is deemed to be furnished and not filed in accordance with SEC rules. The documents we incorporate by reference are:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2013;

our Quarterly Reports on Form 10-Q for the periods ended March 31, 2014, June 30, 2014 and September 30, 2014;

our Current Reports on Form 8-K filed with the SEC on May 6, 2014, May 12, 2014, September 8, 2014, September 16, 2014, September 18, 2014, October 2, 2014, and October 8, 2014;

our definitive proxy statements filed on March 25, 2014 and May 6, 2014 pursuant to Section 14 of the Exchange Act; and

the description of our common stock contained in the section captioned "Description of Share Capital" in our prospectus included in the registration statement on Form S-1 (Registration No. 333-121820) originally filed with the SEC on January 3, 2005 and amended on January 10, 2005.

You may request a copy of these filings, other than an exhibit to these filings unless we have specifically incorporated that exhibit by reference into the filing, at no cost, by writing or calling:

Assurant, Inc.

One Chase Manhattan Plaza

41st Floor

New York, New York 10005

Attn: Investor Relations

(212) 859-7000

We are responsible for the information contained or incorporated by reference in this prospectus and the prospectus supplement and any pricing supplement or other offering material. We have not authorized any person, including any salesman or broker, to provide information other than that provided in this prospectus, the prospectus supplement, pricing supplement or other offering material. We have not

Table of Contents

authorized anyone to provide you with different information and we take no responsibility for any other information that others may give you. Neither we nor any underwriters or agents whom we may from time to time retain is making or will make an offer of the securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus, the prospectus supplement, any pricing supplement and any other offering material is accurate only as of the date on its cover page and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

Table of Contents

RISK FACTORS

Investing in our securities involves significant risks. Before making an investment decision, you should carefully consider the risks and other information we include or incorporate by reference in this prospectus. In particular, you should consider the risk factors set forth in our most recent Annual Report on Form 10-K filed with the SEC, in each case as those risk factors are amended or supplemented by subsequent Quarterly Reports on Form 10-Q. The risks and uncertainties we have described are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations. Additional risk factors may be included in a prospectus supplement relating to a particular series or offering of securities.

Table of Contents**USE OF PROCEEDS**

We intend to use the net proceeds from the sale or resale of the securities referenced in this prospectus for (a) general corporate purposes, which may include, among other things, working capital, contributions of capital to our insurance underwriting and other subsidiaries, capital expenditures, the repurchase of shares of common stock, the repayment of short-term borrowings or other debt or acquisitions, or (b) any other purpose disclosed in the applicable prospectus supplement.

RATIO OF CONSOLIDATED EARNINGS TO FIXED CHARGES

The following table presents our historical ratio of consolidated earnings to fixed charges for the nine-month period ended September 30, 2014 and for each of the years in the five-year period ended December 31, 2013.

	Nine months ended		Year ended December 31,			
	September 30,	2013	2012	2011	2010	2009
	2014					
Historical ratio of consolidated earnings to fixed charges	13.52	10.10	11.79	11.06	9.22	10.58

Earnings represent:

Income from operations before income taxes
plus

Fixed charges
Fixed charges include:

Interest expensed

Amortized discounts related to indebtedness

The proportion of rental expense deemed representative of the interest factor by the management of Assurant Preferred stock currently outstanding is recorded as a liability. Thus, the corresponding dividend is recorded as interest expense.

Table of Contents

DESCRIPTION OF DEBT SECURITIES WE MAY OFFER

References to Assurant, us, we or our in this section mean Assurant, Inc., and do not include the subsidiaries of Assurant, Inc. Also, in this section, references to holders mean those who own debt securities registered in their own names, on the books that we or the applicable trustee maintain for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositaries. When we refer to you in this prospectus, we mean all purchasers of the securities being offered by this prospectus, whether they are the holders or only indirect owners of those securities. Owners of beneficial interests in the debt securities should read the section below entitled Legal Ownership and Book-Entry Issuance .

Debt Securities May Be Senior or Subordinated

We may issue senior or subordinated debt securities. Neither the senior debt securities nor the subordinated debt securities will be secured by any of our property or assets or the property or assets of our subsidiaries. Thus, by owning a debt security, you are one of our unsecured creditors.

The senior debt securities and, in the case of senior debt securities in bearer form, any related interest coupons, will be issued under our senior debt indentures described below and will rank equally with all of our other unsecured and unsubordinated debt.

The subordinated debt securities and, in the case of subordinated debt securities in bearer form, any related interest coupons, will be issued under our subordinated debt indentures described below and will be subordinate in right of payment to all of our senior indebtedness, as defined in the subordinated debt indentures. Neither indentures limits our ability to incur additional unsecured indebtedness.

When we refer to debt securities in this prospectus, we mean both the senior debt securities and the subordinated debt securities issued under the indentures (as defined below).

The Senior and Subordinated Debt Indentures

The senior debt securities are governed by documents called the senior debt indentures (the Senior Debt Indenture dated as of February 18, 2004 between us and U.S. Bank National Association, as successor to SunTrust Bank, as trustee, which we refer to as the 2004 senior debt indentures , and the Indenture, dated as of March 28, 2013, between us and U.S. Bank National Association, as trustee, which we refer to as the 2013 senior debt indentures), and the subordinated debt securities are governed by the subordinated debt indentures (the Indentures, to be dated as of a date on or prior to the initial issuance of subordinated debt securities under such Indentures, between us and U.S. Bank National Association, as trustee, and together with the senior debt indentures, the indentures). A number of provisions of our three indentures are identical; however, the provisions relating to subordination are included only in the subordinated debt indentures and certain provisions described below under Notices , Modification and Waiver of the Debt Securities , Reports , Restrictive Covenants and Events of Default vary substantially among the indentures.

Reference to the indentures or the trustee with respect to any debt securities, means the indentures under which those debt securities are issued and the trustee under that indentures. See Our Relationship with the Trustee .

The trustee has two main roles:

1. The trustee can enforce the rights of holders against us if we default on our obligations under the terms of the indentures or the debt securities. There are some limitations on the extent to which the trustee acts on behalf of

holders, described below under Events of Default Remedies If an Event of Default Occurs .

Table of Contents

2. The trustee performs administrative duties for us, such as sending interest payments and notices to holders, and transferring a holder's debt securities to a new buyer if a holder sells.

The indentures and their associated documents contain the full legal text of the matters described in this section. The indentures and the debt securities are governed by New York law. A copy of each indenture is an exhibit to our registration statement. See [Where You Can Find More Information](#) for information on how to obtain a copy.

We may issue as many distinct series of debt securities under any of the indentures as we wish. The provisions of the senior debt indentures and the subordinated debt indenture allow us not only to issue debt securities with terms different from those previously issued under the applicable indenture, but also to reopen a previous issue of a series of debt securities and issue additional debt securities of that series. We may issue debt securities in amounts that exceed the total amount specified on the cover of your prospectus supplement at any time without your consent and without notifying you. In addition we may offer debt securities, together with other debt securities, warrants, stock purchase contracts, preferred stock or common stock in the form of units, as described below under [Description of Units We May Offer](#).

This section summarizes the material terms of the debt securities that are common to all series, although the prospectus supplement which describes the terms of each series of debt securities may also describe differences from the material terms summarized here.

Because this section is a summary, it does not describe every aspect of the debt securities. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of certain terms used in the indenture. In this summary, we describe the meaning of only some of the more important terms. For your convenience, we also include references in parentheses to certain sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in the prospectus supplement, such sections or defined terms are incorporated by reference here or in the prospectus supplement. You must look to the indenture for the most complete description of what we describe in summary form in this prospectus.

This summary also is subject to and qualified by reference to the description in the prospectus supplement of the particular terms of the series of debt securities you are offered. Those terms may vary from the terms described in this prospectus. The prospectus supplement relating to each series of debt securities will be attached to the front of this prospectus. There may also be a further prospectus supplement, known as a pricing supplement, which contains the precise terms of debt securities you are offered.

Under the 2013 senior debt indenture and the subordinated debt indenture (but not the 2004 senior debt indenture), we may issue the debt securities as original issue discount securities, which will be offered and sold at a substantial discount below their stated principal amount. (Section 101 of the 2013 senior debt indenture and the subordinated debt indenture) The prospectus supplement relating to original issue discount securities will describe federal income tax consequences and other special considerations applicable to them. The debt securities may also be issued as indexed securities or securities denominated in foreign currencies or currency units, as described in more detail in the prospectus supplement relating to any of the particular debt securities. The prospectus supplement relating to specific debt securities will also describe the risks and certain additional tax considerations applicable to such debt securities.

In addition, the specific financial, legal and other terms particular to a series of debt securities will be described in the prospectus supplement and, if applicable, a pricing supplement relating to the series. The prospectus supplement relating to a series of debt securities will describe the following terms of the series:

the title of the series of debt securities;

whether it is a series of senior debt securities or a series of subordinated debt securities;

any limit on the aggregate principal amount of the series of debt securities;

-7-

Table of Contents

the person to whom interest on a debt security is payable, if other than the holder on the regular record date;

the date or dates on which the series of debt securities will mature;

the rate or rates, which may be fixed or variable, per annum, at which the series of debt securities will bear interest, if any, and the date or dates from which that interest, if any, will accrue;

the place or places where the principal of, premium, if any, and interest on the debt securities is payable;

the dates on which interest, if any, on the series of debt securities will be payable and the regular record dates for the interest payment dates;

any mandatory or optional sinking funds or similar provisions or provisions for redemption at the option of the issuer or the holder;

the date, if any, after which and the price or prices at which the series of debt securities may, in accordance with any optional or mandatory redemption provisions, be redeemed and the other detailed terms and provisions of those optional or mandatory redemption provisions, if any;

if the debt securities may be converted into or exercised or exchanged for our common stock or preferred stock or other of our securities or the debt or equity securities of third parties, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or exchange is mandatory, at the option of the holder or at our option, the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of common stock or preferred stock or other securities or the debt or equity securities of third parties issuable upon conversion, exercise or exchange may be adjusted;

if other than denominations of \$1,000 and any integral multiples thereof, the denominations in which the series of debt securities will be issuable;

the currency of payment of principal, premium, if any, and interest on the series of debt securities;

if the currency of payment for principal, premium, if any, and interest on the series of debt securities is subject to our election or that of a holder, the currency or currencies in which payment can be made and the period within which, and the terms and conditions upon which, the election can be made;

any index, formula or other method used to determine the amount of payment of principal or premium, if any, or interest on the series of debt securities;

the applicability of the provisions described under Restrictive Covenants and Defeasance below;

any event of default under the series of debt securities if different from those described under Events of Default below;

if the debt securities will be issued in bearer form, any special provisions relating to bearer securities that are not addressed in this prospectus;

if the series of debt securities will be issuable only in the form of a global security, the depositary or its nominee with respect to the series of debt securities and the circumstances under which the global security may be registered for transfer or exchange in the name of a person other than the depositary or the nominee; and

Table of Contents

any other special feature of the series of debt securities.

In addition to the items above, the prospectus supplement relating to a series of debt securities issued under the 2004 senior debt indenture will also describe the following terms of the series:

the provisions of the indenture, if any, that shall not apply to the series of debt securities;

the right, if any, to defer payment of interest on the debt securities and the maximum length of any deferral period; and

whether the Company shall enter into an exchange and registration rights agreement with respect to the debt securities.

An investment in debt securities may involve special risks, including risks associated with indexed securities and currency-related risks if the debt security is linked to an index or is payable in or otherwise linked to a non-U.S. dollar currency. We will describe these risks in the prospectus supplement relating to specific debt securities.

Overview of Remainder of this Description

The remainder of this description summarizes:

Additional Mechanics relevant to the debt securities under normal circumstances, such as how holders transfer ownership and where we make payments;

Holders' rights in several *Special Situations*, such as if we merge with another company or if we want to change a term of the debt securities;

Subordination Provisions in the subordinated debt indenture that may prohibit us from making payment on those securities;

Our right to release ourselves from all or some of our obligations under the debt securities and the indenture by a process called *Defeasance*; and

Holders' rights if we *Default* or experience other financial difficulties.

Additional Mechanics

Form, Exchange and Transfer

Unless we specify otherwise in the prospectus supplement, the debt securities will be issued:

only in fully registered form;

without interest coupons; and

in denominations that are even multiples of \$1,000 (Section 302 of the 2013 senior debt indenture and the subordinated debt indenture, Section 3.2 of the 2004 senior debt indenture)

If a debt security is issued as a registered global debt security, only the depository e.g., DTC, Euroclear and Clearstream, each as defined below under Legal Ownership and Book-Entry Issuance will be entitled to

Table of Contents

transfer and exchange the debt security as described in this subsection, since the depository will be the sole holder of the debt security. Those who own beneficial interests in a global security do so through participants in the depository's securities clearance system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depository and its participants. We describe book-entry procedures below under Legal Ownership and Book-Entry Issuance .

Holders may have their debt securities broken into more debt securities of smaller denominations of not less than \$1,000 or combined into fewer debt securities of larger denominations, as long as the total principal amount is not changed. (Section 305 of the 2013 senior debt indenture and the subordinated debt indenture, Section 3.5 of the 2004 senior debt indenture) This is called an exchange.

Holders may exchange or transfer debt securities at the office of the trustee. They may also replace lost, stolen or mutilated debt securities at that office. The trustee acts as our agent for registering debt securities in the names of holders and transferring debt securities. We may change this appointment to another entity or perform this service ourselves. The entity performing the role of maintaining the list of registered holders is called the security registrar. It will also perform transfers. (Section 305 of the 2013 senior debt indenture and the subordinated debt indenture, Section 3.5 of the 2004 senior debt indenture) The trustee's agent may require an indemnity against any loss, liability or expense incurred without negligence or bad faith on its part arising out of or in connection with the acceptance or administration of the trust or trusts before replacing any debt securities.

Holders will not be required to pay a service charge to transfer or exchange debt securities, but holders may be required to pay for any tax or other governmental charge associated with the exchange or transfer. The transfer or exchange will only be made if the security registrar is satisfied with your proof of ownership.

If we designate additional transfer agents, they will be named in the prospectus supplement. We may cancel the designation of any particular transfer agent. We may also approve a change in the office through which any transfer agent acts. (Section 1002 of the 2013 senior debt indenture and the subordinated debt indenture, Section 10.2 of the 2004 senior debt indenture)

If the debt securities are redeemable and we redeem less than all of the debt securities of a particular series, we may block the transfer or exchange of debt securities during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers or exchanges of debt securities selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any debt security being partially redeemed. (Section 305 of the 2013 senior debt indenture and the subordinated debt indenture, Section 3.5 of the 2004 senior debt indenture)

The rules for exchange described above apply to exchange of debt securities for other debt securities of the same series and kind. If a debt security is convertible, exercisable or exchangeable into or for a different kind of security, such as one that we have not issued, or for other property, the rules governing that type of conversion, exercise or exchange will be described in the prospectus supplement.

Payment and Paying Agents

We will pay interest to the person listed in the trustee's records at the close of business on a particular day in advance of each due date for interest, even if that person no longer owns the debt security on the interest due date. That particular day, usually about two weeks in advance of the interest due date, is called the regular record date and will be stated in the prospectus supplement. (Section 307 of the 2013 senior debt indenture and the subordinated debt

indenture, Section 3.10 of the 2004 senior debt indenture) Holders buying and selling debt securities must work out between them how to compensate for the fact that we will pay all the interest for an interest period to the one who is the registered holder on the regular record date. The most common manner is to adjust the sale price of the securities to pro-rate interest fairly between buyer and seller. This prorated interest amount is called accrued interest.

We will pay interest, principal and any other money due on the debt securities at the corporate trust office of the trustee in the Borough of Manhattan, the City of New York. That office is currently located at U.S. Bank

Table of Contents

National Association, ATTN: Corporate Trust Services, 100 Wall Street, 16th Floor, New York, New York 10005. Holders must make arrangements to have their payments picked up at or wired from that office. We may also choose to pay interest by mailing checks.

BOOK-ENTRY AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS, BROKERS OR OTHER FINANCIAL INSTITUTIONS FOR INFORMATION ON HOW THEY WILL RECEIVE PAYMENTS.

We may also arrange for additional payment offices and may cancel or change these offices, including our use of the trustee's corporate trust office. These offices are called paying agents. We may also choose to act as our own paying agent or choose one of our subsidiaries to do so. We must notify holders of changes in the paying agents for any particular series of debt securities. (Section 1002 of the 2013 senior debt indenture and the subordinated debt indenture, Section 10.2 of the 2004 senior debt indenture)

Notices

We and the trustee will send notices regarding the debt securities only to holders, using their addresses as listed in the trustee's records. (Sections 101 and 106 of the 2013 senior debt indenture and the subordinated debt indenture, Sections 1.1 and 1.6 of the 2004 senior debt indenture) With respect to who is a legal holder for this purpose, see Legal Ownership and Book-Entry Issuance .

Regardless of who acts as paying agent, all money paid by us to a paying agent that remains unclaimed at the end of two years after the amount is due to holders, in the case of the 2013 senior debt indenture and the subordinated debt indenture, or at the end of three years after the amount is due to holders in the case of the 2004 senior debt indenture, will be repaid to us. After that two- or three-year period, holders may look to us for payment and not to the trustee or any other paying agent. (Section 1003 of the 2013 senior debt indenture and the subordinated debt indenture, Section 10.5 of the 2004 senior debt indenture)

Special Situations

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company or firm. We are also permitted to sell or lease substantially all of our assets to another company or firm, or to buy or lease substantially all of the assets of another company or firm. However, we may not take any of these actions unless the following conditions, among others, are met:

If we merge with or into another company or firm or sell or lease substantially all our assets to another company or firm, the other company or firm must be a corporation, partnership or trust organized under the laws of a State of the United States or the District of Columbia or under federal law, and it must agree to be legally responsible for the debt securities.

The merger, sale of assets or other transaction must not cause a default on the debt securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured. A default

for this purpose would also include any event that would be an event of default if the requirements for giving us notice of our default or our default having to exist for a specific period of time were disregarded.

It is possible that the merger, sale of assets or other transaction would cause some of our property to become subject to certain liens or other preferential rights in that property over other lenders, including the holders of the senior debt securities. We have promised in our senior debt indentures to limit these preferential rights on voting stock of any Restricted Subsidiary (as defined in the 2013 senior debt indenture) or Principal Subsidiary (as defined in the 2004 senior debt indenture) as discussed under Restrictive Covenants Limitation on Liens on Stock of Restricted Subsidiaries and on Issuance or

Table of Contents

Disposition of Stock of Restricted Subsidiaries . If a merger or other transaction would create any liens on the voting stock of our Restricted Subsidiaries (as defined in the 2013 senior debt indenture) or Principal Subsidiaries (as defined in the 2004 senior debt indenture), as applicable, we must comply with that restrictive covenant. Either the liens will be permitted under the covenant, or we would be required to grant an equivalent or higher-ranking lien on the same voting stock to the holders of the senior debt securities.

Modification and Waiver of the Debt Securities

There are four types of changes we can make to the indenture and the debt securities issued under that indenture.

Changes Requiring Approval of All Holders. First, there are changes that cannot be made to the indenture or the debt securities without specific approval of each holder of a debt security affected in any material respect by the change under a particular debt indenture. Affected debt securities may be all or less than all of the debt securities issued under that debt indenture or all or less than all of the debt securities of a series.

Following is a list of those types of changes under the 2004 senior debt indenture:

changing the fixed maturity;

reducing the principal amount;

reducing the rate of or changing the time of payment of interest, reducing any premium payable upon the redemption or changing the time at which the debt security may be redeemed or purchased;

reducing the percentage of debt securities referred to above, the holders of which are required to consent to any amendment, supplement or waiver;

waiving a default or event of default in the payment of principal of or interest or additional interest, if any, on the debt securities (except a rescission of acceleration of the debt securities by the holders of at least a majority in aggregate principal amount of a series of debt securities and a waiver of the payment default that resulted from such acceleration);

making any debt security payable in money other than that stated in the indenture and the debt securities;

making any change in the provisions of the indenture relating to waivers of past defaults or the rights of holders of debt securities to receive payments of principal of or interest or additional interest, if any, on the debt securities;

making any change to the abilities of holders of debt securities to enforce their rights under the indenture or the provisions of the clauses above; or

except as permitted under the 2004 senior debt indenture, increasing the conversion price with regard to any series of debt securities or modifying any provision of the 2004 senior debt indenture relating to conversion of any debt securities in a manner adverse to the holders thereof. (Section 9.2)

Following is a list of those types of changes under the 2013 senior debt indenture and the subordinated debt indenture:

changing the stated maturity of the principal, any installment of principal or interest on a debt security, or reducing the principal amount or the rate of interest or any premium payable upon the redemption;

Table of Contents

reducing any amounts due on a debt security;

reducing the amount of principal payable upon acceleration of the maturity of a debt security (including the amount payable on an original issue discount debt security) following a default;

changing the place or currency of payment on a debt security;

impairing a holder's right to sue for payment;

impairing any right that a holder of a debt security may have to exchange or convert the debt security for or into other property;

reducing the percentage of holders of debt securities whose consent is needed to modify or amend the indenture;

reducing the percentage of holders of debt securities whose consent is needed to waive compliance with certain provisions of the indenture or to waive certain defaults; or

modifying any other aspect of the provisions dealing with modification and waiver of the indenture. (Section 902)

Changes Requiring a Majority Vote. The second type of change to the indenture and the debt securities is the kind that requires a vote in favor by holders of debt securities owning not less than a majority of the principal amount of the particular series affected or, if so provided and to the extent permitted by the Trust Indenture Act, of particular debt securities affected thereby. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect in any material respect holders of the debt securities. (Section 902 of the 2013 senior debt indenture and the subordinated debt indenture, Section 9.2 of the 2004 senior debt indenture) We may also obtain a waiver of a past default from the holders of debt securities owning a majority of the principal amount of the particular series affected. However, we cannot obtain a waiver of a payment default or any other aspect of the indenture or the debt securities listed in the first category described above under *Changes Requiring Approval of All Holders* unless we obtain the individual consent of each holder to the waiver. (Section 513 of the 2013 senior debt indenture and the subordinated debt indenture, Section 5.13 of the 2004 senior debt indenture)

Changes Not Requiring Approval. The third type of change to the indenture and the debt securities does not require any vote by holders of debt securities. This type is limited to clarifications and certain other changes that would not adversely affect in any material respect holders of the debt securities. (Section 901 of the 2013 senior debt indenture and the subordinated debt indenture, Section 9.1 of the 2004 senior debt indenture)

We may also make changes or obtain waivers that do not adversely affect in any material respect a particular debt security, even if they affect other debt securities. In those cases, we do not need to obtain the approval of the holder of that debt security; we need only obtain any required approvals from the holders of the affected debt securities.

Modification of Subordination Provisions. We may not modify the subordination provisions of the subordinated debt indenture in a manner that would adversely affect in any material respect the outstanding subordinated debt securities without the consent of the holders of a majority of the principal amount of the particular series affected or, if so provided and to the extent permitted by the Trust Indenture Act, of particular subordinated debt securities affected thereby. Also, we may not modify the subordination provisions of any outstanding subordinated debt securities without the consent of each holder of our senior indebtedness that would be adversely affected thereby. The term senior indebtedness is defined below under Subordination Provisions .

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a debt security:

Table of Contents

For original issue discount securities, we will use the principal amount that would be due and payable on the voting date if the maturity of the debt securities were accelerated to that date because of a default.

For debt securities whose principal amount is not known (for example, because it is based on an index), we will use a special rule for that debt security described in the prospectus supplement.

For debt securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent.

Debt securities will not be considered outstanding, and therefore not eligible to vote, if we have given a notice of redemption and deposited or set aside in trust for the holders money for the payment or redemption of the debt securities. Debt securities will also not be eligible to vote if they have been fully defeased as described below under Defeasance Full Defeasance . (Section 1302 of the 2013 senior debt indenture and the subordinated debt indenture, Section 4.2 of the 2004 senior debt indenture)

Under the 2013 senior debt indenture and the subordinated debt indenture, we will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding debt securities that are entitled to vote or take other action under the indenture. In certain limited circumstances, the trustee will be entitled to set a record date for action by holders. If we or the trustee set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date. We or the trustee, as applicable, may shorten or lengthen this period from time to time. (Section 104 of the 2013 senior debt indenture and the subordinated debt indenture)

Under the 2004 senior debt indenture, the Company may set a day as a record date for the purpose of determining the holders of outstanding debt securities that are entitled to vote or take other action under the indenture that is not more than 90 days prior to the date of such vote or other action. (Section 3.10 of the 2004 senior debt indenture)

BOOK-ENTRY AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS, BROKERS OR OTHER FINANCIAL INSTITUTIONS FOR INFORMATION ON HOW APPROVAL MAY BE GRANTED OR DENIED IF WE SEEK TO CHANGE THE INDENTURE OR THE DEBT SECURITIES OR REQUEST A WAIVER.

Reports

The 2004 senior debt indenture provides that any documents or reports that we may be required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act will be filed with the trustee within 30 days after we have filed those documents or reports with the SEC.

The 2013 senior debt indenture and the subordinated debt indenture provide that any documents or reports that we may be required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act will be filed with the trustee within 15 days after we have filed those documents or reports with the SEC (the Filing Obligation). Under the Trust Indenture Act, we may have a separate obligation to file with the trustee documents or reports that we are required to file with the SEC. Under the 2013 senior debt indenture and the subordinated debt indenture (but not under the 2004 senior debt indenture), our failure to comply with the requirements of Section 314(a) of the Trust Indenture Act or our Filing Obligation or to file a report with the SEC as contemplated in the indenture or otherwise will not constitute an event of default under the 2013 senior debt indenture or the subordinated debt indenture. Accordingly, acceleration of our obligations under the debt securities will not be a remedy for our failure to file those documents or reports with the

trustee, and you may have no remedy for the failure other than an action for damages.

Table of Contents

Restrictive Covenants

General

We have made certain promises in each indenture called covenants where, among other things, we promise to maintain our corporate existence and all licenses and material permits necessary for our business. In addition, in the senior debt indentures, but not in the subordinated debt indenture, we have made the promises described below.

Limitation on Liens on Stock of Restricted and Principal Subsidiaries and on Issuance or Disposition of Stock of Restricted and Principal Subsidiaries

The 2013 senior debt indenture provides that we will not, nor will we permit any Restricted Subsidiary to, directly or indirectly, issue, assume, incur or guarantee any indebtedness for borrowed money (which we refer to in this prospectus as Debt) secured by a mortgage, security interest, pledge, lien or other encumbrance upon any shares of stock of any Restricted Subsidiary without effectively providing that the senior debt securities (together with, if we shall so determine, any other indebtedness of or guarantee by us ranking equally with the senior debt securities and then existing or thereafter created) will be secured equally and ratably with that Debt. (Section 1006 of the 2013 senior debt indenture)

For purposes of the 2013 senior debt indenture, Restricted Subsidiary means each of Interfinancial Inc., Union Security Insurance Company and American Security Insurance Company so long as each remains a subsidiary, as well as any successor to all or a principal part of the business of that subsidiary and any other subsidiary which our board of directors designates as a Restricted Subsidiary. (Section 101 of the 2013 senior debt indenture)

The 2004 senior debt indenture provides that we will not, nor will we permit any of our Principal Subsidiaries to, directly or indirectly, create, issue, assume, incur, guarantee or permit to exist any Indebtedness that is secured by a mortgage, pledge, lien, security interest or other encumbrance on any of the common stock of a Principal Subsidiary owned by us or by any of our Principal Subsidiaries, unless our obligations under the debt securities and, if we so elect, any other of our Indebtedness ranking on a parity with, or prior to, the debt securities, shall be secured equally and ratably with, or prior to, such secured Indebtedness so long as it is outstanding and is so secured. (Section 10.3 of the 2004 senior debt indenture)

For the purposes of the 2004 senior debt indenture, Indebtedness is defined as the principal of and interest due on indebtedness of a Person, whether outstanding on the original date of issuance of the debt securities or thereafter created, incurred or assumed, which is (a) indebtedness for money borrowed and (b) any amendments, renewals, extensions, modifications and refundings of any such indebtedness. For the purposes of this definition, (i) Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof and (ii) indebtedness for money borrowed means (1) any obligation of, or any obligation guaranteed by, such Person for the repayment of borrowed money, whether or not evidenced by bonds, debentures, notes or other written instruments, (2) any obligation of, or any such obligation guaranteed by, such Person evidenced by bonds, debentures, notes or similar written instruments, including obligations assumed or incurred in connection with the acquisition of property, assets or businesses (provided, however, that (x) the deferred purchase price of any business or property or assets shall not be considered Indebtedness if the purchase price thereof is payable in full within 90 days from the date on which such indebtedness was created and (y) trade accounts payable and accrued liabilities arising in the ordinary course of business shall not be considered Indebtedness) and (3) any obligations of such Person as lessee under leases required to be capitalized on the balance sheet of the lessee under generally accepted accounting principles and leases of property or assets made as part of any sale and lease-back transaction to which such Person is a party. (Section 1.1 of the 2004 senior debt

indenture)

Furthermore, for the purposes of the 2004 senior debt indenture, **Principal Subsidiary** means a consolidated subsidiary of Assurant that, as of the time of the determination of whether such consolidated subsidiary is a **Principal Subsidiary**, accounted, in each case, for 10% or more of the total assets of Assurant and its consolidated subsidiaries, as set forth in the most recent balance sheet filed by Assurant with the SEC. (Section 1.1 of the 2004 senior debt indenture)

-15-

Table of Contents

We will not, nor will we permit any Restricted Subsidiary (under the 2013 senior debt indenture) or Principal Subsidiary (under the 2004 senior debt indenture) to, issue, sell, assign, transfer or otherwise dispose of, directly or indirectly, any capital stock, other than nonvoting preferred stock, of any Restricted Subsidiary or Principal Subsidiary, as applicable, except for:

the purpose of qualifying directors;

sales or other dispositions to us or one or more Restricted Subsidiaries (under the 2013 senior debt indenture) or Principal Subsidiaries (under the 2004 senior debt indenture);

the disposition of all or any part of the capital stock of any Restricted Subsidiary (under the 2013 senior debt indenture) or Principal Subsidiary (under the 2004 senior debt indenture) for consideration which is at least equal to the fair value of that capital stock as determined by our board of directors acting in good faith; or

an issuance, sale, assignment, transfer or other disposition required to comply with an order of a court or regulatory authority of competent jurisdiction, other than an order issued at our request or the request of any Restricted Subsidiary (under the 2013 senior debt indenture) or Principal Subsidiary (under the 2004 senior debt indenture). (Section 1006 of the 2013 senior debt indenture and Section 10.4 of the 2004 senior debt indenture)

For the purposes of the senior debt indentures, **capital stock** means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in corporate stock. (Section 101 of the 2013 senior debt indenture and the subordinated debt indenture, Section 1.1 of the 2004 senior debt indenture)

Subordination Provisions

Holders of subordinated debt securities should recognize that contractual provisions in the subordinated debt indenture may prohibit us from making payments on those securities. Subordinated debt securities are subordinate and junior in right of payment, to the extent and in the manner stated in the subordinated debt indenture, to all of our senior indebtedness, as defined in the subordinated debt indenture, including all debt securities we have issued and will issue under the senior debt indentures.

The subordinated debt indenture defines **senior indebtedness** as all indebtedness and obligations of, or guaranteed or assumed by, us for borrowed money or evidenced by bonds, debentures, notes or other similar instruments, whether existing now or in the future and all amendments, renewals, extensions, modifications and refundings of any indebtedness or obligations of that kind. Senior debt excludes the subordinated debt securities and any other indebtedness or obligations that would otherwise constitute indebtedness if it is specifically designated as being subordinate in right of payment or equal in rank and right of payment to the subordinated debt securities.

The subordinated debt indenture provides that, unless all principal of and any premium or interest on the senior indebtedness has been paid in full, no payment or other distribution may be made in respect of any subordinated debt securities in the following circumstances:

in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for creditors or other similar proceedings or events involving us or our assets;

(a) in the event and during the continuation of any default in the payment of principal, premium or interest on any senior indebtedness beyond any applicable grace period, (b) in the event that any event of default with respect to any senior indebtedness has occurred and is continuing, permitting the holders of that senior indebtedness (or a trustee) to accelerate the maturity of that senior indebtedness, whether or not the maturity is in fact accelerated (unless, in the case of (a) or (b), the payment default or event of default has been cured or waived or ceases to exist and any related acceleration has been rescinded) or (c) in the event that any judicial proceeding is pending with respect to a payment default or event of default described in (a) or (b); or

Table of Contents

in the event that any subordinated debt securities have been declared due and payable before their stated maturity.

If the trustee under the subordinated debt indenture or any holders of the subordinated debt securities receive any payment or distribution that is prohibited under the subordination provisions, then the trustee or the holders will have to repay that money to the holders of the senior indebtedness.

Even if the subordination provisions prevent us from making any payment when due on the subordinated debt securities of any series, we will be in default on our obligations under that series if we do not make the payment when due. This means that the trustee under the subordinated debt indenture and the holders of that series can take action against us, but they will not receive any money until the claims of the holders of senior indebtedness have been fully satisfied.

The subordinated debt indenture allows the holders of senior indebtedness to obtain a court order requiring us and any holder of subordinated debt securities to comply with the subordination provisions.

Defeasance

The following discussion of full defeasance and covenant defeasance will be applicable to each series of debt securities that is denominated in U.S. dollars and has a fixed rate of interest and will apply to other series of debt securities if we so specify in the prospectus supplement. (Section 1301 of the 2013 senior debt indenture and the subordinated debt indenture, Section 4.1 of the 2004 senior debt indenture)

Full Defeasance

If there is a change in U.S. federal tax law, as described below, we can legally release ourselves from any payment or other obligations on the debt securities, called full defeasance, if we put in place the following other arrangements for holders to be repaid:

We must deposit in trust for the benefit of all holders of the debt securities a combination of money and notes or bonds of the U.S. government or a U.S. government agency or U.S. government-sponsored entity (the obligations of which are backed by the full faith and credit of the U.S. government) that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates.

There must be a change in current U.S. federal tax law or a U.S. Internal Revenue Service ruling that lets us make the above deposit without causing the holders to be taxed on the debt securities any differently than if we did not make the deposit and just repaid the debt securities ourselves. (Under current federal tax law, the deposit and our legal release from the obligations pursuant to the debt securities would be treated as though we took back your debt securities and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could recognize gain or loss on the debt securities you give back to us.)

We must deliver to the trustee a legal opinion of our counsel confirming the tax law change described above. (Sections 1302 and 1304 of the 2013 senior debt indenture and the subordinated debt indenture, Sections 4.2 and 4.4 of the 2004 senior debt indenture)

In the case of the subordinated debt securities, the following requirements must also be met:

No event or condition may exist that, under the provisions described under Subordination Provisions above, would prevent us from making payments of principal, premium or interest on those subordinated debt securities on the date of the deposit referred to above or during the 90 days after that date; and

Table of Contents

We must deliver to the trustee an opinion of counsel to the effect that (a) the trust funds will not be subject to any rights of direct holders of senior indebtedness and (b) after the 90-day period referred to above, the trust funds will not be subject to any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, except that if a court were to rule under any of those laws in any case or proceeding that the trust funds remained our property, then the relevant trustee and the direct holders of the subordinated debt securities would be entitled to some enumerated rights as secured creditors in the trust funds.

If we ever did accomplish full defeasance, as described above, a holder would have to rely solely on the trust deposit for repayment on the debt securities. In addition, in the case of subordinated debt securities, the provisions described above under Subordination Provisions would not apply. A holder could not look to us for repayment in the unlikely event of any shortfall.

Covenant Defeasance

Under current U.S. federal tax law, we can make the same type of deposit as described above and we will be released from the restrictive covenants under the debt securities that are described above under Restrictive Covenants and that may be described in the prospectus supplement. This is called covenant defeasance. In that event, the holder would lose the protection of these covenants but would gain the protection of having money and U.S. government or U.S. government agency notes or bonds set aside in trust to repay the debt securities. In order to achieve covenant defeasance, we must do the following:

We must deposit in trust for the benefit of all holders of the debt securities a combination of money and notes or bonds of the U.S. government or a U.S. government agency or U.S. government sponsored-entity (the obligations of which are backed by the full faith and credit of the U.S. government) that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates; and

We must deliver to the trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing the holders to be taxed on the debt securities any differently than if we did not make the deposit and just repaid the debt securities ourselves. If we accomplish covenant defeasance, certain provisions of the indenture and the debt securities would no longer apply:

Covenants applicable to the series of debt securities that are described above under Restrictive Covenants and described in the prospectus supplement.

Any events of default relating to breach of those covenants. In addition, in the case of subordinated securities, the provisions described above under Subordination Provisions will not apply if we accomplish covenant defeasance.

If we accomplish covenant defeasance, a holder can still look to us for repayment of the debt securities if there were a shortfall in the trust deposit. In fact, if one of the remaining events of default occurred (such as a bankruptcy) and the

debt securities become immediately due and payable, there may be such a shortfall. (Sections 1303 and 1304 of the 2013 senior debt indenture and the subordinated debt indenture, Sections 4.3 and 4.4 of the 2004 senior debt indenture)

Table of Contents

Events of Default

A holder will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is An Event of Default? The term *Event of Default* means any of the following:

We do not pay the principal of or any premium on a debt security on its due date;

We do not pay interest on a debt security within 30 days of its due date;

We do not deposit money in a separate account, known as a sinking fund, on its due date, if we agree to maintain any sinking fund;

We remain in breach of the restrictive covenant described above under *Restrictive Covenants Limitation on Liens on Stock of Restricted Subsidiaries and on Issuance or Disposition of Stock of Restricted Subsidiaries* or any other term of the indenture for 60 days after we receive a notice of default stating we are in breach; provided that under the 2013 senior debt indenture and the subordinated indenture our failure to comply with the requirements of Section 314(a) of the Trust Indenture Act or our Filing Obligation, as defined above, or to file a report with the SEC as contemplated in the indenture or otherwise will not constitute an event of default. The notice must be sent by either the trustee or holders of at least 10% of the principal amount of debt securities of the affected series under the 2013 senior debt indenture or the subordinated debt indenture or 25% of the principal amount of debt securities of the affected series under the 2004 senior debt indenture.

We file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur;

Under the 2004 senior debt indenture, a default occurs under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of us or any of our subsidiaries (other than Indebtedness owed to us or one of our subsidiaries) where such Indebtedness exists as of the date of the 2004 senior debt indenture, or is created after the date of the 2004 senior debt indenture, if such default (i) is caused by a failure to pay principal of or interest on such Indebtedness after final maturity prior to the expiration of the grace period provided by such Indebtedness on the date of such default; or (ii) results in the acceleration of such Indebtedness prior to its express maturity; and, in the case of clause (i) and (ii), the principal amount of such Indebtedness, together with the principal amount of any other such Indebtedness the maturity of which has been so accelerated, aggregates to \$50 million or more and such acceleration is not rescinded or annulled within 30 days of notice from the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of the affected series; or

Any other event of default described in the prospectus supplement occurs. (Section 501 of the 2013 senior debt indenture and the subordinated debt indenture, Section 5.1 of the 2004 senior debt indenture)

Remedies If an Event of Default Occurs. If you are the holder of a subordinated debt security, all remedies available upon the occurrence of an event of default under the subordinated debt indenture will be subject to the restrictions on the subordinated debt securities described above under Subordination Provisions . If an event of default occurs, the trustee will have special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs. If an event of default has occurred and has not been cured, the trustee or the holders of at least 25% in principal amount of the debt securities of the affected series may declare the entire principal amount (or, in the case of original issue discount securities, the portion of the principal amount that is specified in the terms of the affected debt security) of all the debt securities of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. However, a declaration of acceleration of maturity may be cancelled, but only before a judgment or decree based on the acceleration has been

Table of Contents

obtained, by the holders of at least a majority in principal amount of the debt securities of the affected series. (Section 502 of the 2013 senior debt indenture and the subordinated debt indenture, Section 5.2 of the 2004 senior debt indenture) If we file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur, then the principal amount of all the securities of that series (or, if any securities of that series are original issue discount securities, such portion of the principal amount of such securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the trustee or any holder, become immediately due and payable.

You should read carefully the prospectus supplement relating to any series of debt securities which are original issue discount securities for the particular provisions relating to acceleration of the maturity of a portion of the principal amount of original issue discount securities upon the occurrence of an event of default and its continuation.

Except in cases of default, where the trustee has the special duties described above, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability called an indemnity. (Section 603 of the 2013 senior debt indenture and the subordinated debt indenture, Section 6.3 of the 2004 senior debt indenture) If indemnity reasonably satisfactory to the trustee is provided, the holders of a majority in principal amount of the outstanding securities of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the applicable indenture with respect to the debt securities of that series, provided that:

it is not in conflict with any law or the indenture;

the trustee may take any other action deemed proper by it that is not inconsistent with directions from the holders of the debt securities of the affected series; and

under the 2004 senior debt indenture, unless otherwise provided under the Trust Indenture Act, the trustee need not take any action that might involve it in personal liability or might be unduly prejudicial to the holders of the debt securities of the affected series not involved in the proceeding. (Section 512 of the 2013 senior debt indenture and the subordinated debt indenture, Section 5.12 of the 2004 senior debt indenture)

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

The holder of the debt security must give the trustee written notice that an event of default has occurred and remains uncured;

The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and they must offer reasonable indemnity to the trustee against the costs, expenses and liabilities of taking that action;

The trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity;
and

No direction inconsistent with such written request has been given to the trustee during such 60-day period by the holders of a majority in principal amount of the outstanding securities of that series. (Section 507 of the 2013 senior debt indenture and the subordinated debt indenture, Section 5.7 of the 2004 senior debt indenture)

However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt security on or after its due date. (Section 508 of the 2013 senior debt indenture and the subordinated debt indenture, Section 5.8 of the 2004 senior debt indenture)

Table of Contents

BOOK-ENTRY AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS, BROKERS OR OTHER FINANCIAL INSTITUTIONS FOR INFORMATION ON HOW TO GIVE NOTICE OR DIRECTION TO OR MAKE A REQUEST OF THE TRUSTEE AND TO MAKE OR CANCEL A DECLARATION OF ACCELERATION.

We will give to the trustee every year a written statement of certain of our officers certifying that to their knowledge we are in compliance with the applicable indenture and the debt securities issued under it, or else specifying any default. (Section 1004 of the 2013 senior debt indenture and the subordinated debt indenture, Section 10.6 of the 2004 senior debt indenture)

Governing Law

The indentures are, and the debt securities will be, governed by and construed in accordance with the laws of the State of New York.

Our Relationship with the Trustee

U.S. Bank National Association is one of our lenders and from time to time provides other banking services to us and our subsidiaries.

U.S. Bank National Association is initially serving as the trustee for our senior debt securities issued under the 2004 senior debt indenture and the 2013 senior debt indenture, and subordinated debt securities issued under the subordinated debt indenture. If an actual or potential event of default occurs with respect to any of these securities, the trustee may be considered to have a conflicting interest for purposes of the Trust Indenture Act of 1939. In that case, the trustee may be required to resign under one or more of the indentures and we would be required to appoint a successor trustee. For this purpose, a potential event of default means an event that would be an event of default if the requirements for giving us default notice or for the default having to exist for a specific period of time were disregarded.

U.S. Bank National Association makes no representations or warranties regarding the debt securities or the adequacy or accuracy of this prospectus.

Table of Contents

DESCRIPTION OF COMMON STOCK WE MAY OFFER

References to Assurant, us, we or our in this section mean Assurant, Inc., and do not include the subsidiaries of Assurant, Inc. Also, in this section, references to holders mean those who own shares of common stock registered in their own names, on the books that the registrar or we maintain for this purpose, and not those who own beneficial interests in shares registered in street name or in shares issued in book-entry form through one or more depositaries. Owners of beneficial interests in shares of common stock should read the section below entitled Legal Ownership and Book-Entry Issuance .

The certificate of incorporation of Assurant, Inc. authorizes 800,000,000 shares of common stock, par value \$0.01 per share. The following summary of the terms and provisions of our capital stock does not purport to be complete and is qualified in its entirety by reference to our restated certificate of incorporation and amended and restated by-laws, forms of which have been filed as exhibits to the registration statement of which this prospectus forms a part, and applicable law. See Where You Can Find More Information for information about where you can obtain a copy of these documents.

General. All outstanding shares of common stock are, and all shares of common stock to be outstanding upon completion of the offering will be, fully-paid and nonassessable. As of October 30, 2014, we had 70,255,038 shares of common stock outstanding.

Dividends. Subject to any preferential rights of any outstanding series of preferred stock that our board of directors may create from time to time, including the Series B and Series C Preferred Stock, the holders of our common stock will be entitled to dividends as may be declared from time to time by the board of directors from funds available therefor.

Voting Rights. Each share of common stock entitles the holder thereof to one vote on all matters, including the election of directors, and, except as otherwise required by law or provided in any resolution adopted by our board of directors with respect to any series of preferred stock, the holders of the shares of our common stock will possess all voting power. Our certificate of incorporation does not provide for cumulative voting in the election of directors. Generally, all matters to be voted on by the stockholders must be approved by a majority of the votes cast, subject to state law and any voting rights granted to any of the holders of preferred stock. Notwithstanding the foregoing, approval of the following matters requires the vote of holders of at least two-thirds of the voting power of our outstanding capital stock entitled to vote in the election of directors:

altering, amending, repealing or adopting of certain provisions of our certificate of incorporation or by-laws by the stockholders, including amendments to the provisions governing:

the filling of vacancies on our board of directors;

the calling of stockholders meetings;

the prohibition of stockholder action by written consent;

the advance notice requirements for stockholder proposals and nominations of directors to be considered at stockholder meetings;

the liability of directors; and

the supermajority voting provisions.

Preemptive Rights. The holders of common stock do not have any preemptive rights. There are no subscription, redemption, conversion or sinking fund provisions with respect to the common stock.

Liquidation Rights. Upon dissolution, liquidation or winding-up of Assurant, subject to the rights of holders of any preferred stock outstanding or any other class or series of stock having preferential rights, the holders of shares of common stock will be entitled to receive our assets available for distribution proportionate to their pro rata ownership of the outstanding shares of common stock.

Table of Contents

Anti-takeover Effects of Certain Provisions of the Certificate of Incorporation, By-Laws and Delaware General Corporation Law

The provisions of the Delaware General Corporation Law and our certificate of incorporation and by-laws summarized below may have the effect of discouraging, delaying or preventing hostile takeovers, including those that might result in a premium being paid over the market price of our common stock, and discouraging, delaying or preventing changes in control or management of our Company.

Certificate of Incorporation and By-Laws

Our certificate of incorporation, which provides for the issuance of preferred stock, may have the effect of delaying, deferring or preventing a change in control of our Company without further action by the stockholders and may adversely affect the voting and other rights of the holders of shares of common stock. Our certificate of incorporation provides that the approval of certain matters requires the vote of the holders of at least two-thirds of the voting power of our outstanding capital stock entitled to vote in the election of directors. Further, our certificate of incorporation requires that any action required or permitted to be taken by our stockholders must be effected at a duly called annual or special meeting of our stockholders and may not be effected by a consent in writing. Special meetings of our stockholders may be called only by our Chief Executive Officer or by our board of directors pursuant to a resolution approved by the board of directors. In addition, our by-laws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors. These provisions may have the effect of delaying, deferring or preventing a change in control.

Super-Majority Voting Provision. Our certificate of incorporation requires the affirmative vote of the holders of at least two-thirds of the voting power of the capital stock entitled to vote in the election of directors for approval of the enumerated actions described above under **Voting Rights** .

Issuance of Preferred Stock. Our board of directors has the authority, without further action of our stockholders, to issue up to 200,000,000 shares of preferred stock, par value \$1.00 per share, in one or more series and to fix the powers, preferences, rights and qualifications, limitations or restrictions thereof. The issuance of preferred stock on various terms could adversely affect the holders of common stock. The potential issuance of preferred stock may discourage bids for shares of our common stock at a premium over the market price of our common stock, may adversely affect the market price of shares of our common stock and may discourage, delay or prevent a change of control of Assurant.

The anti-takeover and other provisions of our certificate of incorporation and by-laws could discourage potential acquisition proposals and could delay or prevent a change in control. These provisions are intended to enhance the likelihood of continuity and stability in the composition of the board of directors and in the policies formulated by the board of directors and to discourage certain types of transactions that may involve an actual or threatened change of control. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions also are intended to discourage certain tactics that may be used in proxy fights. However, these provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our shares that could result from actual or rumored takeover attempts. These provisions also may have the effect of preventing changes in our management.

Delaware General Corporation Law

We are subject to Section 203 of the Delaware General Corporation Law, which we refer to as **Section 203** . In general, Section 203 prevents a person who owns 15% or more of our outstanding voting stock, an **interested stockholder**, from

engaging in some business combinations, as described below, with us for three years following the time that that person becomes an interested stockholder unless one of the following occurs:

Table of Contents

the board of directors either approves the business combination or the transaction in which the person became an interested stockholder before that person became an interested stockholder;

upon consummation of the transaction which resulted in the person becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding stock held by:

directors who are also officers of our Company; and

employee stock plans that do not provide employees with the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

at or subsequent to the time that the transaction in which the person became an interested stockholder, the business combination is:

approved by the board of directors; and

authorized at a meeting of stockholders by the affirmative vote of the holders of at least two-thirds of our outstanding voting stock which is not owned by the interest stockholder.

For purposes of Section 203, the term "business combinations" includes mergers, consolidations, asset sales or other transactions that result in a financial benefit to the interested stockholder and transactions that would increase the interested stockholder's proportionate share ownership of our Company.

Under some circumstances, Section 203 makes it more difficult for an interested stockholder to effect various business combinations with us for a period of three years after the stockholder becomes an interested stockholder. Although our stockholders have the right to exclude us from the restrictions imposed by Section 203, they have not done so. Section 203 may encourage companies interested in acquiring us to negotiate in advance with the board of directors, because the requirement stated above regarding stockholder approval would be avoided if a majority of the directors approves, prior to the time the party became an interested stockholder, either the business combination or the transaction which results in the stockholder becoming an interested stockholder.

Listing

Our common stock is listed on the New York Stock Exchange under the trading symbol "AIZ".

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare, P.O. Box 30170, College Station, TX 77842.

Table of Contents

**DESCRIPTION OF PREFERRED STOCK AND
DEPOSITARY SHARES REPRESENTING PREFERRED STOCK WE MAY OFFER**

References to Assurant, us, we or our in this section mean Assurant, Inc., and do not include the subsidiaries of Assurant, Inc. Also, in this section, references to holders mean those who own shares of preferred stock or depositary shares, as the case may be, registered in their own names, on the books that the registrar or we maintain for this purpose, and not those who own beneficial interests in shares registered in street name or in shares issued in book-entry form through one or more depositories. When we refer to you in this section, we mean all purchasers of the securities being offered by this prospectus, whether they are the holders or only indirect owners of those securities. Owners of beneficial interests in shares of preferred stock or depositary shares should read the section below entitled Legal Ownership and Book-Entry Issuance .

General

We may issue preferred stock in one or more series. We may also reopen a previously issued series of preferred stock and issue additional preferred stock of that series. In addition, we may issue preferred stock together with other preferred stock, debt securities, warrants, stock purchase contracts and common stock in the form of units as described below under Description of Units We May Offer . This section summarizes terms of the preferred stock that apply generally to all series. The description of most of the financial and other specific terms of your series will be in your prospectus supplement. Those terms may vary from the terms described here.

Because this section is a summary, it does not describe every aspect of the preferred stock and any related depositary shares. As you read this section, please remember that the specific terms of your series of preferred stock and any related depositary shares as described in your prospectus supplement will supplement and, if applicable, modify or replace the general terms described in this section. If there are differences between your prospectus supplement and this prospectus, your prospectus supplement will control. Thus, the statements we make in this section may not apply to your series of preferred stock or any related depositary shares.

Reference to a series of preferred stock means all of the shares of preferred stock issued as part of the same series under a certificate of designations filed as part of our restated certificate of incorporation. Reference to your prospectus supplement means the prospectus supplement describing the specific terms of the preferred stock and any related depositary shares you purchase. The terms used in your prospectus supplement will have the meanings described in this prospectus, unless otherwise specified.

Authorized and Outstanding Preferred Stock

Our board of directors has the authority, without further action of our stockholders, to issue up to 200,000,000 shares of preferred stock, par value \$1.00 per share, in one or more series and to fix the powers, preferences, rights and qualifications, limitations or restrictions thereof, which may include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and the number of shares constituting any series or the designations of the series.

At October 30, 2014, no shares of our preferred stock were outstanding.

Holders of the Series B Preferred Stock are entitled to receive cumulative dividends at the rate of 4.0% per share per annum, multiplied by the \$1,000 per share liquidation price, and holders of the Series C Preferred Stock are entitled to receive dividends at the rate of 4.5% per share per annum multiplied by the \$1,000 per share liquidation price. All

dividends are payable in arrears on a quarterly basis. Any dividend that is not paid on a specified dividend payment date with respect to a share of such Preferred Stock shall be deemed added to the liquidation price of such share for purposes of computing the future dividends on such share, until such delinquent dividend has been paid.

Holders of the Series B Preferred Stock may elect to have any or all of their shares redeemed by the Company at any time since April 1, 2002, and the Company must redeem all shares of the Series B no later than July 1, 2017. Holders of the Series C Preferred Stock may elect to have any or all of their shares redeemed by the

Table of Contents

Company any time after April 1, 2022, and the Company must redeem all shares of the Series C Preferred Stock no later than July 1, 2027. The Company also has the right and the obligation to redeem the Series B and Series C Preferred Stock upon the occurrence of certain specified events. The redemption price in all cases shall equal the \$1,000 per share liquidation price plus all accumulated and unpaid dividends. The Company is not required to establish any sinking fund or similar funds with respect to such redemptions.

None of the shares of Series B or Series C Preferred Stock are convertible into common stock or any other equity security of the Company. However, holders of the Series B and Series C Preferred Stock are entitled to one vote per share owned of record on all matters voted upon by the Company stockholders, voting with the holders of common stock as a single class, and not as a separate class or classes. The shares of Series B and Series C Preferred Stock are subject to certain restrictions on transferability, and the Company has the right of first refusal to acquire the shares if any holder thereof desires to make a transfer not otherwise permitted by the terms thereof.

In addition, as we described below under **Fractional or Multiple Shares of Preferred Stock Issued as Depositary Shares**, we may, at our option, instead of offering whole individual shares of any series of preferred stock, offer depositary shares evidenced by depositary receipts, each representing a fraction of a share or some multiple of shares of the particular series of preferred stock issued and deposited with a depositary. The fraction of a share or multiple of shares of preferred stock which each depositary share represents will be stated in the prospectus supplement relating to any series of preferred stock offered through depositary shares.

The rights of holders of preferred stock may be adversely affected by the rights of holders of preferred stock that may be issued in the future. Our board of directors may cause shares of preferred stock to be issued in public or private transactions for any proper corporate purpose. Examples of proper corporate purposes include issuances to obtain additional financing for acquisitions and issuances to officers, directors and employees under their respective benefit plans. Our issuance of shares of preferred stock may have the effect of discouraging or making an acquisition more difficult.

Preferred stock will be fully paid and nonassessable when issued, which means that our holders will have paid their purchase price in full and that we may not ask them to surrender additional funds. Unless otherwise provided in your prospectus supplement, holders of preferred stock will not have preemptive or subscription rights to acquire more stock of Assurant.

The transfer agent, registrar, dividend disbursing agent and redemption agent for shares of each series of preferred stock will be named in the prospectus supplement relating to that series.

Form of Preferred Stock

We may issue preferred stock in book-entry form. Preferred stock in book-entry form will be represented by a global security registered in the name of a depositary, which will be the holder of all the shares of preferred stock represented by the global security. Those who own beneficial interests in shares of preferred stock will do so through participants in the depositary's system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depositary and its participants. However, beneficial owners of any preferred stock in book-entry form will have the right to obtain their shares in non-global form. We describe book-entry securities below under **Legal Ownership and Book-Entry Issuance**. All preferred stock will be issued in registered form.

Overview of Remainder of this Description

The remainder of this description summarizes:

preferred stockholders' rights relative to common stockholders, such as the right of preferred stockholders to receive dividends and amounts on our liquidation, dissolution or winding-up before any such amounts may be paid to our common shareholders;

our ability to issue fractional or multiple shares of preferred stock in the form of depositary shares; and

various provisions of the deposit agreement, including how distributions are made, how holders vote their depositary shares and how we may amend the deposit agreement.

Table of Contents

Preferred Stockholders Rights

Rank

Shares of each series of preferred stock will rank senior to our common stock with respect to dividends and distributions of assets. However, we will generally be able to pay dividends and distributions of assets to holders of our preferred stock only if we have satisfied our obligations on our indebtedness then due and payable.

Dividends

Holders of each series of preferred stock will be entitled to receive cash dividends when, as and if declared by our board of directors, from funds legally available for the payment of dividends. The rates and dates of payment of dividends for each series of preferred stock will be stated in your prospectus supplement. Dividends will be payable to holders of record of preferred stock as they appear on our books on the record dates fixed by our board of directors. Dividends on any series of preferred stock may be cumulative or noncumulative, as set forth in the prospectus supplement.

Redemption

If specified in your prospectus supplement, a series of preferred stock may be redeemable at any time, in whole or in part, at our option or the holder's, and may be redeemed mandatorily.

Any restriction on the repurchase or redemption by us of our preferred stock while there is an arrearage in the payment of dividends will be described in your prospectus supplement.

Any partial redemptions of preferred stock will be made in a way that our board of directors decides is equitable.

Unless we default in the payment of the redemption price, dividends will cease to accrue after the redemption date on shares of preferred stock called for redemption and all rights of holders of these shares, including voting rights, will terminate except for the right to receive the redemption price.

Conversion or Exchange Rights

Our prospectus supplement relating to any series of preferred stock that is convertible, exercisable or exchangeable will state the terms on which shares of that series are convertible into or exercisable or exchangeable for shares of common stock, another series of preferred stock or other of our securities or securities of third parties.

Liquidation Preference

Upon any voluntary or involuntary liquidation, dissolution or winding up of Assurant, holders of each series of preferred stock will be entitled to receive distributions upon liquidation in the amount described in your prospectus supplement, plus an amount equal to any accrued and unpaid dividends. These distributions will be made before any distribution is made on our common stock. If the liquidation amounts payable relating to the preferred stock of any series and any other parity securities ranking on a parity regarding liquidation rights are not paid in full, the holders of the preferred stock of that series and the other parity securities will share in any distribution of our available assets on a ratable basis in proportion to the full liquidation preferences of each security. Holders of our preferred stock will not be entitled to any other amounts from us after they have received their full liquidation preference and accrued and unpaid dividends.

Voting Rights

The holders of preferred stock of each series will have no voting rights, except:

as stated in the prospectus supplement and in the certificate of designations establishing the series; or

-27-

Table of Contents

as required by applicable law.

Fractional or Multiple Shares of Preferred Stock Issued as Depositary Shares

We may choose to offer fractional shares or some multiple of shares of our preferred stock, rather than whole individual shares. If we decide to do so, we will issue the preferred stock in the form of depositary shares. Each depositary share would represent a fraction or multiple of a share of the preferred stock and would be evidenced by a depositary receipt, as further described in the prospectus supplement relating to any series of preferred stock offered through depositary shares.

Deposit Agreement

We will deposit the shares of preferred stock to be represented by depositary shares under a deposit agreement. The parties to the deposit agreement will be:

Assurant;

a bank or other financial institutional selected by us and named in the prospectus supplement, as preferred stock depositary; and

the holders from time to time of depositary receipts issued under that deposit agreement.

Each holder of a depositary share will be entitled to all the rights and preferences of the underlying preferred stock, including, where applicable, dividend, voting, redemption, conversion and liquidation rights, in proportion to the applicable fraction or multiple of a share of preferred stock represented by the depositary share. The depositary shares will be evidenced by depositary receipts issued under the deposit agreement. The depositary receipts will be distributed to those persons purchasing the fractional or multiple shares of preferred stock. A depositary receipt may evidence any number of whole depositary shares. The depositary for the depositary shares may charge certain fees for holding the preferred stock on behalf of the holders of the depositary shares or in connection with certain transfers, redemptions, dividend payments, distributions or other transactions involving the depositary shares.

We will file the deposit agreement, including the form of depositary receipt, with the SEC, either as an exhibit to the registration statement of which this prospectus forms a part or as an exhibit to a current report on Form 8-K.

Dividends and Other Distributions

The preferred stock depositary will distribute any cash dividends or other cash distributions received in respect of the deposited preferred stock to the record holders of depositary shares relating to the underlying preferred stock in proportion to the number of depositary shares owned by the holders. The preferred stock depositary will distribute any property received by it other than cash to the record holders of depositary shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the preferred stock depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders of the depositary shares in proportion to the number of depositary shares they own.

The amounts distributed to holders of depositary shares will be reduced by any amounts required to be withheld by the preferred stock depositary or by us on account of taxes or other governmental charges.

Redemption of Preferred Stock

If we redeem preferred stock represented by depositary shares, the preferred stock depositary will redeem the depositary shares from the proceeds it receives from the redemption. The preferred stock depositary will redeem the depositary shares at a price per share equal to the applicable fraction or multiple of the redemption price per

Table of Contents

share of preferred stock. Whenever we redeem shares of preferred stock held by the preferred stock depositary, the preferred stock depositary will redeem as of the same date the number of depositary shares representing the redeemed shares of preferred stock. If fewer than all the depositary shares are to be redeemed, the preferred stock depositary will select the depositary shares to be redeemed by lot or ratably or by any other equitable method it chooses.

After the date fixed for redemption, the depositary shares called for redemption will no longer be deemed to be outstanding, and all rights of the holders of those shares will cease, including voting rights, except the right to receive the amount payable and any other property to which the holders were entitled upon the redemption. To receive this amount or other property, the holders must surrender the depositary receipts evidencing their depositary shares to the preferred stock depositary. Any funds that we deposit with the preferred stock depositary for any depositary shares that the holders fail to redeem will be returned to us after a period of two years from the date we deposit the funds.

Withdrawal of Preferred Stock

Unless the related depositary shares have previously been called for redemption, any holder of depositary shares may receive the number of whole shares of the related series of preferred stock and any money or other property represented by those depositary receipts after surrendering the depositary receipts at the corporate trust office of the preferred stock depositary, paying any taxes, charges and fees provided for in the deposit agreement and complying with any other requirement of the deposit agreement. Holders of depositary shares making these withdrawals will be entitled to receive whole shares of preferred stock, but holders of whole shares of preferred stock will not be entitled to deposit that preferred stock under the deposit agreement or to receive depositary receipts for that preferred stock after withdrawal. If the depositary shares surrendered by the holder in connection with withdrawal exceed the number of depositary shares that represent the number of whole shares of preferred stock to be withdrawn, the preferred stock depositary will deliver to that holder at the same time a new depositary receipt evidencing the excess number of depositary shares.

Voting Deposited Preferred Stock

When the preferred stock depositary receives notice of any meeting at which the holders of any series of deposited preferred stock are entitled to vote, the preferred stock depositary will mail the information contained in the notice to the record holders of the depositary shares relating to the applicable series of preferred stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the preferred stock, may instruct the preferred stock depositary to vote the amount of the preferred stock represented by the holder's depositary shares. To the extent possible, the preferred stock depositary will vote the amount of the series of preferred stock represented by depositary shares in accordance with the instructions it receives. We will agree to take all reasonable actions that the preferred stock depositary determines are necessary to enable the preferred stock depositary to vote as instructed. If the preferred stock depositary does not receive specific instructions from the holders of any depositary shares representing a series of preferred stock, the preferred stock depositary will vote all shares of that series in proportion to the instructions received.

Conversion of Preferred Stock

If our prospectus supplement relating to the depositary shares says that the deposited preferred stock is convertible into or exercisable or exchangeable for common stock, preferred stock of another series or other securities, or debt or equity securities of one or more third parties, our depositary shares, as such, will not be convertible into or exercisable or exchangeable for any securities. Rather, any holder of the depositary shares may surrender the related depositary receipts to the preferred stock depositary with written instructions to instruct us to cause conversion, exercise or exchange of our preferred stock represented by the depositary shares into or for whole shares of common stock, shares

of another series of preferred stock or other of our securities or securities of the relevant third party, as applicable. Upon receipt of those instructions and any amounts payable by the holder in connection with the conversion, exercise or exchange, we will cause the conversion, exercise or exchange using the same procedures as those provided for conversion, exercise or exchange of the deposited preferred stock. If only some of the depositary shares are to be converted, exercised or exchanged, a new depositary receipt or receipts will be issued for any depositary shares not to be converted, exercised or exchanged.

Table of Contents

Form of Depositary Shares

We may issue depositary shares in book-entry form. Depositary shares in book-entry form will be represented by a global security registered in the name of a depositary, which will be the holder of all the depositary shares represented by the global security. Those who own beneficial interests in depositary shares will do so through participants in the depositary's system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depositary and its participants. However, beneficial owners of any depositary shares in book-entry form will have the right to obtain their shares in non-global form. We describe book-entry securities below under **Legal Ownership and Book-Entry Issuance**. All depositary shares will be issued in registered form.

Table of Contents

DESCRIPTION OF WARRANTS WE MAY OFFER

References to Assurant, us, we or our in this section mean Assurant, Inc., and do not include the subsidiaries of Assurant, Inc. Also, in this section, references to holders mean those who own warrants registered in their own names, on the books that the registrar or we maintain for this purpose, and not those who own beneficial interests in warrants registered in street name or in warrants issued in book-entry form through one or more depositories. Owners of beneficial interests in warrants should read the section below entitled Legal Ownership and Book-Entry Issuance .

General

We may issue warrants to purchase our senior debt securities, subordinated debt securities, preferred stock, depository shares, common stock, any securities of a third party or any combination of these securities, and these warrants may be issued independently or together with any underlying securities and may be attached or separate from those underlying securities. We will issue each series of warrants under a separate warrant agreement to be entered into between us and a warrant agent. The warrant agent will act solely as our agent in connection with the warrants of such series and will not assume any obligation or relationship of agency for or with holders or beneficial owners of warrants.

The following outlines some of the general terms and provisions of the warrants. Further terms of the warrants and the applicable warrant agreement will be stated in the applicable prospectus supplement. The following description and any description of the warrants in a prospectus supplement may not be complete and is subject to and qualified in its entirety by reference to the terms and provisions of the warrant agreement, a form of which will be filed as an exhibit to the registration statement that contains this prospectus or as an exhibit to a current report on Form 8-K.

A Prospectus Supplement Will Describe the Specific Terms of Warrants

The applicable prospectus supplement will describe the terms of any warrants that we may offer, including the following:

the title of the warrants;

the total number of warrants;

the price or prices at which the warrants will be issued;

the currency or currencies, including currency units or composite currencies, investors may use to pay for the warrants;

the designation and terms of the underlying securities purchasable upon exercise of the warrants;

Edgar Filing: ASSURANT INC - Form S-3ASR

the price at which and the currency or currencies, including currency units or composite currencies, in which investors may purchase the underlying securities purchasable upon exercise of the warrants;

the date on which the right to exercise the warrants will commence and the date on which the right will expire;

whether the warrants will be issued in registered form or bearer form;

information with respect to book-entry procedures, if any;

if applicable, the minimum or maximum amount of warrants that may be exercised at any one time;

Table of Contents

if applicable, the designation and terms of the underlying securities with which the warrants are issued and the number of warrants issued with each underlying security;

if applicable, the date on and after which the warrants and the related underlying securities will be separately transferable;

if applicable, a discussion of certain U.S. federal income tax considerations;

the identity of the warrant agent;

the procedures and conditions relating to the exercise of the warrants; and

any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

We may also issue warrants, on terms to be determined at the time of sale, for the purchase or sale of, or whose cash value is determined by reference to the performance, level or value of, one or more of the following:

securities of one or more issuers, including our common or preferred stock or other securities described in this prospectus or debt or equity securities of third parties;

one or more currencies;

one or more commodities;

any other financial, economic or other measure or instrument, including the occurrence or nonoccurrence of any event or circumstance; and

one or more indices or baskets of the items described above.

We refer to this type of warrant as a universal warrant. We refer to each property described above as a warrant property.

We may satisfy our obligations, if any, and the holder of a universal warrant may satisfy its obligations, if any, with respect to any universal warrants by delivering:

the warrant property;

the cash value of the warrant property; or

the cash value of the warrants determined by reference to the performance, level or value of the warrant property.

The applicable prospectus supplement will describe what we may deliver to satisfy our obligations, if any, and what the holder of a universal warrant may deliver to satisfy its obligations, if any, with respect to any universal warrants.

Warrant certificates may be exchanged for new warrant certificates of different denominations, and warrants may be exercised at the warrant agent's corporate trust office or any other office indicated in the applicable prospectus supplement. Prior to the exercise of their warrants, holders of warrants exercisable for debt securities will not have any of the rights of holders of the debt securities purchasable upon such exercise and will not be entitled to payments of principal, or premium, if any, or interest, if any, on the debt securities purchasable upon such exercise. Prior to the exercise of their warrants, holders of warrants exercisable for shares of preferred stock or common stock will not have any rights of holders of the preferred stock or common stock purchasable upon such exercise and will not be entitled to dividend payments, if any, or voting rights of the preferred stock or common stock purchasable upon such exercise.

Table of Contents

Exercise of Warrants

A warrant will entitle the holder to purchase for cash an amount of securities at an exercise price that will be stated in, or that will be determinable as described in, the applicable prospectus supplement. Warrants may be exercised at any time up to the close of business on the expiration date set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void.

Warrants may be exercised as set forth in the applicable prospectus supplement. Upon receipt of payment and the warrant certificate properly completed and duly executed at the corporate trust office of the warrant agent or any other office indicated in the prospectus supplement, we will, as soon as practicable, forward the securities purchasable upon such exercise. If less than all of the warrants represented by such warrant certificate are exercised, a new warrant certificate will be issued for the remaining warrants.

Enforceability of Rights; Governing Law

The holders of warrants, without the consent of the warrant agent, may, on their own behalf and for their own benefit, enforce, and may institute and maintain any suit, action or proceeding against us to enforce their rights to exercise and receive the securities purchasable upon exercise of their warrants. Unless otherwise stated in the prospectus supplement, each issue of warrants and the applicable warrant agreement will be governed by the laws of the State of New York.

Table of Contents

DESCRIPTION OF STOCK PURCHASE CONTRACTS WE MAY OFFER

References to Assurant, us, we or our in this section mean Assurant, Inc., and do not include the subsidiaries of Assurant, Inc. Also, in this section, references to holders mean those who own stock purchase contracts registered in their own names, on the books that the registrar or we maintain for this purpose, and not those who own beneficial interests in stock purchase contracts registered in street name or in stock purchase contracts issued in book-entry form through one or more depositaries. Owners of beneficial interests in stock purchase contracts should read the section below entitled Legal Ownership and Book-Entry Issuance .

The applicable prospectus supplement will describe the terms of any stock purchase contracts that we may offer. The following description and any description of stock purchase contracts in the applicable prospectus supplement may not be complete and is subject to, and is qualified in its entirety by, reference to the stock purchase contract agreement and, if applicable, collateral arrangements and depositary arrangements relating to such stock purchase contracts that we will file with the SEC as an exhibit to the registration statement that contains this prospectus or as an exhibit to a current report on Form 8-K.

We may issue stock purchase contracts, representing contracts obligating holders to purchase from or sell to us, and obligating us to purchase from or sell to the holders, a specified or variable number of shares of our common stock, preferred stock or depositary shares, as applicable, at a future date or dates. The price per share of common stock, preferred stock or depositary shares, as applicable, may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula contained in the stock purchase contracts. We may issue stock purchase contracts in such amounts and in as many distinct series as we wish.

The stock purchase contracts may be issued separately or as part of units, which we refer to in this prospectus as units. Units may consist of a stock purchase contract and beneficial interests in other securities described in this prospectus or of third parties, securing the holders obligations to purchase from or sell shares to us under the stock purchase contracts. These other securities may consist of our debt securities, preferred stock, common stock, depositary shares, warrants or securities of third parties, including U.S. Treasury securities. The stock purchase contracts may require us to make periodic payments to the holders of the stock purchase contracts or vice versa, and these payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations under those contracts in a specified manner.

The applicable prospectus supplement may contain, where applicable, the following information about the stock purchase contracts issued under it:

whether the stock purchase contracts obligate the holder to purchase or sell, or both purchase and sell, our common stock, preferred stock or depositary shares, as applicable, and the nature and amount of each of those securities, or the method of determining those amounts;

whether the stock purchase contracts are to be prepaid or not;

whether the stock purchase contracts are to be settled by delivery, or by reference or linkage to the value, performance or level of our common stock or preferred stock;

any acceleration, cancellation, termination or other provisions relating to the settlement of the stock purchase contracts;

whether the stock purchase contracts will be issued in fully registered or global form;

if applicable, a discussion of certain U.S. federal income tax considerations; and

any other terms of the stock purchase contracts.

Table of Contents

DESCRIPTION OF UNITS WE MAY OFFER

References to Assurant, us, we or our in this section mean Assurant, Inc., and do not include the subsidiaries of Assurant, Inc. Also, in this section, references to holders mean those who own units registered in their own names, on the books that the registrar or we maintain for this purpose, and not those who own beneficial interests in units registered in street name or in units issued in book-entry form through one or more depositaries. Owners of beneficial interests in units should read the section below entitled Legal Ownership and Book-Entry Issuance .

The applicable prospectus supplement will describe the terms of any units. The following description and any description of units in the applicable prospectus supplement may not be complete and is subject to, and is qualified in its entirety by reference to, the unit agreement and, if applicable, collateral arrangements and depositary arrangements relating to such units that we will file with the SEC as an exhibit to the registration statement that contains this prospectus or as an exhibit to a current report on Form 8-K.

We may issue units comprised of one or more of the other securities described in this prospectus in any combination. Each unit may also include debt obligations of third parties, such as U.S. Treasury securities. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately, at any time or at any time before a specified date.

The applicable prospectus supplement may describe:

the designation and terms of the units and of the securities comprising the units, including whether and under what circumstances those securities may be held or transferred separately;

any provisions for the issuance, payment, settlement, transfer or exchange of the units or of the securities comprising the units;

whether the units will be issued in fully registered or global form; and

if applicable, a discussion of certain U.S. federal income tax considerations.

Table of Contents

LEGAL OWNERSHIP AND BOOK-ENTRY ISSUANCE

References to us , we or our in this section means Assurant, Inc. In this section, we describe special considerations that will apply to registered securities issued in global i.e., book-entry form. First we describe the difference between legal ownership and indirect ownership of registered securities. Then we describe special provisions that apply to global securities.

Who is the Legal Owner of a Registered Security?

Each debt security, warrant, stock purchase contract, unit or share of preferred or common stock in registered form will be represented either by a certificate issued in definitive form to a particular investor or by one or more global securities representing such securities. We refer to those who have securities registered in their own names, on the books that we or the trustee, warrant agent or other agent maintain for this purpose, as the holders of those securities. These persons are the legal holders of the securities. We refer to those who, indirectly through others, own beneficial interests in securities that are not registered in their own names as indirect owners of those securities. As we discuss below, indirect owners are not legal holders, and investors in securities issued in book-entry form or in street name will be indirect owners.

Book-Entry Owners

Unless otherwise noted in your prospectus supplement, we will issue each security in book-entry form only. This means securities will be represented by one or more global securities registered in the name of a financial institution that holds them as depositary on behalf of other financial institutions that participate in the depositary's book-entry system. These participating institutions, in turn, hold beneficial interests in the securities on behalf of themselves or their customers.

Under each indenture, warrant agreement, stock purchase contract, unit agreement or depositary agreement, only the person in whose name a security is registered is recognized as the holder of that security. Consequently, for securities issued in global form, we will recognize only the depositary as the holder of the securities and we will make all payments on the securities, including deliveries of any property other than cash, to the depositary. The depositary passes along the payments it receives to its participants, which in turn pass the payments along to their customers who are the beneficial owners. The depositary and its participants do so under agreements they have made with one another or with their customers; they are not obligated to do so under the terms of the securities.

As a result, investors will not own securities directly. Instead, they will own beneficial interests in a global security, through a bank, broker or other financial institution that participates in the depositary's book-entry system or holds an interest through a participant. As long as the securities are issued in global form, investors will be indirect owners, and not holders, of the securities.

Street Name Owners

We may terminate an existing global security or issue securities initially in non-global form. In these cases, investors may choose to hold their securities in their own names or in street name. Securities held by an investor in street name would be registered in the name of a bank, broker or other financial institution that the investor chooses, and the investor would hold only a beneficial interest in those securities through an account he or she maintains at that institution.

Edgar Filing: ASSURANT INC - Form S-3ASR

For securities held in street name, we will recognize only the intermediary banks, brokers and other financial institutions in whose names the securities are registered as the holders of those securities and we will make all payments on those securities, including deliveries of any property other than cash, to them. These institutions pass along the payments they receive to their customers who are the beneficial owners, but only because they agree to do so in their customer agreements or because they are legally required to do so. Investors who hold securities in street name will be indirect owners, not holders, of those securities.

Table of Contents

Legal Holders

Our obligations, as well as the obligations of the trustee under any indenture and the obligations, if any, of any warrant agents and unit agents and any other third parties employed by us, the trustee or any of those agents, run only to the holders of the securities. We do not have obligations to investors who hold beneficial interests in global securities, in street name or by any other indirect means. This will be the case whether an investor chooses to be an indirect owner of a security or has no choice because we are issuing the securities only in global form.

For example, once we make a payment or give a notice to the holder, we have no further responsibility for that payment or notice even if that holder is required, under agreements with depository participants or customers or by law, to pass it along to the indirect owners but does not do so. Similarly, if we want to obtain the approval of the holders for any purpose—for example, to amend the indenture for a series of debt securities or warrants or the warrant agreement for a series of warrants or to relieve us of the consequences of a default or of our obligation to comply with a particular provision of an indenture or warrant agreement—we would seek the approval only from the holders, and not the indirect owners, of the relevant securities. Whether and how the holders contact the indirect owners is up to the holders.

When we refer to “you” in this prospectus, we mean all purchasers of the securities being offered by this prospectus, whether they are the holders or indirect owners of those securities. When we refer to “your securities” in this prospectus, we mean the securities in which you will hold a direct or indirect interest.

Special Considerations for Indirect Owners

If you hold securities through a bank, broker or other financial institution, either in book-entry form or in street name, you should check with your own institution to find out:

how it handles securities payments and notices;

whether it imposes fees or charges;

whether and how you can instruct it to exercise any rights to purchase or sell warrant property under a warrant or stock purchase contract property under a stock purchase contract or to exchange or convert a security for or into other property;

how it would handle a request for the holders’ consent, if ever required;

whether and how you can instruct it to send you securities registered in your own name so you can be a holder, if that is permitted in the future;

how it would exercise rights under the securities if there were a default or other event triggering the need for holders to act to protect their interests; and

if the securities are in book-entry form, how the depository's rules and procedures will affect these matters.

What is a Global Security?

Unless otherwise noted in the applicable prospectus or pricing supplement, we will issue each security in book-entry form only. Each security issued in book-entry form will be represented by a global security that we deposit with and register in the name of one or more financial institutions or clearing systems, or their nominees, which we select. A financial institution or clearing system that we select for any security for this purpose is called the depository for that security. A security will usually have only one depository but it may have more. Each series of securities will have one or more of the following as the depositories:

The Depository Trust Company, New York, New York, which is known as DTC ;

Table of Contents

Euroclear System, which is known as Euroclear ;

Clearstream Banking, société anonyme, Luxembourg, which is known as Clearstream ; and

any other clearing system or financial institution named in the applicable prospectus supplement.

The depositaries named above may also be participants in one another's systems. Thus, for example, if DTC is the depositary for a global security, investors may hold beneficial interests in that security through Euroclear or Clearstream, as DTC participants. The depositary or depositaries for your securities will be named in your prospectus supplement; if none is named, the depositary will be DTC.

A global security may represent one or any other number of individual securities. Generally, all securities represented by the same global security will have the same terms. We may, however, issue a global security that represents multiple securities of the same kind, such as debt securities, that have different terms and are issued at different times. We call this kind of global security a master global security. Your prospectus supplement will not indicate whether your securities are represented by a master global security.

A global security may not be transferred to or registered in the name of anyone other than the depositary or its nominee, unless special termination situations arise. We describe those situations below under **Holder's Option to Obtain a Non-Global Security: Special Situations When a Global Security Will Be Terminated** . As a result of these arrangements, the depositary, or its nominee, will be the sole registered owner and holder of all securities represented by a global security, and investors will be permitted to own only indirect interests in a global security. Indirect interests must be held by means of an account with a broker, bank or other financial institution that in turn has an account with the depositary or with another institution that does. An investor whose security is represented by a global security will not be a holder of the security, but only an indirect owner of an interest in the global security.

If the prospectus supplement for a particular security indicates that the security will be issued in global form only, then the security will be represented by a global security at all times unless and until the global security is terminated. We describe the situations in which this can occur below under **Holder's Option to Obtain a Non-Global Security: Special Situations When a Global Security Will Be Terminated** . If termination occurs, we may issue the securities through another book-entry clearing system or decide that the securities may no longer be held through any book-entry clearing system.

Special Considerations for Global Securities

As an indirect owner, an investor's rights relating to a global security will be governed by the account rules of the depositary and those of the investor's bank, broker, financial institution or other intermediary through which it holds its interest (e.g., Euroclear or Clearstream, if DTC is the depositary), as well as general laws relating to securities transfers. We do not recognize this type of investor or any intermediary as a holder of securities and instead deal only with the depositary that holds the global security.

If securities are issued only in the form of a global security, an investor should be aware of the following:

An investor cannot cause the securities to be registered in his or her own name, and cannot obtain non-global certificates for his or her interest in the securities, except in the special situations we describe below;

An investor will be an indirect holder and must look to his or her own bank, broker or other financial institution for payments on the securities and protection of his or her legal rights relating to the securities, as we describe above

under Who is the Legal Owner of a Registered Security? ;

An investor may not be able to sell interests in the securities to some insurance companies and other institutions that are required by law to own their securities in non-book-entry form;

Table of Contents

An investor may not be able to pledge his or her interest in a global security in circumstances where certificates representing the securities must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;

The depositary's policies will govern payments, deliveries, transfers, exchanges, notices and other matters relating to an investor's interest in a global security, and those policies may change from time to time. We, any trustees, warrant agents, unit agents and any other third party retained to provide security-related services, will have no responsibility for any aspect of the depositary's policies, actions or records of ownership interests in a global security. We, any trustees, warrant agents, unit agents and any other third parties retained to provide security-related services also do not supervise the depositary in any way;

The depositary may require that those who purchase and sell interests in a global security within its book-entry system use immediately available funds, and your bank, broker or other financial institution may require you to do so as well; and

Financial institutions that participate in the depositary's book-entry system and through which an investor holds its interest in the global securities, directly or indirectly, may also have their own policies affecting payments, deliveries, transfers, exchanges, notices and other matters relating to the securities, and those policies may change from time to time. For example, if you hold an interest in a global security through Euroclear or Clearstream, when DTC is the depositary, Euroclear or Clearstream, as applicable, may require those who purchase and sell interests in that security through them to use immediately available funds and comply with other policies and procedures, including deadlines for giving instructions as to transactions that are to be effected on a particular day. There may be more than one financial intermediary in the chain of ownership for an investor. The existence of these intermediaries may cause delay in payments, transfers, notices or other communications between us, the depositary and you. We do not monitor and are not responsible for the policies or actions or records of ownership interests of any of those intermediaries, including any delay in any payments, transfers, notices or other communications to you.

Holder's Option to Obtain a Non-Global Security: Special Situations When a Global Security Will Be Terminated

If we issue any series of securities in book-entry form but we choose to give the beneficial owners of that series the right to obtain non-global securities, any beneficial owner entitled to obtain non-global securities may do so by following the applicable procedures of the depositary, any transfer agent or registrar for that series and that owner's bank, broker or other financial institution through which that owner holds its beneficial interest in the securities. If you are entitled to request a non-global certificate and wish to do so, you will need to allow sufficient lead time to enable us or our agent to prepare the requested certificate.

In addition, in a few special situations described below, a global security will be terminated and interests in it will be exchanged for certificates in non-global form representing the securities it represented. After that exchange, the choice of whether to hold the securities directly or in street name will be up to the investor. Investors must consult their own banks, brokers or other financial institutions to find out how to have their interests in a global security transferred on termination to their own names, so that they will be holders. We have described the rights of holders and street name investors above under [Who is the Legal Owner of a Registered Security?](#)

The special situations for termination of a global security are as follows:

if the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary for that global security and we do not appoint another institution to act as depositary within 60 days;

if we notify the trustee, warrant agent, unit agent or other agent, as applicable, that we wish to terminate that global security; or

Table of Contents

in the case of a global security representing debt securities or warrants issued under an indenture, if an event of default has occurred with regard to these debt securities or warrants and has not been cured or waived. If a global security is terminated, only the depository, and not we, the trustee for any debt securities, the warrant agent for any warrants, the unit agent for any units or any other third party retained to provide securities-related services, is responsible for deciding the names of the institutions in whose names the securities represented by the global security will be registered and, therefore, who will be the holders of those securities.

Considerations Relating to DTC

DTC has informed us that it is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that DTC participants deposit with DTC. DTC also facilitates the settlement among DTC participants of securities transactions, such as transfers and pledges in deposited securities through electronic computerized book-entry changes in DTC participants' accounts, thereby eliminating the need for physical movement of certificates. DTC participants include securities brokers and dealers, banks, trust companies and clearing corporations, and may include other organizations. DTC is owned by a number of its DTC participants and by the New York Stock Exchange, Inc., the American Stock Exchange, LLC and the National Association of Securities Dealers, Inc. Indirect access to the DTC system also is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. The rules applicable to DTC and DTC participants are on file with the SEC.

Purchases of securities within the DTC system must be made by or through DTC participants, which will receive a credit for the securities on DTC's records. Transfers of ownership interests in the securities are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners.

Redemption notices will be sent to DTC's nominee, Cede & Co., as the registered holder of the securities. If less than all of the securities are being redeemed, DTC will determine the amount of the interest of each direct participant to be redeemed in accordance with its then current procedures.

In instances in which a vote is required, neither DTC nor Cede & Co. will itself consent or vote with respect to the securities. Under its usual procedures, DTC would mail an omnibus proxy to the relevant trustee as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts such securities are credited on the record date (identified in a listing attached to the omnibus proxy).

Distribution payments on the securities will be made by the relevant trustee to DTC. DTC's usual practice is to credit direct participants' accounts on the relevant payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payments on such payment date. Payments by participants to beneficial owners will be governed by standing instructions and customary practices and will be the responsibility of such participants and not of DTC, the relevant trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions to DTC is the responsibility of the relevant trustee, and disbursements of such payments to the beneficial owners are the responsibility of direct and indirect participants.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be accurate, but we assume no responsibility for the accuracy thereof. We do not have any responsibility for the performance by DTC or its participants of their respective obligations as described herein or under the rules and

procedures governing their respective operations.

Table of Contents

Considerations Relating to Euroclear and Clearstream

Euroclear and Clearstream are securities clearance systems in Europe. Both systems clear and settle securities transactions between their participants through electronic, book-entry delivery of securities against payment.

Euroclear and Clearstream may be depositaries for a global security. In addition, if DTC is the depositary for a global security, Euroclear and Clearstream may hold interests in the global security as participants in DTC.

As long as any global security is held by Euroclear or Clearstream, as depositary, you may hold an interest in the global security only through an organization that participates, directly or indirectly, in Euroclear or Clearstream. If Euroclear or Clearstream is the depositary for a global security and there is no depositary in the United States, you will not be able to hold interests in that global security through any securities clearance system in the United States.

Payments, deliveries, transfers, exchanges, notices and other matters relating to the securities made through Euroclear or Clearstream must comply with the rules and procedures of those systems. Those systems could change their rules and procedures at any time. We have no control over those systems or their participants and we take no responsibility for their activities. Transactions between participants in Euroclear or Clearstream, on one hand, and participants in DTC, on the other hand, when DTC is the depositary, would also be subject to DTC's rules and procedures.

Special Timing Considerations Relating to Transactions in Euroclear and Clearstream

Investors will be able to make and receive through Euroclear and Clearstream payments, deliveries, transfers, exchanges, notices and other transactions involving any securities held through those systems only on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers and other financial institutions are open for business in the United States.

In addition, because of time-zone differences, U.S. investors who hold their interests in the securities through these systems and wish to transfer their interests, or to receive or make a payment or delivery or exercise any other right with respect to their interests, on a particular day may find that the transaction will not be effected until the next business day in Luxembourg or Brussels, as applicable. Thus, investors who wish to exercise rights that expire on a particular day may need to act before the expiration date. In addition, investors who hold their interests through both DTC and Euroclear or Clearstream may need to make special arrangements to finance any purchases or sales of their interests between the U.S. and European clearing systems, and those transactions may settle later than would be the case for transactions within one clearing system.

Table of Contents

PLAN OF DISTRIBUTION

We may sell the offered securities in and outside the United States (1) through underwriters or dealers, (2) directly to purchasers or (3) through agents or through a combination of any of these methods of sale. The prospectus or pricing supplement will set forth the following information:

the terms of the offering,

the names of any underwriters or agents,

the purchase price,

the net proceeds to us,

any delayed delivery arrangements,

any underwriting discounts and other items constituting underwriters' compensation,

any initial public offering price,

any discounts or concessions allowed or reallocated or paid to dealers, and

any commissions paid to agents.

In addition, we may issue the securities as a dividend or distribution or in a subscription rights offering to our existing security holders. In some cases, we or dealers acting with us or on our behalf may also purchase securities and reoffer them to the public by one or more of the methods described above. This prospectus may be used in connection with any offering of our securities through any of these methods or other methods described in the applicable prospectus supplement.

If we offer securities in a subscription rights offering to our existing security holders, we may enter into a standby underwriting agreement with dealers, acting as standby underwriters. We may pay the standby underwriters a commitment fee for the securities they commit to purchase on a standby basis. If we do not enter into a standby underwriting arrangement, we may retain a dealer-manager to manage a subscription rights offering for us.

Sale Through Underwriters or Dealers

If we use underwriters in the sale, the underwriters will acquire the securities for their own account. The underwriters may resell the securities from time to time in one or more transactions, including negotiated transactions, at a fixed

public offering price or at varying prices determined at the time of sale. Underwriters may offer securities to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for whom they act as agents. Unless we inform you otherwise in the prospectus supplement, the obligations of the underwriters to purchase the securities will be subject to certain conditions, and the underwriters will be obligated to purchase all the offered securities if they purchase any of them. The underwriters may change from time to time any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers.

During and after an offering through underwriters, the underwriters may purchase and sell the securities in the open market. These transactions may include over-allotment and stabilizing transactions and purchases to cover syndicate short positions created in connection with the offering. The underwriters may also impose a penalty bid, in which selling concessions allowed to syndicate members or other broker-dealers for the offered securities sold for their account may be reclaimed by the syndicate if such offered securities are repurchased by the syndicate in stabilizing or covering transactions. These activities may stabilize, maintain or otherwise affect the market price of the offered securities, which may be higher than the price that might otherwise prevail in the open market. If commenced, these activities may be discontinued at any time.

Table of Contents

If we use dealers in the sale of securities, we will sell the securities to them as principals. They may then resell those securities to the public at varying prices determined by the dealers at the time of resale. The dealers participating in any sale of the securities may be deemed to be underwriters within the meaning of the Securities Act of 1933 with respect to any sale of those securities. We will include in the prospectus supplement the names of the dealers, the terms of the transaction and the nature of the underwriter's obligation.

Direct Sales and Sales Through Agents

We may sell the securities directly. In that event, no underwriters or agents would be involved. We may also sell the securities through agents we designate from time to time. In the prospectus supplement, we will name any agent involved in the offer or sale of the offered securities, and we will describe any commissions payable by us to the agent. Unless we inform you otherwise in the prospectus supplement, any agent will agree to use its reasonable best efforts to solicit purchases for the period of its appointment.

We may sell the securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act of 1933 with respect to any sale of those securities. We will describe the terms of any such sales in the prospectus supplement.

Delayed Delivery Contracts

If we so indicate in the prospectus supplement, we may authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase securities from us at the public offering price under delayed delivery contracts. These contracts would provide for payment and delivery on a specified date in the future. The contracts would be subject only to those conditions described in the prospectus supplement. The prospectus supplement will describe the commission payable for solicitation of those contracts.

Remarketing

We may offer and sell any of the securities in connection with a remarketing upon their purchase, in accordance with a redemption or repayment by their terms or otherwise, by one or more remarketing firms acting as principals for their own accounts or as our agents. We will identify any remarketing firm, the terms of any remarketing agreement and the compensation to be paid to the remarketing firm in the prospectus supplement. Remarketing firms may be deemed underwriters under the Securities Act.

Sales by Selling Securityholders

Selling securityholders may use this prospectus in connection with resales of the securities. The applicable prospectus supplement will identify the selling securityholders and the terms of the securities. Selling securityholders may be deemed to be underwriters in connection with the securities they resell and any profits on the sales may be deemed to be underwriting discounts and commissions under the Securities Act. The selling securityholders will receive all the proceeds from the sale of the securities. We will not receive any proceeds from sales by selling securityholders.

Derivative Transactions

We may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third parties may use securities pledged by us or borrowed from us or

others to settle those sales or to close out any related open borrowings of shares, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of shares.

Table of Contents

We or one of our affiliates may loan or pledge securities to a financial institution or other third party that in turn may sell the securities using this prospectus. Such financial institution or third party may transfer its short position to investors in our securities or in connection with a simultaneous offering of other securities offered by this prospectus or otherwise.

The third parties in any of the sale transactions described above will be underwriters and will be identified in the applicable prospectus supplement or in a post-effective amendment to the registration statement of which this prospectus forms a part.

General Information

We may have agreements with the agents, dealers and underwriters to indemnify them against certain civil liabilities, including liabilities under the Securities Act of 1933, or to contribute with respect to payments that the agents, dealers or underwriters may be required to make. Agents, dealers and underwriters may also be our customers, may engage in material transactions with us, and may perform services for us in the ordinary course of their businesses.

The securities may or may not be listed on a national securities exchange. We cannot assure you that there will be a market for the securities. Unless otherwise specified in the prospectus supplement, each of the series of the securities will be a new issue with no established trading market.

LEGAL MATTERS

The validity of the debt securities, common stock, preferred stock, warrants, stock purchase contracts and units offered hereby will be passed upon by corporate counsel for Assurant, who may be either of Bart R. Schwartz, Esq. or Stephen W. Gauster, Esq., and for the underwriters, dealers or agents by Cleary Gottlieb Steen & Hamilton LLP. As of the date of this prospectus, each such corporate counsel for Assurant owned less than 1% of the common stock of Assurant, if any. From time to time, Cleary Gottlieb Steen & Hamilton LLP has provided or may provide legal services to us and our subsidiaries.

EXPERTS

The financial statements, financial statement schedules and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Annual Report on Internal Control over Financial Reporting) incorporated herein by reference to the Annual Report on Form 10-K for the year ended December 31, 2013 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Table of Contents**PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****Item 14. Other Expenses of Issuance and Distribution**

The following table sets forth expenses payable by the registrant in connection with the issuance and distribution of the securities being registered. All the amounts shown are estimates.

SEC registration fee	\$	*
Printing expenses		50,000
Legal fees and expenses		500,000
Accounting fees and expenses		100,000
Fees and expenses of trustee and counsel		50,000
Miscellaneous		15,000
Total		\$ 715,000

* Applicable SEC registration fees have been deferred in accordance with Rules 456(b) and 457(r) of the Securities Act of 1933 and are not estimable at this time.

Item 15. Indemnification of Directors and Officers

The restated certificate of incorporation of Assurant, Inc. provides that except as otherwise provided by the General Corporation Law of the State of Delaware, no director of the corporation shall be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by law.

Article X of Assurant, Inc.'s amended and restated by-laws provides that the corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. The corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors of the corporation.

Article X of Assurant, Inc.'s amended and restated by-laws also provides that the corporation shall, to the fullest extent not prohibited by applicable law, pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the

Covered Person is not entitled to be indemnified. If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses is not paid in full within thirty days after a written claim therefor by the Covered Person has been received by the corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law. The corporation's obligation, if any, to indemnify or to advance expenses to any Covered Person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

II-1

Table of Contents

Section 145 of the Delaware General Corporation Law permits indemnification against expenses, fines, judgments and settlements incurred by any director, officer or employee of a company in the event of pending or threatened civil, criminal, administrative or investigative proceedings, if such person was, or was threatened to be made, a party by reason of the fact that he is or was a director, officer or employee of the company. Section 145 also provides that the indemnification provided for therein shall not be deemed exclusive of any other rights to which those seeking indemnification may otherwise be entitled.

In addition, Assurant, Inc. maintains a directors and officers liability insurance policy.

Item 16. Exhibits

See Exhibits Index, which is incorporated herein by reference.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (i), (ii) and (iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

II-2

Table of Contents

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which the prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) the portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(7) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of

appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

II-3

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the undersigned registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in New York, New York, on November 4, 2014.

ASSURANT, INC.

By: /s/ Robert B. Pollock
 Robert B. Pollock
 Chief Executive Officer

II-4

Table of Contents**POWER OF ATTORNEY**

Each person whose signature appears below appoints Bart R. Schwartz and Stephen W. Gauster and each of them severally, his true and lawful attorney or attorneys with power to act with or without the other, and with full power of substitution and resubstitution, to execute in his name, place and stead, in his capacity as director, officer or both, as the case may be, of Assurant, Inc., this Registration Statement and any and all amendments thereto, including any and all exhibits and other instruments and documents said attorney or attorneys shall deem necessary, appropriate or advisable in connection therewith, and to file the same with the U.S. Securities and Exchange Commission (SEC) and to appear before the SEC in connection with any matter relating thereto. Each of said attorneys shall have full power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act whatsoever necessary or desirable to be done in the premises, as fully and to all intents and purposes as the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts that said attorneys and each of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities indicated on November 4, 2014.

Signature	Title
/s/ Robert B. Pollock Robert B. Pollock	Chief Executive Officer and Director (Principal Executive Officer)
/s/ Christopher J. Pagano Christopher J. Pagano	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ John A. Sondej John A. Sondej	Senior Vice President and Controller (Principal Accounting Officer)
/s/ Elaine D. Rosen Elaine D. Rosen	Non-Executive Board Chair
/s/ Howard L. Carver Howard L. Carver	Director
/s/ Juan N. Cento Juan N. Cento	Director
/s/ Elyse Douglas Elyse Douglas	Director

/s/ Lawrence V. Jackson Director

Lawrence V. Jackson

/s/ David B. Kelso Director

David B. Kelso

/s/ Charles J. Koch Director

Charles J. Koch

/s/ Jean-Paul L. Montupet Director

Jean-Paul L. Montupet

/s/ Paul J. Reilly Director

Paul J. Reilly

II-5

Table of Contents

Signature	Title
/s/ Robert W. Stein	Director
Robert W. Stein	

II-6

Table of Contents**EXHIBIT INDEX**

No.	Exhibits
1.1	Form of Underwriting Agreement for senior and subordinated debt securities.*
1.2	Form of Underwriting Agreement for preferred stock.*
1.3	Form of Underwriting Agreement for common stock.*
1.4	Form of Underwriting Agreement for depositary shares.*
1.5	Form of Underwriting Agreement for stock purchase contracts.*
1.6	Form of Underwriting Agreement for units.*
1.7	Form of Underwriting Agreement for warrants.*
3.1	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Assurant, Inc. s Quarterly Report on Form 10-Q for the period ended June 30, 2010 (File No. 001-31978), originally filed on August 5, 2010).**
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to Assurant, Inc. s Quarterly Report on Form 10-Q for the period ended June 30, 2011 (File No. 001-31978), originally filed on August 3, 2011).**
4.1	Senior Debt Indenture, dated as of February 18, 2004, between Assurant, Inc. and U.S. Bank National Association, successor to SunTrust Bank, as trustee (incorporated by reference from Exhibit 10.27 to Assurant, Inc. s Annual Report on Form 10-K (File No. 001-31978), originally filed on March 30, 2004).**
4.2	Indenture, dated as of March 28, 2013, between Assurant, Inc. and U.S. Bank National Association, as trustee (incorporated by reference from Exhibit 4.1 to Assurant, Inc. s Current Report on Form 8-K (File No. 001-31978), originally filed on March 28, 2013). **
4.3	Form of Indenture for subordinated debt securities (incorporated by reference from Exhibit 4.2 to the Form S-3 (File No. 333-155149), filed on November 6, 2008).**
4.4	Form of Deposit Agreement.*
4.5	Form of Depositary Receipt (included in Exhibit 4.4).*
4.6	Form of Senior Debt Security, issued under the Senior Debt Indenture, dated as of February 18, 2004, between Assurant, Inc. and U.S. Bank National Association, successor to SunTrust Bank, as trustee (included in Exhibit 4.1).**
4.7	Form of Senior Debt Security (included in Exhibit 4.2).**
4.8	Form of Subordinated Debt Security (included in Exhibit 4.3).**
4.9	Specimen Common Stock Certificates (incorporated by reference to Exhibit 4.1 to the Form S-1/A (File No. 333-109983) and amendments thereto, originally filed on January 13, 2004).**
4.10	Specimen Preferred Stock Certificate (incorporated by reference to Exhibit 4.8 to the Form S-3 (File No. 333-155149), filed on November 6, 2008).**
4.11	Form of Warrant Agreement.*

Edgar Filing: ASSURANT INC - Form S-3ASR

- 4.12 Form of Stock Purchase Contract Agreement, including the form of security certificate.*
- 4.13 Form of Unit Agreement, including form of unit certificate.*
- 5.1 Opinion of Stephen W. Gauster, Esq.
- 12.1 Statement of consolidated ratio of earnings to fixed charges.
- 23.1 Consent of PricewaterhouseCoopers LLP.
- 23.2 Consent of Stephen W. Gauster, Esq. (included in Exhibit 5.1).
- 24.1 Powers of Attorney (included on signature page hereof).
- 25.1 Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association, to act as trustee under the Senior Debt Indenture, dated as of February 18, 2004, between Assurant, Inc. and U.S. Bank National Association, successor to SunTrust Bank, as trustee.

II-7

Table of Contents

- 25.2 Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association, to act as trustee under the Indenture, dated as of March 28, 2013, between Assurant, Inc. and U.S. Bank National Association, as trustee.
- 25.3 Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association, to act as trustee under the Subordinated Debt Indenture for the Subordinated Debt Securities.
- * To be filed by amendment or as an exhibit to a document to be incorporated by reference into this registration statement in connection with an offering of particular securities.
- ** Filed previously.

II-8

; Reinsurance contracts that do not transfer sufficient insurance risk are accounted for as reinsurance deposit liabilities with interest expense charged to other income and credited to the liability.

Reinsurance Industry Conditions and Trends

The reinsurance industry historically has been cyclical, characterized by periods of price competition due to excessive underwriting capacity as well as periods of favorable pricing due to shortages of underwriting capacity. Cyclical trends in the industry and the industry's profitability can also be significantly affected by volatile developments, including natural and other catastrophes, such as hurricanes, windstorms, earthquakes, floods, fires, explosions and terrorist attacks, the frequency and severity of which are inherently difficult to predict. Property and casualty reinsurance rates often rise in the aftermath of significant catastrophe losses. To the extent that actual claim liabilities are higher than anticipated, the industry's capacity to write new business diminishes. The industry is also affected by changes in the propensity of courts to expand insurance coverage and grant large liability awards, as well as fluctuations in interest rates, inflation and other changes in the economic environment that affect market prices of investments.

In 2005 an unprecedented level of hurricane losses caused many reinsurers to report significant net losses. Many reinsurers were able to raise additional capital in the third and fourth quarters of 2005 and a number of new reinsurers were formed. Nonetheless, the magnitude of the hurricane losses caused rating agencies to tighten capital requirements and both reinsurers and their insurance company clients to reassess their catastrophe pricing and aggregate loss monitoring parameters and procedures. The result has been an increase in catastrophe pricing, particularly for wind exposures in the U.S. The impact on non-catastrophe pricing has been to mitigate the trend towards rate weakening with many markets experiencing an environment of little or no rate change. We believe that current rates should provide adequate returns.

Table of Contents**Results of Operations****Year Ended December 31, 2006 as Compared with the Year Ended December 31, 2005**

Net income (loss) for the years ended December 31, 2006 and 2005 was as follows (\$ in thousands):

	2006	2005	Increase
Net income (loss)	\$329,657	(137,487)	\$467,144

The most significant factor in the comparison of net income in 2006 with the net loss in 2005 was the difference in underwriting income in 2006 as compared with 2005. Underwriting income, which consists of net premiums earned, less losses and LAE, acquisition expenses and operating expenses related to the reinsurance company subsidiaries, was \$218,880,000 in 2006 and was favorably impacted by a low level of major catastrophes. In 2005 we incurred an underwriting loss of \$249,506,000 primarily resulting from losses arising out of the 2005 Hurricanes that caused severe damage in the Gulf Coast region of the United States, including the states of Louisiana, Mississippi, Texas and Florida as well as in Mexico and the Caribbean. As a result of losses from the 2005 Hurricanes, certain reinsurance contracts generated additional premiums and adjustments to accrued profit commissions. The aggregate net adverse impact on our net loss for the year ended December 31, 2005 from the 2005 Hurricanes is summarized as follows (\$ in thousands):

Gross losses and LAE			\$ 654,090
Retrocessional reinsurance			(73,800)
Net losses and LAE			580,290
Additional net premiums earned			(46,666)
Profit commissions			(3,654)
Net adverse impact on income before income taxes			\$ 529,970

Net favorable development, which includes the development of prior years unpaid losses and LAE and the related impact on premiums and commissions, also contributed to underwriting income. Net favorable development was \$55,768,000 in 2006 as compared with \$79,256,000 in 2005. The net favorable development in 2006 includes \$4,160,000 of net unfavorable development from the 2005 Hurricanes. In addition to the increase in underwriting income, net income in 2006 as compared with the net loss in 2005 was also favorably impacted by an increase in investment income of \$58,542,000 and unfavorably impacted by increases in operating expenses related to Platinum Holdings and operating expenses not allocated to segments of \$10,036,000 and income tax expense of \$55,134,000 in 2006.

Gross, ceded and net premiums written and earned for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Increase (decrease)
Gross premiums written	\$ 1,275,200	1,765,155	\$ (489,955)
Ceded premiums written	98,587	47,433	51,154
Net premiums written	1,176,613	1,717,722	(541,109)

Table of Contents

	2006	2005	Increase (decrease)
Gross premiums earned	1,434,282	1,757,138	(322,856)
Ceded premiums earned	97,581	42,415	55,166
Net premiums earned	\$ 1,336,701	1,714,723	\$ (378,022)

The decrease in net premiums written and earned in 2006 as compared with 2005 was attributable to reductions in business written in all three of our segments. These reductions were partially offset by increases in estimates of net written premiums of approximately \$68,937,000 in the North American excess casualty classes related to business written in prior periods. We also commenced ceding premiums under a quota share retrocession agreement effective January 1, 2006 (the Property Quota Share Agreement) under which Platinum US and Platinum UK ceded 30% of their new and renewal property catastrophe business effective on or after January 1, 2006 to a non-affiliated reinsurer. The decrease in net premiums written and earned in 2006 is also partially due to additional net premiums written and earned in 2005 of approximately \$49,451,000 and \$46,666,000, respectively, related to losses arising from the 2005 Hurricanes. The reduction in net premiums earned was also affected by changes in the mix of business and the structure of the underlying reinsurance contracts.

Net investment income for the years ended December 31, 2006 and 2005 was \$187,987,000 and \$129,445,000, respectively. Net investment income increased during 2006 primarily due to increased invested assets attributable to positive cash flow from operations, excluding trading securities activities, which was \$525,025,000 in 2006 as well as proceeds from the issuance of common and preferred shares and debt obligations in 2005. The book basis yields on fixed maturity securities were 4.6% and 4.4% as of December 31, 2006 and 2005, respectively. Net investment income included \$7,998,000 and \$8,172,000 of interest earned on funds held for the years ended December 31, 2006 and 2005, respectively. Net realized gains (losses) on investments were \$1,090,000 and (\$3,046,000) for the years ended December 31, 2006 and 2005, respectively. Net realized losses in 2006 and 2005 included \$255,000 and \$1,769,000, respectively, relating to the write-down of our investment in Inter-Ocean Holdings, Ltd. The remaining net realized gains and losses on investments in 2006 and 2005 primarily result from our efforts to manage credit quality, duration, foreign currency exposure, investment sector allocation as well as to balance our investment risk and reinsurance risk.

Other income (expense) for the years ended December 31, 2006 and 2005 was (\$2,872,000) and (\$586,000), respectively. Other expense in 2006 included (\$2,221,000) of net unrealized losses relating to changes in fair value of fixed maturity securities classified as trading and (\$706,000) of net expense on reinsurance contracts accounted for as deposits. Other expense in 2005 included (\$102,000) of net unrealized losses relating to changes in fair value of fixed maturity securities classified as trading and (\$53,000) of net expense on reinsurance contracts accounted for as deposits.

Net losses and LAE and the resulting loss and LAE ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Net losses and LAE	\$760,602	1,505,425	\$(744,823)
Net loss and LAE ratios	56.9%	87.8%	(30.9) points

- 54 -

Table of Contents

The decreases in net losses and LAE and the resulting net loss and LAE ratio in 2006 as compared with 2005 were primarily due to the significant difference in major catastrophe losses. Major catastrophe losses were \$5,500,000 representing 0.4% of net premiums earned in 2006 as compared with \$604,890,000 representing 35.3% of net premiums earned in 2005. Included in the major catastrophe losses in 2005 were \$580,290,000 from the 2005 Hurricanes representing 33.8% of net premiums earned. Net losses and LAE and the resulting net loss and LAE ratios were also impacted by net favorable loss development of \$60,746,000, representing 4.5% of net premiums earned in 2006 and \$97,314,000, representing 5.7% of net premiums earned in 2005. The net favorable loss development in 2006 included net unfavorable loss development on the 2005 Hurricanes of \$3,596,000.

Exclusive of the effects of the catastrophe losses, including additional premiums generated by such catastrophe losses, and net favorable loss development, the net loss and LAE ratio in 2006 increased by approximately 1% as compared 2005. The increase is attributable to higher loss ratios in the Casualty segment reflecting decreases in price adequacy. The decrease in net premiums earned also contributed to the decrease in losses and LAE in 2006. Some of the most significant decreases in net premiums earned have been in the finite casualty, crop, trade credit and accident and health classes, which have loss ratios higher than our overall book of business. The net loss and LAE ratios were also affected by changes in the mix of business.

Net acquisition expenses and resulting net acquisition expense ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Net acquisition expenses	\$285,923	403,135	\$(117,212)
Net acquisition expense ratios	21.4%	23.5%	(2.1) points

The decrease in net acquisition expenses was primarily due to the decrease in net premiums earned in 2006 as compared with 2005. The decrease in the acquisition expense ratio in 2006 as compared with 2005 was partially due to the decrease in assumed quota share contracts in the Property and Marine and Finite Risk segments that had higher ceding commissions than the remaining business. Net acquisition expenses also included increases in adjustable commissions of approximately \$2,285,000 in 2006 relating to prior years' loss development, representing 0.2% of net premiums earned as compared with \$15,790,000, representing 0.9% of net premiums earned in 2005. Also contributing to the decrease in the acquisition expense ratio in 2006 as compared with 2005 was a ceding commission and override on the Property Quota Share Agreement.

Operating expenses for the years ended December 31, 2006 and 2005 were \$95,490,000 and \$69,827,000, respectively. Operating expenses include costs such as salaries, rent and like items related to reinsurance operations as well as costs associated with Platinum Holdings. The increase in operating expenses was primarily due to increased incentive-based compensation accruals. In 2006, operating expenses included approximately \$17,000,000 of accruals for incentive-based compensation as compared with \$1,000,000 in 2005. The increase in incentive-based compensation was the result of the significant increase in net income. The remainder of the increase in operating expenses is primarily due to the expansion of operations in Bermuda, including Platinum Bermuda which has increased its underwriting activity and increased its staff accordingly. The increase is also partially attributable to costs related to equity grants under long term performance based incentive plans.

Net foreign currency exchange gains (losses) for the years ended December 31, 2006 and 2005 were \$738,000 and (\$2,111,000), respectively. We routinely transact business in various foreign

Table of Contents

currencies. Foreign currency exchange gains and losses result from the re-valuation into U.S. dollars of assets and liabilities denominated in foreign currencies. We periodically monitor our largest foreign currency exposures and purchase or sell foreign currency denominated invested assets to match these exposures. Net foreign currency exchange gains and losses arise as a result of fluctuations in the amounts of assets and liabilities denominated in foreign currencies as well as fluctuations in the currency exchange rates.

Interest expense for the years ended December 31, 2006 and 2005 was \$21,805,000 and \$20,006,000, respectively, and includes interest related to our Equity Security Units (ESU s) as well as interest on other debt obligations. The increase in 2006 as compared with 2005 was due to the increase in average outstanding debt during the comparable periods. Interest expense in 2006 includes interest on \$250,000,000 of Series B 7.5% Notes due June 1, 2017 (the

Series B Notes) as well as interest on the remaining balance of \$42,840,000 of the Series B 6.371% Remarketed Senior Guaranteed Notes due November 16, 2007 (the Remarketed Notes). The Series B Notes were originally issued as Series A and then subsequently exchanged for Series B Notes that have substantially the same terms and which were registered under the Securities Act. Interest expense in 2005 includes interest on the Series B Notes from issuance in May 2005 and interest on \$137,500,000 of the Remarketed Notes at 5.25% per annum until remarketed in August 2005 at 6.371% per annum. The Remarketed Notes were then partially repurchased in December 2005. As a result of a repurchase of \$94,660,000 of the Remarketed Notes in December 2005, we incurred a loss on repurchase of debt of \$2,486,000. This includes a premium paid to the debt holders of \$1,644,000, and related unamortized debt issuance costs, dealer/manager fees, and professional fees and expenses of \$842,000.

Income taxes (benefit) and the effective tax rate for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Increase (decrease)
Income taxes (benefit)	\$30,167	(24,967)	\$55,134
Effective tax rates	8.4%	15.4%	(7.0) points

The increase in income tax expense in 2006 as compared with the income tax benefit in 2005 was primarily due to net income in 2006 as compared with a net loss in 2005. The effective tax rate in any given year is based on income before tax expense of our subsidiaries that operate in several jurisdictions with varying corporate income tax rates. Platinum Holdings and Platinum Bermuda are not subject to corporate income tax. The decrease in the effective tax rate was due to several factors. A higher percentage of income before income taxes was generated by Platinum Holdings and Platinum Bermuda in 2006, which are not subject to corporate income tax. In 2006, the combined income before income taxes derived from Platinum Holdings and Platinum Bermuda was approximately 73% of the total income before income tax expense as compared with approximately 45% of the loss before income tax benefit in 2005. Additionally, in 2005, \$6,500,000 of income tax was incurred as a result the transfer from Platinum Finance to Platinum Holdings of a portion of the proceeds from the issuance of debt obligations in May 2005. This transfer was considered to be a taxable distribution under U.S. tax law and, accordingly, subject to U.S. withholding tax.

Table of Contents**Year Ended December 31, 2005 as Compared with the Year Ended December 31, 2004**

Net income (loss) for the years ended December 31, 2005 and 2004 was as follows (\$ in thousands):

	2005	2004	Decrease
Net income (loss)	\$(137,487)	84,783	\$(222,270)

The net loss in 2005 was primarily due to losses arising from the 2005 Hurricanes. In 2004, four significant named hurricanes, Charley, Frances, Ivan and Jeanne (the 2004 Hurricanes), caused severe damage in the Caribbean and the southeastern United States, principally Florida. As a result of losses arising from these catastrophic events, certain reinsurance contracts generated additional premiums and adjustments to accrued profit commissions. The aggregate net adverse impact on our net income (loss) for the years ended December 31, 2005 and 2004 from the above mentioned hurricanes is summarized as follows (\$ in thousands):

	2005	2004
Gross losses and LAE	\$ 654,090	\$ 230,475
Retrocessional reinsurance	(73,800)	
Net losses and LAE	580,290	230,475
Additional net premiums earned	(46,666)	(29,265)
Profit commissions	(3,654)	(10,243)
Net adverse impact on underwriting results	\$ 529,970	\$ 190,967

The net unfavorable impact on income before income taxes in 2006 from changes in estimates of the 2005 Hurricanes was \$4,160,000. The effect on income before income taxes of net development of the 2004 Hurricanes was immaterial in 2005 and 2006.

The most significant factor in the comparison of net loss in 2005 with the net income in 2004 was the difference in underwriting income in 2005 as compared with 2004. Underwriting income decreased by \$296,679,000 in 2005 as compared with 2004 and was primarily due to significantly greater losses arising from the 2005 Hurricanes than the 2004 Hurricanes. The hurricane losses in both 2005 and 2004 were partially offset by growth of profitable business in the Casualty segment and net favorable development. Net favorable development includes the development of prior years unpaid losses and LAE and the related impact on premiums and commissions. Net favorable development was \$79,256,000 and \$55,520,000 in 2005 and 2004, respectively. The net loss in 2005 as compared with net income in 2004 was also favorably impacted by an increase in net investment income of \$44,913,000 and a decrease in income tax expense of \$55,316,000, partially offset by an increase in operating expenses of \$3,494,000 and loss on repurchase of debt of \$2,486,000.

Gross, ceded and net premiums written and earned for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase
Gross premiums written	\$ 1,765,155	1,659,790	\$ 105,365
Ceded premiums written	47,433	13,777	33,656
Net premiums written	1,717,722	1,646,013	71,709

Table of Contents

	2005	2004	Increase
Gross premiums earned	1,757,138	1,465,058	292,080
Ceded premiums earned	42,415	17,123	25,292
Net premiums earned	\$ 1,714,723	1,447,935	\$ 266,788

The increase in net premiums written in 2005 as compared with 2004 was attributable to growth in Property and Marine and Casualty segments offset by a decline in the Finite Risk segment. Net premiums written and earned in 2005 included approximately \$49,451,000 and \$46,666,000, respectively, of additional premiums related to losses arising from the 2005 Hurricanes. Net premiums written and earned in 2004 included approximately \$29,265,000 of additional premiums related to losses arising from the 2004 Hurricanes. Net premiums written and earned in 2005 also included \$2,268,000 of net additional premiums relating loss development of prior years. There were no significant premium adjustments relating to loss development in 2004. The remaining increase in net premiums earned was related to the growth in current and prior periods net premiums written and was also affected by changes in the mix of business and the structure of the underlying reinsurance contracts.

Net investment income for the years ended December 31, 2005 and 2004 was \$129,445,000 and \$84,532,000, respectively. Net investment income increased during 2005 primarily due to increased invested assets attributable to positive cash flow from operations, excluding trading securities activities, which was \$618,909,000 and \$698,223,000 in 2005 and 2004, respectively. Also contributing to the increase in invested assets in 2005 were the net proceeds from the issuances of: debt of \$246,900,000, preferred shares of \$168,162,000 and common shares of \$426,293,000. The book basis yields on fixed maturity securities were 4.4% and 4.3% as of December 31, 2005 and 2004, respectively. Net investment income included \$8,172,000 and \$2,651,000 of interest earned on funds held for the years ended December 31, 2005 and 2004, respectively. Net realized gains (losses) on investments were (\$3,046,000) and \$1,955,000 for the years ended December 31, 2005 and 2004, respectively. Net realized losses in 2005 included \$1,769,000 relating to the write-down of our investment in Inter-Ocean Holdings, Ltd. The remaining net realized gains and losses on investments in 2005 and 2004 primarily result from our efforts to manage credit quality, duration, foreign currency exposure, investment sector allocation as well as to balance our investment risk and reinsurance risk.

Other income (expense) for the years ended December 31, 2005 and 2004 was (\$586,000) and \$3,211,000, respectively. Other expense in 2005 included (\$102,000) of net unrealized losses relating to changes in fair value of fixed maturity securities classified as trading, and (\$53,000) of net expense on reinsurance contracts accounted for as deposits. Other income in 2004 included \$1,036,000 of net unrealized gains relating to changes in fair value of fixed maturity securities classified as trading, \$758,000 of earnings on reinsurance contracts accounted for as deposits and a gain of \$1,000,000 on the sale of assets.

Net losses and LAE and the resulting loss and LAE ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase
Net losses and LAE	\$ 1,505,425	1,019,804	\$ 485,621
Net loss and LAE ratios	87.8%	70.4%	17.4 points

- 58 -

Table of Contents

The increase in net losses and LAE in 2005 as compared with 2004 was primarily the result of more significant losses arising from the 2005 Hurricanes than from the 2004 Hurricanes. Net losses and LAE from the 2005 Hurricanes were \$349,815,000 more than the net losses and LAE from the 2004 Hurricanes. The increase in net losses and LAE was also due to the growth in business in the Property and Marine and Casualty segments. The increase in the loss ratio in 2005 from 2004 was due primarily to losses from the 2005 Hurricanes that represented 33.8% of net premiums earned in 2005 as compared with losses from the 2004 Hurricanes that represented 15.9% of net premiums earned in 2004. Losses from major catastrophes in 2005 other than the 2005 Hurricanes were approximately \$24,600,000 or 1.4% of net premiums earned. There were no significant catastrophe losses in 2004 other than from the 2004 Hurricanes. The net losses and LAE from the hurricanes in 2005 and 2004 were partially offset by net favorable loss development of \$97,314,000, representing 5.7% of net premiums earned in 2005 and \$57,151,000, representing 3.9% of net premiums earned in 2004.

Net acquisition expenses and resulting net acquisition expense ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase
Net acquisition expenses	\$403,135	327,821	\$75,314
Net acquisition expense ratios	23.5%	22.6%	0.9 points

The increase in net acquisition expenses in 2005 as compared with 2004 was consistent with the growth in business in the Property and Marine and Casualty segments. Contributing to the increase in the net acquisition expense ratio in 2005 as compared with 2004 were greater reductions of profit commissions under reinsurance contracts that incurred losses from the 2004 Hurricanes as compared with similar reductions of profit commissions in 2005 relating to the 2005 Hurricanes. Profit commission reductions relating to the 2005 Hurricanes were \$3,654,000 representing 0.2% of net premiums earned as compared with profit commission reductions relating to the 2004 Hurricanes of \$10,243,000 representing 0.7% of net premiums earned. Net acquisition expenses also included increases in adjustable commissions of approximately \$15,790,000 in 2005 relating to prior years' loss development, representing 0.9% of net premiums earned as compared with increases of \$1,631,000 of adjustable commissions in 2004, representing 0.1% of net premiums earned. The net acquisition expense ratios in 2005 and 2004 were also affected by changes in the mix of business.

Operating expenses for the years ended December 31, 2005 and 2004 were \$69,827,000 and \$66,333,000, respectively. Operating expenses include costs such as salaries, rent and like items related to reinsurance operations as well as costs associated with Platinum Holdings. The increase of \$3,494,000 in operating expenses in 2005 as compared with 2004 was attributable to increased compensation costs.

Net foreign currency exchange gains (losses) for the years ended December 31, 2005 and 2004 were (\$2,111,000) and \$725,000, respectively. We routinely do business in various foreign currencies. Foreign currency exchange gains and losses result from the re-valuation into U.S. dollars of assets and liabilities denominated in foreign currencies. We periodically monitor our largest foreign currency exposures and purchase or sell foreign currency denominated invested assets to match these exposures. Net foreign currency exchange gains and losses arise as a result of fluctuations in the amounts of assets and liabilities denominated in foreign currencies as well as fluctuations in the currency exchange rates.

Interest expense for the years ended December 31, 2005 and 2004 was \$20,006,000 and \$9,268,000, respectively, and included interest related to the ESUs as well as interest on debt obligations. The increase in 2005 as compared with 2004 was primarily due to interest on the Series B Notes issued in

Table of Contents

May 2005. In December 2005, we repurchased \$94,660,000 of the Remarketed Notes and incurred a loss on repurchase of debt of \$2,486,000.

Income taxes (benefit) and the effective tax rate for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Decrease
Income tax expense (benefit)	\$(24,967)	30,349	\$(55,316)
Effective tax rates	15.4%	26.4%	(11.0) points

The income tax benefit in 2005 as compared with income tax expense in 2004 was due to the loss before income tax benefit in 2005. In 2005, approximately 45.0% of the loss before income tax benefit was derived from Platinum Holdings and Platinum Bermuda. In 2004, approximately 16.9% of the income before income tax expense was derived from Platinum Holdings and Platinum Bermuda. Additionally, we incurred approximately \$6,500,000 of income tax expense in 2005 associated with the transfer from Platinum Finance to Platinum Holdings of a portion of the proceeds from the issuance of debt obligations in May 2005. This transaction was deemed to be a taxable distribution under U.S. tax law and subject to U.S. withholding tax.

Segment Information

We conduct our worldwide reinsurance business through three operating segments: Property and Marine, Casualty and Finite Risk. In managing our operating segments, management uses measures such as underwriting income and underwriting ratios to evaluate segment performance. We do not allocate assets or certain income and expenses such as investment income, interest expense and certain corporate expenses by segment. Segment underwriting income is reconciled to income before income taxes. The measures we used in evaluating our operating segments should not be used as a substitute for measures determined under U.S. GAAP. The following table summarizes underwriting activity and ratios for the three operating segments for the years ended December 31, 2006, 2005 and 2004 (\$ in thousands):

- 60 -

Table of Contents

	Property and Marine	Casualty	Finite Risk	Total
Year ended December 31, 2006:				
Net premiums written	\$ 424,929	757,675	(5,991)	\$ 1,176,613
Net premiums earned	448,959	764,341	123,401	1,336,701
Net losses and LAE	145,900	522,815	91,887	760,602
Net acquisition expenses	70,905	188,717	26,301	285,923
Other underwriting expenses	39,887	27,022	4,387	71,296
Segment underwriting income	\$ 192,267	25,787	826	218,880
Net investment income				187,987
Net realized gains on investments				1,090
Net foreign currency exchange gains				738
Other expense				(2,872)
Corporate expenses not allocated to segments				(24,194)
Interest expense				(21,805)
Income before income tax expense				\$ 359,824
Ratios:				
Net loss and LAE	32.5%	68.4%	74.5%	56.9%
Net acquisition expense	15.8%	24.7%	21.3%	21.4%
Other underwriting expense	8.9%	3.5%	3.6%	5.3%
Combined	57.2%	96.6%	99.4%	83.6%
Year ended December 31, 2005:				
Net premiums written	\$ 575,055	809,031	333,636	\$ 1,717,722
Net premiums earned	569,173	789,629	355,921	1,714,723
Net losses and LAE	756,742	511,609	237,074	1,505,425
Net acquisition expenses	93,983	194,397	114,755	403,135
Other underwriting expenses	26,074	24,690	4,905	55,669
Segment underwriting income (loss)	\$ (307,626)	58,933	(813)	(249,506)
Net investment income				129,445
Net realized losses on investments				(3,046)
Net foreign currency exchange losses				(2,111)
Other expense				(586)
Corporate expenses not allocated to segments				(14,158)
Interest expense				(20,006)

Loss on repurchase of debt	(2,486)
Loss before income tax benefit	\$ (162,454)

- 61 -

Table of Contents

	Property and Marine	Casualty	Finite Risk	Total
Ratios:				
Net loss and LAE	133.0%	64.8%	66.6%	87.8%
Net acquisition expense	16.5%	24.6%	32.2%	23.5%
Other underwriting expense	4.6%	3.1%	1.4%	3.2%
Combined	154.1%	92.5%	100.2%	114.5%

Year ended December 31, 2004

Net premiums written	\$ 504,439	677,399	464,175	\$ 1,646,013
Net premiums earned	485,135	611,893	350,907	1,447,935
Net losses and LAE	349,557	418,355	251,892	1,019,804
Net acquisition expenses	76,360	151,649	99,812	327,821
Other underwriting expenses	27,827	19,086	6,224	53,137
Segment underwriting income	\$ 31,391	22,803	(7,021)	47,173
Net investment income				84,532
Net realized gains on investments				1,955
Net foreign currency exchange gains				725
Other income				3,211
Corporate expenses not allocated to segments				(13,196)
Interest expense				(9,268)
Income before income tax expense				\$ 115,132

Ratios:				
Net loss and LAE	72.1%	68.4%	71.8%	70.4%
Net acquisition expense	15.7%	24.8%	28.4%	22.6%
Other underwriting expense	5.7%	3.1%	1.8%	3.7%
Combined	93.5%	96.3%	102.0%	96.7%

Property and Marine

The Property and Marine operating segment includes principally property (including crop), marine, aviation and aerospace reinsurance coverages that are written in the United States and international markets. This business includes catastrophe excess-of-loss treaties, per-risk excess-of-loss treaties and proportional treaties. This operating segment generated 36.1%, 33.5% and 30.6% of our net premiums written in 2006, 2005 and 2004, respectively.

Year Ended December 31, 2006 as Compared with the Year Ended December 31, 2005

Gross, ceded and net premiums written and earned for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Increase (decrease)
Gross premiums written	\$ 514,316	596,576	\$ (82,260)
Ceded premiums written	89,387	21,521	67,866
Net premiums written	424,929	575,055	(150,126)

- 62 -

Table of Contents

	2006	2005	Increase (decrease)
Gross premiums earned	535,988	586,500	(50,512)
Ceded premiums earned	87,029	17,327	69,702
Net premiums earned	\$ 448,959	569,173	\$ (120,214)

Net premiums written decreased in 2006 in almost all classes within this segment, most notably North American property proportional, property risk excess, crop and aviation classes of business. Contributing to the decrease in net premiums written was our decision to reduce our exposure to North American hurricanes. The reduction in North American property proportional and property risk excess was due to our decision to favor North American catastrophe excess business over North American property proportional and property risk excess catastrophe exposed business. Net premiums written and net premiums earned in 2005 included additional premiums of \$45,409,000 and \$42,624,000, respectively, from reinsurance contracts that incurred losses arising from the 2005 Hurricanes. Excluding the additional premiums related to the 2005 Hurricanes, gross premiums written in the North American catastrophe excess class increased in 2006. Net premiums written and earned in 2006 as compared with 2005 also decreased in the catastrophe classes as a result of the commencement of the Property Quota Share Agreement under which we ceded approximately \$55,455,000 of premiums written. The reductions in the crop and aviation classes were primarily due to the expiration of a significant proportional contract in each class. The decreases of net premiums written were partially offset by increased pricing in the catastrophe exposed classes, primarily in North America.

Net losses and LAE and the resulting loss ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Net losses and LAE	\$ 145,900	756,742	\$(610,842)
Net loss and LAE ratios	32.5%	133.0%	(100.5) points

The decreases in net losses and LAE and the resulting net loss and LAE ratio in 2006 as compared with 2005 were primarily due to the significant difference in major catastrophe losses. Major catastrophe losses were \$5,500,000 representing 1.2% of net premiums earned in 2006 as compared with \$573,900,000 representing 100.8% of net premiums earned in 2005. Included in the major catastrophe losses in 2005 were \$549,050,000 from the 2005 Hurricanes representing 96.5% of net premiums earned. Net losses and LAE and the resulting net loss and LAE ratios in 2006 and 2005 were also impacted by favorable net loss development of \$54,317,000, representing 12.1% of net premiums earned in 2006 and \$51,298,000 representing 9.0% of net premiums earned in 2005. Exclusive of the favorable net loss development, effects of the catastrophe losses and additional premiums generated by such catastrophe losses, the net loss and LAE ratio in 2006 improved by approximately 1% as compared 2005. The slight improvement is due to changes in the mix of business.

Net acquisition expenses and resulting net acquisition expense ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Net acquisition expenses	\$ 70,905	93,983	\$(23,078)
Net acquisition expense ratios	15.8%	16.5%	(0.7) point

Table of Contents

The decrease in net acquisition expenses in 2006 as compared with 2005 was primarily due to the decrease in net premiums earned. The decrease in the net acquisition expense ratio was due in part to the commencement of the Property Quota Share Agreement which has an override and profit commission. Net acquisition expenses included increases in commissions of \$3,067,000 in 2006, representing 0.7% of net premiums earned related to favorable loss development from prior years as compared with \$6,489,000 representing 1.1% of net premiums earned in 2005. The net acquisition expense ratios were also impacted by changes in the mix of business.

Other underwriting expenses for the years ended December 31, 2006 and 2005 were \$39,887,000 and \$26,074,000, respectively. The increase in other underwriting expenses was due to an increase in property underwriting activity in Bermuda and a corresponding increase in its staff. In 2006, both Platinum US and Platinum UK sold significant portions of their property catastrophe books of business to Platinum Bermuda. While other underwriting expense increases at Platinum Bermuda were partially offset by declines in operating expenses at Platinum US, the increased legal and other costs related to the cessation of underwriting activity of Platinum UK more than offset declines in its ongoing operating costs. Additionally, a greater percentage of common operating and administrative costs were allocated to the Property segment due to an increase in property underwriting in Bermuda and a decline in underwriting activity company wide in the Finite Risk segment. Other underwriting expenses for the years ended December 31, 2006 and 2005 included fees of \$7,829,000 and \$6,538,000, respectively, relating to the RenRe Agreement that provides for a periodic review of aggregate property catastrophe exposures by RenaissanceRe. These fees increased in 2006 as gross written premiums in the property catastrophe classes increased. The RenRe Agreement expires in September 2007.

Year Ended December 31, 2005 as Compared with the Year Ended December 31, 2004

Gross, ceded and net premiums written and earned for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase
Gross premiums written	\$ 596,576	517,468	\$ 79,108
Ceded premiums written	21,521	13,029	8,492
Net premiums written	575,055	504,439	70,616
Gross premiums earned	586,500	501,040	85,460
Ceded premiums earned	17,327	15,905	1,422
Net premiums earned	\$ 569,173	485,135	\$ 84,038

Net premiums written and earned increased in 2005 as compared with 2004 due to growth primarily in the North American pro-rata and catastrophe classes. The most significant increase was in the property pro-rata class where we increased our net premiums written in catastrophe exposed business in Florida. Net premiums written and earned in 2005 also included additional premiums of approximately \$45,409,000 and \$42,624,000, respectively, from reinsurance contracts that incurred losses arising from the 2005 Hurricanes. Net premiums written and earned in 2004 included approximately \$16,198,000 of additional premiums resulting from losses arising from the 2004 Hurricanes. Net premiums written and earned in 2005 also included \$2,685,000 of additional net premiums relating to unfavorable loss development on the 2004 Hurricanes. There were no significant premium changes relating to loss development in 2004.

Table of Contents

Net losses and LAE and the resulting loss ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase
Net losses and LAE	\$756,742	349,557	\$407,185
Net loss and LAE ratios	133.0%	72.1%	60.9 points

The increase in net losses and LAE and the related net loss and LAE ratio in 2005 as compared with 2004 was due to losses of \$549,050,000 arising from the 2005 Hurricanes as compared with losses of \$169,652,000 arising from the 2004 Hurricanes. Net losses from the 2005 Hurricanes represent representing 96.5% of net premiums earned as compared with net losses from the 2004 Hurricanes that represent 35.0% of net premiums earned. The net losses and LAE from the 2005 Hurricanes and 2004 Hurricanes were partially offset by net favorable loss development of approximately \$51,298,000 representing 9.0% of net premiums earned in 2005 and approximately \$48,478,000 representing 10.0% of net premiums earned in 2004. During 2005 and 2004, actual reported losses were significantly less than expected for the short-tailed non-catastrophe property lines resulting in reductions in estimated ultimate losses for such lines. The net loss and LAE ratio was also affected by the growth in business and the additional premiums arising from the 2005 Hurricanes and 2004 Hurricanes.

Net acquisition expenses and resulting net acquisition expense ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase
Net acquisition expenses	\$93,983	76,360	\$17,623
Net acquisition expense ratios	16.5%	15.7%	0.8 point

The increase in net acquisition expenses in 2005 as compared with 2004 was consistent with the growth in business. The increase in the net acquisition expense ratio was primarily due to increases in commissions of \$6,489,000 in 2005 related to the net favorable development of non-catastrophe net losses and LAE, partially offset by commission reductions of \$3,654,000 in 2005 related to reinsurance contracts with catastrophe losses. There were no significant commission adjustments in 2004. The net acquisition expense ratios in 2005 and 2004 were also affected by changes in the mix of business.

Other underwriting expenses for the years ended December 31, 2005 and 2004 were \$26,074,000 and \$27,827,000, respectively. The decrease in other underwriting expenses was due to cost reductions in the Property and Marine segment in 2005, partially offset by the allocation of a greater percentage of common operating and administrative costs to the Property segment due to a decline in underwriting activity in the Finite Risk segment. Other underwriting expenses for the years ended December 31, 2005 and 2004 included fees of \$6,538,000 and \$6,396,000, respectively, relating to the RenRe Agreement that provides for a periodic review of aggregate property catastrophe exposures by RenaissanceRe.

Casualty

The Casualty operating segment principally includes reinsurance treaties that cover umbrella liability, general and product liability, professional liability, workers compensation, casualty clash, automobile liability, surety and trade credit. This operating segment also includes accident and health treaties, which are predominantly reinsurance of health insurance products. This operating segment generated 64.4%, 47.1% and 41.2% of our net premiums written for the years ended December 31, 2006, 2005 and 2004, respectively.

Table of Contents**Year Ended December 31, 2006 as Compared with the Year Ended December 31, 2005**

Gross, ceded and net premiums written and earned for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Gross premiums written	\$ 757,749	809,164	\$ (51,415)
Ceded premiums written	74	133	(59)
Net premiums written	757,675	809,031	(51,356)
Gross premiums earned	764,414	790,290	(25,876)
Ceded premiums earned	73	661	(588)
Net premiums earned	\$ 764,341	789,629	\$ (25,288)

The decrease in net premiums written in 2006 was primarily due to reductions of business written across most casualty classes in the 2006 underwriting year, most significantly in the accident and health and trade credit classes. The reduction in business written is primarily due to decreases in price adequacy which caused us to non-renew some contracts. The decrease in net premiums written in the 2006 underwriting year was partially offset by increases in estimates of net written premiums of \$68,937,000 in the North American excess casualty classes related to business written in prior underwriting years as compared with similar increases of estimates of \$55,500,000 in 2005. Net premiums written and earned were also affected by changes in the mix of business and the structure of the underlying reinsurance contracts.

Net losses and LAE and the resulting loss ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Increase
Net losses and LAE	\$522,815	511,609	\$ 11,206
Net loss and LAE ratios	68.4%	64.8%	3.6 points

The increase in net losses and LAE in 2006 as compared with 2005 was primarily due to an increase in the net loss and LAE ratio. The increase in the net loss and LAE ratio in 2006 as compared with 2005 was due to less net favorable loss development in 2006 than in 2005 and higher initial expected loss ratios in certain significant classes reflecting a decline in price adequacy. Net losses and LAE included net favorable loss development of approximately \$9,424,000, representing 1.2% of net premiums earned in 2006, and approximately \$15,913,000 of net favorable loss development, representing 2.0% of net premiums earned in 2005. The net favorable loss development was primarily in casualty classes with short loss development periods. The net loss and LAE ratio was also affected by the changes in the mix of business within the segment.

Net acquisition expenses and resulting net acquisition expense ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Increase (decrease)
Net acquisition expenses	\$188,717	194,397	\$(5,680)
Net acquisition expense ratios	24.7%	24.6%	0.1 point

Table of Contents

The decrease in net acquisition expenses was due primarily to the decrease in net premiums earned in 2006 as compared with 2005. The net acquisition expense ratios were comparable for the years ended December 31, 2006 and 2005 and were impacted by changes in the mix of business.

Other underwriting expenses for the years ended December 31, 2006 and 2005 were \$27,022,000 and \$24,690,000, respectively. The increase in other underwriting expenses in 2006 as compared with 2005 was primarily due to an increase in incentive-based compensation. The increase in incentive-based compensation in 2006 as compared with 2005 was due to increased net income in 2006.

Year Ended December 31, 2005 as Compared with the Year Ended December 31, 2004

Gross, ceded and net premiums written and earned for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase (decrease)
Gross premiums written	\$ 809,164	678,147	\$ 131,017
Ceded premiums written	133	748	(615)
Net premiums written	809,031	677,399	131,632
Gross premiums earned	790,290	613,111	177,179
Ceded premiums earned	661	1,218	(557)
Net premiums earned	\$ 789,629	611,893	\$ 177,736

The increase in net premiums written and earned was due to growth primarily in the casualty excess class as well as expanded participation in proportional general liability, surety and trade credit business. Also, net premiums written and earned in 2005 as compared with 2004 were affected by revisions of prior years' estimates resulting in increases in net premiums written and earned in 2005 of approximately \$55,500,000 and \$37,600,000, respectively. This increase was due to growth in the casualty business and increased ultimate premiums from prior underwriting years' excess-of-loss classes due to greater than expected premiums being reported from ceding companies. This compares with revisions of prior years' estimates resulting in reductions of net premiums written and earned in 2004 of approximately \$21,300,000 and \$14,300,000, respectively. These adjustments were based on reported premiums from ceding companies and revised projections of ultimate premiums written under reinsurance contracts. The net effect of changes in premium estimates, net of corresponding changes in related losses, LAE and expenses, did not have a significant net effect on underwriting income. The increase in net premiums earned was related to the growth in current and prior years' written premiums and was affected by changes in the mix of business and the structure of the underlying reinsurance contracts.

Net losses and LAE and the resulting loss ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase (decrease)
Net losses and LAE	\$511,609	418,355	\$93,254
Net loss and LAE ratios	64.8%	68.4%	(3.6) points

The increase in net losses and LAE in 2005 as compared with 2004 was consistent with the growth in net premiums earned. Net losses and LAE in 2005 included net favorable loss development of

Table of Contents

approximately \$15,913,000, representing 2.0% of net premiums earned in 2005, and approximately \$675,000 of net unfavorable loss development, representing 0.1% of net premiums earned in 2004. The decrease in the net loss and LAE ratio in 2005 was also due, in part, to changes in the mix of business toward classes with lower loss ratios.

Net acquisition expenses and resulting net acquisition expense ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase (decrease)
Net acquisition expenses	\$ 194,397	151,649	\$ 42,748
Net acquisition expense ratios	24.6%	24.8%	(0.2) point

The increase in acquisition expenses was due primarily to the increase in net premiums earned in 2005 as compared with 2004. The acquisition expense ratios were comparable for the years ended December 31, 2005 and 2004.

Other underwriting expenses for the years ended December 31, 2005 and 2004 were \$24,690,000 and \$19,086,000, respectively. The increase in other underwriting expenses was due to the growth of business in the segment as well as the allocation of a greater percentage of common operating and administrative costs to the segment due to a decline in underwriting activity in the Finite Risk segment. The other underwriting expense ratios in 2005 and 2004 remained comparable at 3.1%.

Finite Risk

The Finite Risk operating segment includes principally structured reinsurance contracts with ceding companies whose needs may not be met efficiently through traditional reinsurance products. In exchange for contractual features that limit our downside risk, reinsurance contracts we classify as finite risk provide the potential for significant profit commission to the ceding company. The classes of risks underwritten through finite risk contracts are generally consistent with the classes covered by traditional products. The finite risk contracts that we underwrite generally provide prospective protection, meaning coverage is provided for losses that are incurred after inception of the contract, as contrasted with retrospective coverage, which covers losses that are incurred prior to inception of the contract. The three main categories of our finite risk contracts are quota share, multi-year excess-of-loss and whole account aggregate stop loss. The ongoing industry-wide investigations by legal and regulatory authorities into potential misuse of finite products have curtailed demand for finite risk products in 2006 and 2005. This operating segment generated (0.5%), 19.4% and 28.2% of our net premiums written for the years ended December 31, 2006, 2005, and 2004, respectively.

Year Ended December 31, 2006 as Compared with the Year Ended December 31, 2005

Gross, ceded and net premiums written and earned for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Gross premiums written	\$ 3,135	359,415	\$ (356,280)
Ceded premiums written	9,126	25,779	(16,653)
Net premiums written	(5,991)	333,636	(339,627)

Table of Contents

	2006	2005	Decrease
Gross premiums earned	133,880	380,348	(246,468)
Ceded premiums earned	10,479	24,427	(13,948)
Net premiums earned	\$ 123,401	355,921	\$ (232,520)

The Finite Risk portfolio consists of a small number of contracts that can be large in premium size and, consequently, overall premium volume may vary significantly from year to year. The decrease in net premiums written and earned in 2006 as compared with 2005 was primarily attributable to the termination of two significant finite casualty quota share contracts. One of the contracts was terminated effective January 1, 2006 on a cut-off basis, which resulted in the return of previously written but unearned premium. Net premiums written and earned in 2005 included approximately \$4,042,000 of additional premiums resulting from losses arising from the 2005 Hurricanes. Additionally in 2005, favorable development of losses in this segment related to the 2004 Hurricanes resulted in a reduction of net premiums written and earned of \$4,953,000.

Due to the often significant inverse relationship between losses and commissions for this segment, we believe it is important to evaluate the overall combined ratio, rather than its component parts of loss and LAE and acquisition expense ratios. Net losses and LAE, net acquisition expenses and the resulting ratios for the years ended December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Decrease
Net losses and LAE	\$ 91,887	237,074	\$ (145,187)
Net acquisition expenses	26,301	114,755	(88,454)
Net losses, LAE and acquisition expenses	\$ 118,188	351,829	\$ (233,641)
Net loss, LAE and acquisition expense ratios	95.8%	98.8%	(3.0) points

The decrease in net losses, LAE and acquisition expenses in 2006 as compared with 2005 was primarily due to the reduction in net premiums earned. The decrease in the loss, LAE and acquisition expense ratio in 2006 was due to an absence of major catastrophe losses in 2006 as compared with losses of \$31,000,000 from the 2005 Hurricanes representing 8.7% of net premiums earned in 2005. This was partially offset by net unfavorable development in 2006 of \$2,531,000, representing 2.1% of net premiums earned as compared with net favorable development of approximately \$21,187,000, representing 6.0% of net premiums earned in 2005. The unfavorable development in 2006 included unfavorable development on the 2005 Hurricanes of \$3,500,000. Also contributing to the decrease in the net loss, LAE and acquisition ratio in 2006 was the termination of two finite casualty quota share contracts that had higher combined ratios than the remainder of the Finite Risk portfolio. The loss, LAE and acquisition expense ratio was also affected by the changes in the mix of business within the segment.

Other underwriting expenses for the years ended December 31, 2006 and 2005 were \$4,387,000 and \$4,905,000, respectively. The decrease in other underwriting expenses was due to the allocation of a greater percentage of direct and common operating costs to the other two segments due to a decline in underwriting activity in the Finite Risk segment.

Year Ended December 31, 2005 as Compared with the Year Ended December 31, 2004

Gross, ceded and net premiums written and earned for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

Table of Contents

	2005	2004	Increase (decrease)
Gross premiums written	\$ 359,415	464,175	\$ (104,760)
Ceded premiums written	25,779		25,779
Net premiums written	333,636	464,175	(130,539)
Gross premiums earned	380,348	350,907	29,441
Ceded premiums earned	24,427		24,427
Net premiums earned	\$ 355,921	350,907	\$ 5,014

Net premiums written decreased significantly in 2005 as compared with 2004 as fewer contracts were in force. The decrease in net premiums written was primarily attributable to several large accident and health capped quota share contracts that were written in 2004 and not renewed in 2005. The resulting decline in finite accident and health net premiums earned was offset by an increase in finite casualty net premiums earned. Net premiums earned are related to current and prior years' net premiums written and are affected by changes in the mix of business and the structure of the underlying reinsurance contracts. Net premiums written and earned in 2005 and 2004 included approximately \$4,042,000 and \$13,067,000 of additional premiums resulting from losses arising from the 2005 Hurricanes and 2004 Hurricanes, respectively. Additionally in 2005, favorable development of losses in this segment related to the 2004 Hurricanes resulted in a reduction of net premiums written and earned of \$4,953,000.

Net losses and LAE, acquisition expenses and the resulting ratios for the years ended December 31, 2005 and 2004 were as follows (\$ in thousands):

	2005	2004	Increase (decrease)
Net losses and LAE	\$ 237,074	251,892	\$ (14,818)
Net acquisition expenses	114,755	99,812	14,943
Net losses, LAE and acquisition expenses	\$ 351,829	351,704	\$ 125
Net loss, LAE and acquisition expense ratios	98.8%	100.2%	(1.4) points

Net losses, LAE and acquisition expenses in 2005 are comparable to 2004 as a result of a small increase in net premiums earned offset by a decrease in the net loss, LAE and acquisition expense ratio. Net losses, LAE and acquisition expenses arising from the 2005 Hurricanes were \$31,000,000 representing 8.7% of net premiums earned in 2005 as compared with losses, LAE and acquisition expenses arising from the 2004 Hurricanes of \$50,580,000 representing 14.4% of net premiums earned in 2004. Net favorable development impacting both losses and LAE and acquisition expenses occurred in both 2005 and 2004. Net favorable development in 2005 and 2004 amounted to \$21,187,000 representing 6.0% of net premiums earned in 2005 as compared with \$7,717,000 representing 2.2% of net premiums earned in 2004. Exclusive of hurricane losses and net favorable development, the overall loss, LAE and acquisition expense ratio increased in 2005 as compared with 2004 due to the shift toward casualty business that generally has a higher combined ratio.

Other underwriting expenses for the years ended December 31, 2005 and 2004 were \$4,905,000 and \$6,224,000, respectively. The decrease in other underwriting expenses was due to less direct expenses and the allocation of a greater percentage of common operating costs to the Casualty segment due to a decline in underwriting activity in the Finite Risk segment.

Table of Contents**Financial Condition, Liquidity and Capital Resources*****Financial Condition***

Cash and cash equivalents and investments as of December 31, 2006 and 2005 were as follows (\$ in thousands):

	2006	2005	Increase
Cash and cash equivalents	\$ 851,652	820,746	\$ 30,906
Fixed maturity securities	3,334,645	2,987,703	346,942
Preferred stocks	10,772	8,186	2,586
Short-term investments	27,123	8,793	18,330
Total	\$ 4,224,192	3,825,428	\$ 398,764

The increase in cash and cash equivalents in 2006 as compared to 2005 was due, in part, to a sale of certain fixed maturity securities at year end. The total increase in cash and cash equivalents and investments was due to positive cash flow from operations, excluding trading securities activities, which was \$525,025,000 in 2006. Our available-for-sale and trading portfolios are primarily composed of diversified, high quality, predominantly publicly traded fixed maturity securities. The investment portfolio, excluding cash and cash equivalents, had a weighted average duration of 2.7 years as of December 31, 2006. We routinely monitor the composition of our investment portfolio and cash flows in order to maintain liquidity necessary to meet our obligations.

Other invested asset represents an investment in Inter-Ocean Holdings, Ltd., a non-public reinsurance company. During 2006, based on a definitive agreement to sell our interest in Inter-Ocean Holdings, Ltd., we wrote down the carrying value of the investment and recorded a realized loss of \$255,000. As a result of routine evaluations of investments during 2005, we wrote down the carrying value of the investment in Inter-Ocean Holdings, Ltd. to its estimated net realizable value and recorded a realized loss of \$1,769,000. We have no ceded or assumed reinsurance business with Inter-Ocean Holdings, Ltd.

Premiums receivable include significant estimates. Premiums receivable as of December 31, 2006 of \$377,183,000 included \$315,243,000 that is based upon estimates. Premiums receivable as of December 31, 2005 of \$567,449,000 included \$496,603,000 that is based upon estimates. An allowance for uncollectible premiums is established for possible non-payment of such amounts due, as deemed necessary. As of December 31, 2006 and 2005, no such allowance was made based on our historical experience, the general profile of our ceding companies and our ability in most cases to contractually offset premiums receivable with losses and LAE or other amounts payable to the same parties.

Gross unpaid losses and LAE as of December 31, 2006 of \$2,368,482,000 include \$1,648,635,000 of IBNR. Gross unpaid losses and LAE as of December 31, 2005 of \$2,323,990,000 includes \$1,812,245,000 of IBNR. IBNR decreased in 2006 as losses related to the 2005 Hurricanes and 2004 Hurricanes were reported and paid. Gross losses paid in 2006 related to the 2005 Hurricanes and 2004 Hurricanes were approximately \$287,040,000. There remains approximately \$312,173,000 of gross unpaid losses related to the 2005 Hurricanes and the 2004 Hurricanes, of which

Table of Contents

\$91,151,000 is IBNR. These unpaid losses may result in a large amount of loss payments over the next year that could adversely affect net cash flows from operations.

Commissions payable as of December 31, 2006 of \$140,835,000 include \$124,906,000 that is based upon estimates. Commissions payable as of December 31, 2005 of \$186,654,000 include \$167,949,000 that is based upon estimates.

Sources of Liquidity

Our consolidated sources of funds consist primarily of premiums written, investment income, proceeds from sales and redemption of investments, losses recovered from retrocessionaires, issuances of securities and actual cash and cash equivalents held by us. Net cash flows provided by operations, excluding trading securities activities, for the years ended December 31, 2006, 2005 and 2004 were \$525,025,000, \$618,909,000 and \$698,223,000, respectively, and were used primarily to acquire additional investments.

Platinum Holdings is a holding company that conducts no reinsurance operations of its own. All of its reinsurance operations are conducted through its wholly owned operating subsidiaries Platinum Bermuda, Platinum US and Platinum UK. As a holding company, the cash flow of Platinum Holdings consists primarily of dividends, interest and other permissible payments from its subsidiaries and issuances of securities. Platinum Holdings depends on such payments for general corporate purposes and to meet its obligations, including the payment of any dividends to its preferred and common shareholders.

In November 2002, we issued the ESU s each of which consisted of a contract to purchase our common shares in 2005 and an ownership interest in a Senior Guaranteed Note. On August 16, 2005, Platinum Finance successfully completed the remarketing of \$137,500,000 aggregate principal amount of the Senior Guaranteed Notes due November 16, 2007 at a price of 100.7738% with a reset interest rate of 6.371%, referred to as the Remarketed Notes. The remarketing was conducted on behalf of holders of the ESU s and neither Platinum Holdings nor Platinum Finance received any cash proceeds from the remarketing. Proceeds from the remarketing were used to purchase a portfolio of U.S. Treasury securities to collateralize the obligations of the holders of the ESU s under the related common share purchase contract and to pay the remarketing fee. There were no excess proceeds distributed to holders of the ESU s in connection with the remarketing. On November 16, 2005, Platinum settled the common share purchase contract component of the ESU s by issuing 5,008,850 common shares, which generated cash proceeds to us of \$137,500,000, less related fees and expenses. As a result of the settlement of the purchase contract component, the ESUs ceased to exist and are no longer traded on the New York Stock Exchange.

In May 2005, Platinum Finance issued \$250,000,000 aggregate principal amount of Series A Notes due June 1, 2017, unconditionally guaranteed by Platinum Holdings. The Series A Notes were issued in a transaction exempt from the registration requirements under the Securities Act and then subsequently exchanged for Series B Notes that have substantially the same terms and which were registered under the Securities Act. The proceeds were used primarily to increase the capital of Platinum Bermuda and Platinum US.

We filed an unallocated universal shelf registration statement with the SEC, which the SEC declared effective on November 8, 2005. Under this shelf registration statement we may issue and sell, in one or more offerings, up to \$750,000,000 of debt, equity and other types of securities or a combination of the above, including debt securities of Platinum Finance, unconditionally guaranteed by Platinum Holdings. To affect any such sales from time to time, Platinum Holdings and/or Platinum Finance will

Table of Contents

file one or more supplements to the prospectus forming a part of such registration statement, which will provide details of any proposed offering. In December 2005, Platinum Holdings issued \$132,909,000 of common shares and \$173,363,000 of mandatory convertible preferred shares under the unallocated shelf registration statement. On December 1, 2005, certain reform measures simplifying the process for conducting registered securities offerings under the Securities Act came into effect. The new rules provide that shelf registration statements of certain well-known seasoned issuers, such as Platinum Holdings, are eligible for effectiveness automatically upon filing. Should Platinum Holdings seek to issue securities in the future, it may make use of such new rules.

On October 21, 2005 we entered into a three-year \$200,000,000 credit agreement with a syndicate of lenders. On September 13, 2006, we amended and restated the existing agreement, increasing the term to five years and increasing the facility to \$400,000,000. The amended and restated credit agreement consists of a \$150,000,000 senior unsecured credit facility available for revolving borrowings and letters of credit and a \$250,000,000 senior secured credit facility available for letters of credit. The revolving line of credit generally will be available for our working capital, liquidity and general corporate requirements and those of our subsidiaries. Platinum Holdings and Platinum Finance guarantee borrowings by our reinsurance subsidiaries under the credit facility. The interest rate on borrowings under the credit facility is based on our election of either: (1) LIBOR plus 50 basis points or (2) the higher of: (a) the prime interest rate of the lead bank providing the credit facility, or (b) the federal funds rate plus 50 basis points. The interest rate based on LIBOR rate would increase or decrease by up to 12.5 basis points should our senior unsecured debt credit rating increase or decrease.

Liquidity Requirements

Our principal consolidated cash requirements are the payment of losses and LAE, commissions, brokerage, operating expenses, dividends to our preferred and common shareholders, the servicing of debt, the acquisition of and investment in businesses, capital expenditures, purchase of retrocessional contracts and payment of taxes. The catastrophe losses of 2005 may result in a surge of loss payments over the next year that could adversely affect net cash flows from operations.

In May 2005, Platinum Finance issued \$250,000,000 aggregate principal amount of Series A Notes due June 1, 2017, unconditionally guaranteed by Platinum Holdings which were subsequently exchanged for the Series B Notes. Interest at a rate of 7.5% per annum is payable on the Series B Notes on each June 1 and December 1 commencing on December 1, 2005. Platinum Finance may redeem the Series B Notes, at its option, at any time in whole, or from time to time in part, prior to maturity. The redemption price will be equal to the greater of: (i) 100 percent of the principal amount of the Series B Notes, or (ii) the sum of the present values of the remaining scheduled payments of principal and interest, discounted to the redemption date on a semiannual basis at a comparable treasury rate plus 50 basis points, plus in each case, interest accrued but not paid to the date of redemption.

In December 2005, Platinum Holdings issued 5,750,000 shares of mandatory convertible preferred shares for \$173,363,000 under its unallocated shelf registration statement. Dividends on the preferred shares are \$0.4525 per preferred share per quarter. Unless all accrued, cumulated and unpaid dividends on our preferred shares for all past quarterly dividend periods have been paid in full we cannot declare or pay any dividends or make any distributions to any of our common shareholders. Additionally, under the Companies Act, Platinum Holdings may declare or pay a dividend only if, among other things, it has reasonable grounds for believing that it is, or after the payment would be, able to pay its liabilities as they become due and if the realizable value of its assets would thereby not be less than the aggregate of its liabilities and issued share capital and share premium accounts. Accordingly, there is no assurance

Table of Contents

that dividends will be declared or paid in the future. Currently, there is no Bermuda withholding tax on dividends paid by Platinum Holdings.

In December 2005, we repurchased \$94,660,000 of the Remarketed Notes leaving an outstanding balance of \$42,840,000. Interest at the rate of 6.371% per annum is payable on the outstanding Remarketed Notes on May 16 and November 16 of each year. The Remarketed Notes are unconditionally guaranteed by Platinum Holdings.

Platinum Bermuda and Platinum UK are not licensed, approved or accredited as reinsurers anywhere in the United States and, therefore, under the terms of most of their contracts with United States ceding companies, they are required to provide collateral to their ceding companies for unpaid ceded liabilities in a form acceptable to state insurance commissioners. Typically, this type of collateral takes the form of letters of credit issued by a bank, the establishment of a trust, or funds withheld. Platinum Bermuda and Platinum UK provide letters of credit through the credit agreement described above and through other commercial banks and may be required to provide the banks with a security interest in certain investments of Platinum Bermuda and Platinum UK.

Platinum US is obligated to collateralize the liabilities assumed from St. Paul under the Quota Share Retrocession Agreements. Platinum Bermuda and Platinum US have reinsurance and other contracts that also require them to provide collateral to ceding companies should certain events occur, such as a decline in the rating by A.M. Best below specified levels or a decline in statutory equity below specified amounts, or when certain levels of liabilities assumed from ceding companies are attained. Some reinsurance contracts also have special termination provisions that permit early termination should certain events occur.

Investments with a carrying value of \$190,045,000 and cash and cash equivalents of \$4,594,000 as of December 31, 2006 were held in trust to collateralize obligations under the Quota Share Retrocession Agreements. Investments with a carrying value of \$241,533,000 and cash and cash equivalents of \$11,637,000 as of December 31, 2006 were held in trust and letters of credit of \$80,769,000 were issued to collateralize obligations under various other reinsurance contracts. Investments with a carrying value of \$53,364,000 and cash and cash equivalents of \$36,333,000 as of December 31, 2006 were held in trust to collateralize letters of credit.

The payment of dividends and other distributions from our regulated reinsurance subsidiaries is limited by applicable laws and statutory requirements of the jurisdictions in which the subsidiaries operate, including Bermuda, the United States and the United Kingdom. Based on the regulatory restrictions of the applicable jurisdictions, the maximum amount available for payment of dividends or other distributions by our reinsurance subsidiaries in 2007 without prior regulatory approval is estimated to be approximately \$307,000,000.

On August 4, 2004, the board of directors of Platinum Holdings approved a plan to purchase up to \$50,000,000 of our common shares. During the year ended December 31, 2004 we purchased 349,700 of our common shares in the open market at an aggregate amount of \$9,985,000 at a weighted average price of \$28.55 per share. The shares we purchased were canceled. No repurchases of our common shares were made during 2006 or 2005.

We believe that the net cash flows generated by the operating activities of our subsidiaries in combination with cash and cash equivalents on hand will provide sufficient funds to meet our liquidity needs over the next twelve months. Beyond the next twelve months, cash flows available to us may be influenced by a variety of factors, including economic conditions in general and in the insurance and

Table of Contents

reinsurance markets, legal and regulatory changes as well as fluctuations from year to year in claims experience and the occurrence or absence of large catastrophic events. If our liquidity needs accelerate beyond our ability to fund such obligations from current operating cash flows, we may need to liquidate a portion of our investment portfolio, borrow under the credit facility described above or raise additional capital in the capital markets. Our ability to meet our liquidity needs by selling investments or raising additional capital is subject to the timing and pricing risks inherent in the capital markets.

Economic Conditions

Periods of moderate economic recession or inflation tend not to have a significant direct effect on our underwriting operations. Significant unexpected inflationary or recessionary periods can, however, impact our underwriting operations and investment portfolio. Management considers the potential impact of economic trends in the estimation process for establishing unpaid losses and LAE.

Capital Expenditures

We do not have any material commitments for capital expenditures as of December 31, 2006.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, as defined for purposes of SEC rules, which are not accounted for or disclosed in the consolidated financial statements as of December 31, 2006.

Contractual Obligations

Our contractual obligations by estimated maturity are presented below (\$ in thousands):

		Less than 1	1 - 3	3 - 5	More than 5
Contractual Obligations	Total	year	years	Years	years
Series B Remarketed Notes due November 16, 2007 ⁽¹⁾	\$ 42,840	42,840			\$
Series B Notes due June 1, 2017 ⁽¹⁾	250,000				250,000
Scheduled interest payments	199,604	21,479	37,500	37,500	103,125
Subtotal Debt Obligations	492,444	64,319	37,500	37,500	353,125
Operating Leases ⁽²⁾	14,748	2,707	7,194	3,880	967
Gross unpaid losses and LAE ⁽³⁾	\$ 2,368,482	646,063	779,970	427,186	\$ 515,263

(1) See note 5 of the Notes to the Consolidated Financial Statements.

(2) See note 12 of the Notes to the Consolidated Financial Statements.

(3) There are generally no stated amounts related to reinsurance

contracts. Both the amounts and timing of future loss and LAE payments are estimates and subject to the inherent variability of legal and market conditions affecting the obligations and make the timing of cash outflows uncertain. The ultimate amount and timing of unpaid losses and LAE could differ materially from the amounts in the table above. Further, the gross unpaid losses and LAE do not represent all of the obligations that will arise under the contracts, but rather only the estimated liability incurred through December 31, 2006. There are reinsurance contracts that have terms extending into 2007 under which additional obligations will be incurred.

Table of Contents

Current Outlook

The renewal season for contracts effective January 1, 2007 (the January 1 Renewal Season) has recently been completed. The January 1 renewal season is generally considered the most significant underwriting period of the year for the reinsurance industry. We were able to modestly grow our portfolio of business as terms and conditions improved in some lines of business and deteriorated in others.

For the Property and Marine segment, underlying primary rates and reinsurance rates increased considerably in 2006, particularly for risks exposed to Atlantic hurricanes. During the January 1 Renewal Season we achieved average rate increases of over 20% on our U.S. property catastrophe excess renewal business while rates on our non-U.S. property catastrophe excess renewal business were down slightly.

In addition, we achieved average rate increases of approximately 10% on our marine renewal business. Per risk excess rates were approximately equal to expiring in both our U.S. and non-U.S. renewal business.

During 2006 we wrote more property catastrophe excess-of-loss business and less property per risk excess-of-loss and proportional business. Property per risk excess-of-loss and proportional business typically generates relatively more premium than property catastrophe excess-of-loss business having a similar catastrophe risk level. However, we believe property catastrophe excess-of-loss business generally provides more quantifiable catastrophe exposure and is currently priced more attractively. During the January 1 Renewal Season we wrote approximately 15% more U.S. catastrophe excess-of-loss premium than we had during the January 1, 2006 renewal season. We elected not to renew the collateralized quota share contract that covered our catastrophe excess of loss portfolio in 2006. As a consequence of reducing our use of retrocession and writing a larger gross portfolio of catastrophe excess-of-loss business at January 1, our net retained risk and expected profit has increased for 2007. For 2007 we plan to deploy capacity such that up to approximately 22.5% of our total capital could be exposed to an event with a probability of 1 in 250 years.

The lack of significant catastrophe activity in 2006 contributed to excellent financial results and stronger balance sheets for many reinsurers. In January 2007, there were a number of government initiatives in Florida designed to decrease insurance rates in the state. Of most significance to reinsurers was the large increase in the capacity of the Florida Hurricane Catastrophe Fund (FHCF), a state-run reinsurer. We believe the increase in capacity of private reinsurers and the FHCF will cause downward pressure on windstorm catastrophe rates for the remainder of the 2007, particularly for Florida residential exposures. We believe that most other classes within the Property and Marine segment will also experience some rate deterioration for the remainder of 2007.

For the Casualty segment, although we believe that the market generally offers adequate returns, pricing has been softening. Ceding companies are willing to increase retentions and reinsurers are competing for participation on the best treaties. During the January 1 Renewal Season rate changes by class of business ranged from an increase of approximately 5% to a decrease of approximately 10%. The overall average remained close to expiring, losing some ground against upward trending loss costs. As a result, we believe the business underwritten in 2007 will have a slightly lower level of expected profitability as compared with the business underwritten in 2006.

During the January 1 Renewal Season we wrote approximately the same amount of casualty business as we had during the January 1, 2006 renewal season. We expect market conditions to continue to weaken through the remainder of 2007 and that fewer casualty opportunities will be attractive. We believe that financial security remains a significant concern for buyers of long-tailed reinsurance

Table of Contents

protection who typically seek reinsurers with strong balance sheets, quality ratings, and a proven claims-paying record. We believe that our rating, capitalization and reputation as a lead casualty reinsurer position us well to write profitable business as the opportunities arise.

In the Finite Risk segment, we believe that the ongoing investigations by the SEC, the office of the Attorney General for the State of New York, the U.S. Attorney for the Southern District of New York as well as various non-U.S. regulatory authorities continues to reduce demand for limited risk transfer products in 2006. We believe we can deploy our human and financial capital more profitably in other lines of business. As a result, we are devoting fewer underwriting and pricing resources to this segment than in prior years and wrote a relatively small amount of finite business during 2006 relative to last year. We expect the relatively low level of demand will continue during 2007. We expect to continue de-emphasizing this segment and instead focus our efforts on our Property and Marine and Casualty segments.

In 2006 we expanded the operations of Platinum Bermuda in order to make it our principal reinsurer of global catastrophe reinsurance and financial lines. As part of this plan, we began to renew business previously written by Platinum UK in Platinum Bermuda. We also renewed certain property catastrophe contracts of Platinum US in Platinum Bermuda. After successfully renewing substantially all of the reinsurance business written by Platinum UK in Platinum Bermuda, we decided to cease underwriting reinsurance in Platinum UK in 2007. We plan to take steps in 2007 that will transition Platinum UK to a non-underwriting operation and to allow the release of a significant portion of its capital. These actions may include a 100% loss portfolio transfer of Platinum UK's reinsurance business to Platinum Bermuda. We may also seek to novate Platinum UK reinsurance contracts to Platinum Bermuda.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk**Market and Credit Risk**

Our principal invested assets are fixed maturity securities, which are subject to the risk of potential losses from adverse changes in market rates and prices and credit risk resulting from adverse changes in the borrower's ability to meet its debt service obligations. Our strategy to limit this risk is to place our investments in high quality credit issues and to limit the amount of credit exposure with respect to any one issuer or asset class. We also select investments with characteristics such as duration, yield, currency and liquidity to reflect, in the aggregate, the underlying characteristics of our unpaid losses and LAE. We attempt to minimize the credit risk by actively monitoring the portfolio and requiring a minimum average credit rating for our portfolio of A2 as defined by Moody's Investor Service. As of December 31, 2006, our portfolio, excluding cash and cash equivalents, had a dollar weighted average rating of Aa2.

We have other receivable amounts subject to credit risk. The most significant of these are reinsurance premiums receivable from ceding companies. We also have reinsurance recoverable amounts from our retrocessionaires. To mitigate credit risk related to premium receivables, we have established standards for ceding companies and, in most cases, have a contractual right of offset thereby allowing us to settle claims net of any premium receivable. To mitigate credit risk related to our reinsurance recoverable amounts, we consider the financial strength of our retrocessionaires when determining whether to purchase coverage from them. Retrocessional coverage is generally obtained from companies rated A- or better by A.M. Best unless the retrocessionaire's obligations are fully collateralized. For exposures where losses become known and are paid in a relatively short period of time, we may obtain

Table of Contents

retrocessional coverage from companies that may not be rated but that provide adequate collateral. The financial performance and rating status of all material retrocessionaires is routinely monitored.

In accordance with industry practice, we frequently pay amounts in respect of claims under contracts to reinsurance brokers, for payment over to the ceding companies. In the event that a broker fails to make such a payment, depending on the jurisdiction, we may remain liable to the ceding company for the payment. Conversely, in certain jurisdictions, when ceding companies remit premiums to reinsurance brokers, such premiums are deemed to have been paid to us and the ceding company is no longer liable to us for those amounts whether or not we actually receive the funds. Consequently, we assume a degree of credit risk associated with our brokers during the premium and loss settlement process. To mitigate credit risk related to reinsurance brokers, we have established guidelines for brokers and intermediaries.

Interest Rate Risk

We are exposed to fluctuations in interest rates. Movements in rates can result in changes in the market value of our fixed maturity portfolio and can cause changes in the actual timing of receipt of certain principal payments. Rising interest rates result in a decline in the market value of our fixed maturity portfolio and can expose our portfolio, in particular our mortgage backed securities, to extension risk. Conversely, a decline in interest rates will result in a rise in the market value of our fixed maturity portfolio and can expose our portfolio, in particular our mortgage-backed securities, to prepayment risk. The aggregate hypothetical impact on our fixed maturity portfolio, generated from an immediate parallel shift in the treasury yield curve, as of December 31, 2006 is approximately as follows (\$ in thousands):

	Interest Rate Shift in Basis Points				
	- 100 bp	- 50 bp	Current	+ 50 bp	+ 100 bp
Total market value	\$3,423,278	3,379,953	3,334,645	3,287,573	\$3,239,193
Percent change in market value	2.7%	1.4%		(1.4%)	(2.9%)
Resulting unrealized appreciation / (depreciation)	\$ 35,463	(7,862)	(53,170)	(100,242)	\$ (148,622)

Foreign Currency Exchange Rate Risk

We write business on a worldwide basis. Consequently, our principal exposure to foreign currency exchange rate risk is the transaction of business in foreign currencies. Changes in foreign currency exchange rates can impact revenues, costs, receivables and liabilities, as measured in the U.S. dollar, our financial reporting currency. We seek to minimize our exposure to large foreign currency rate changes by holding invested assets denominated in foreign currencies to offset liabilities denominated in the same foreign currencies.

Sources of Fair Value

The following table presents the carrying amounts and estimated fair values of our financial instruments as of December 31, 2006 (\$ in thousands):

Table of Contents

	Carrying Amount	Fair Value
Financial assets:		
Fixed maturity securities	\$3,334,645	\$3,334,645
Preferred stocks	10,772	10,772
Other invested asset	4,745	4,745
Short-term investments	27,123	27,123
Financial liabilities:		
Debt obligations	\$ 292,840	\$ 303,589

The fair value of fixed maturity securities, preferred stocks and short-term investments are based on quoted market prices at the reporting date for those or similar investments. Other invested asset represents an investment in Inter-Ocean Holdings, Ltd., a non-public reinsurance company. During 2006, based on a definitive agreement to sell our interest in Inter-Ocean Holdings, Ltd., we wrote down the carrying value of the investment and recorded a realized loss of \$255,000. During 2005 as a result of a routine evaluation of investments, we wrote down the carrying value of the investment in Inter-Ocean Holdings, Ltd. to its estimated net realizable value and recorded a realized loss of \$1,769,000. We have no ceded or assumed reinsurance business with Inter-Ocean Holdings, Ltd. The fair values of debt obligations are based on quoted market prices.

Item 8. Financial Statements and Supplementary Data

Our consolidated financial statements as of December 31, 2006 and 2005 and for each of the three years in the period ended December 31, 2006, together with the report thereon by KPMG LLP, our independent registered public accounting firm, are set forth on pages F-1 through F-47 hereto.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures**Disclosure Controls and Procedures**

Our management, including the Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and timely reported as specified in the SEC's rules and forms.

- 79 -

Table of Contents

Management's Annual Report on Internal Control Over Financial Reporting

Our management, including the Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act). Our management, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2006 based on the integrated framework published in September 1992 by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our internal control over financial reporting was effective in that it provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that provide reasonable assurance that transactions are recorded as necessary and that expenditures are being made only with proper authorization.

Our management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

KPMG LLP, the independent registered public accounting firm that audited the consolidated financial statements in this report, has issued an attestation report on management's assessment of our internal control over financial reporting, which report is set forth on page 81 of this Report on Form 10-K.

Changes in Internal Control over Financial Reporting

No changes occurred during the quarter ended December 31, 2005 in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

New York Stock Exchange Certification

On May 10, 2006, we filed with the New York Stock Exchange the annual certification of our President and Chief Executive Officer, certifying that he was not aware of any violation by us of the New York Stock Exchange's corporate governance listing standards.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders

Platinum Underwriters Holdings, Ltd.:

We have audited management's assessment, included in the accompanying Management's Report on Internal Control Over Financial Reporting, that Platinum Underwriters Holdings, Ltd. maintained effective internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

In our opinion, management's assessment that Platinum Underwriters Holdings, Ltd. maintained effective internal control over financial reporting as of December 31, 2006, is fairly stated, in all material respects, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Also in our opinion, Platinum Underwriters Holdings, Ltd. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Table of Contents

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Platinum Underwriters Holdings, Ltd. and subsidiaries as of December 31, 2006 and 2005, and the related consolidated statements of operations and comprehensive income (loss), shareholders equity, and cash flows for each of the years in the three-year period ended December 31, 2006, and our report dated February 27, 2007 expressed an unqualified opinion on these consolidated financial statements. Our report refers to a change in the method of accounting for share-based payments in 2006.

/s/ KPMG LLP

New York, New York

February 27, 2007

- 82 -

Table of Contents

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item relating to our directors, executive officers and corporate governance is incorporated herein by reference to Proposal 1 Election of Directors under the headings Information Concerning Nominees, Information Concerning Executive Officers, Board of Directors, Audit Committee and Section 16(a) Beneficial Ownership Reporting Compliance of our definitive proxy statement to be filed pursuant to Regulation 14A of the Exchange Act for our 2007 Annual General Meeting of Shareholders (our Proxy Statement). We intend to file the Proxy Statement prior to April 30, 2007.

Code of Ethics

We have adopted a written Code of Ethics within the meaning of Item 406 of Regulation S-K of the Exchange Act. Our Code of Ethics applies to all of our directors and employees including, without limitation, our principal executive officer, our principal financial officer, our principal accounting officer and all of our employees performing financial or accounting functions. A copy of our Code of Ethics is posted on our website at www.platinumre.com and may be found under the Investor Relations section by clicking on Corporate Governance. In the event that we make any amendment to, or grant any waiver from, a provision of our Code of Ethics that requires disclosure under Item 5.05 of Form 8-K, we will post such information on our website at the location specified above. We will provide, without charge, a copy of our Code of Ethics to any person submitting such request to our corporate secretary at our principal executive offices.

Item 11. Executive Compensation

The information required by this Item relating to executive compensation is incorporated herein by reference to Proposal 1 Election of Directors under the heading Executive Compensation of our Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The information required by this Item relating to security ownership of certain beneficial owners and management and related shareholder matters is incorporated herein by reference to Proposal 1 Election of Directors under the headings Security Ownership of Certain Beneficial Owners and Security Ownership of Management of our Proxy Statement.

Equity Based Compensation Information

The following table summarizes information as of December 31, 2006 relating to our equity based compensation plans pursuant to which grants of options, restricted shares, share appreciation rights, share units or other rights to acquire shares may be granted from time to time.

Table of Contents

Plan Category	(a) Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted- Average Exercise Price of Outstanding Options, Warrants and Rights	(c) Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders (1)	3,786,915	\$ 24.20	5,564,492
Equity compensation plans not approved by security holders			
Total	3,786,915	\$ 24.20	5,564,492

(1) These plans consist of the 2002 Share Incentive Plan, which was approved by our shareholders at the 2004 Annual General Meeting of Shareholders, the 2006 Share Incentive Plan, which was approved by our shareholders at the 2006 Annual General Meeting of Shareholders and replaced the 2002 Share Incentive Plan, and the Share Incentive Plan for

Nonemployee
Directors which
was approved
by our sole
shareholder
prior to our
initial public
offering in
2002.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item relating to certain relationships and related transactions and director independence is incorporated by reference to Proposal 1 Election of Directors under the headings Transactions with Related Persons and Independence of Directors of our Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this Item relating to principal accountant fees and services is incorporated herein by reference to Proposal 2 Ratification of Selection of the Independent Registered Public Accounting Firm for the 2007 Fiscal Year of our Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

Financial Statements

Our consolidated financial statements as of December 31, 2006 and 2005 and for each of the years in the three-year period ended December 31, 2006, together with the report thereon by KPMG LLP, our independent registered public accounting firm, are set forth on pages F-1 through F-47 hereto.

Schedules Supporting Financial Statements

The schedules relating to our consolidated financial statements as of December 31, 2006 and 2005 and for each of the three years in the period ended December 31, 2006, together with the independent registered public accounting firm's report thereon, are set forth on pages S-1 through S-8 hereto. Schedules not referred to have been omitted as inapplicable or not required by Regulation S-X.

Table of Contents

Exhibits

Exhibit Number	Description
2.1	Formation and Separation Agreement dated October 28, 2002 between The St. Paul Companies, Inc. and Platinum Holdings. ⁽²⁾
3(i).1	Memorandum of Association of Platinum Holdings. ⁽¹⁾
3(ii).1	Bye-Laws of Platinum Holdings. ⁽²⁷⁾
3(ii).2	Certificate of Designation of 6% Series A Mandatory Convertible Preferred Shares of Platinum Holdings dated December 1, 2005. ⁽²²⁾
4.1	Form of Certificate of the Common Shares of Platinum Holdings. ⁽²⁾
4.2	Indenture dated October 10, 2002 among Platinum Holdings, Platinum Finance and JP Morgan Chase. ⁽²⁾
4.3	Indenture Supplement dated November 1, 2002 among Platinum Holdings, Platinum Finance and JP Morgan Chase. ⁽²⁾
4.4	Second Supplemental Indenture dated August 16, 2005 between Platinum Holdings, Platinum Finance and JP Morgan Chase. ⁽¹⁸⁾
4.5	Indenture dated May 26, 2005 between Platinum Holdings, Platinum Finance and JP Morgan Chase. ⁽¹⁵⁾
4.6	First Supplemental Indenture dated May 26, 2005 between Platinum Holdings, Platinum Finance and JP Morgan Chase. ⁽¹⁵⁾
4.7	Second Supplemental Indenture dated as of November 2, 2005 among Platinum Finance, Platinum Holdings and JP Morgan Chase. ⁽²⁰⁾
4.8	Purchase Contract Agreement dated November 1, 2002 between Platinum Holdings and JP Morgan Chase. ⁽²⁾
4.9	Form of Senior Note of Platinum Finance. ⁽²⁾
4.10	Form of Guarantee of Platinum Holdings. ⁽²⁾
4.11	Exchange and Registration Rights Agreement dated May 26, 2005 among Platinum Holdings, Platinum Finance and Goldman, Sachs & Co. ⁽¹⁵⁾
4.12	Exchange and Registration Rights Agreement dated August 16, 2005 between Platinum Holdings, Platinum Finance, and Goldman, Sachs & Co. and Merrill Lynch. ⁽¹⁸⁾
4.13	Transfer Restrictions, Registration Rights and Standstill Agreement dated November 1, 2002 between Platinum Holdings and Renaissance Re. ⁽²⁾

- 4.14 Amendment No. 1 dated December 5, 2005 to the Transfer Restrictions, Registration Rights and Standstill Agreement dated November 1, 2002 between Platinum Holdings and RenaissanceRe. ⁽²²⁾
- 10.1* Share Unit Plan for Non-Employee Directors. ⁽²⁴⁾
- 10.2* Form of Nonemployee Director Share Unit Award Agreement. ⁽²³⁾

- 85 -

Table of Contents

Exhibit Number	Description
10.3*	2002 Share Incentive Plan (2004 Update). ⁽⁵⁾
10.4*	2002 Share Incentive Plan (UK Sub-Plan) (included in Exhibit 10.3). ⁽⁵⁾
10.5*	2006 Share Incentive Plan. ⁽³⁰⁾
10.6 *	Amended and Restated Annual Incentive Plan. ⁽²⁶⁾
10.7*	Section 162(m) Performance Incentive Plan. ⁽⁵⁾
10.8*	Executive Retirement Savings Plan. ⁽⁵⁾
10.9*	Executive Bonus Deferral Plan. ⁽⁵⁾
10.10*	Amended and Restated Executive Incentive Plan. ⁽²⁶⁾
10.11*	Form of EIP Share Unit Award Agreement. ⁽²³⁾
10.12*	Capital Accumulation Plan. ⁽²⁾
10.13*	Form of Nonqualified Share Option Agreement (Employee). ⁽⁹⁾
10.14*	Form of Nonqualified Share Option Agreement (New Nonemployee Director). ⁽⁹⁾
10.15*	Form of Nonqualified Share Option Agreement (Annual Nonemployee Director). ⁽⁹⁾
10.16*	Form of Time-Based Share Unit Award Agreement. ⁽⁹⁾
10.17*	Form of Special Share Unit Award Agreement. ⁽⁹⁾
10.18*	Form of Restricted Share Award Agreement. ⁽⁹⁾
10.19*	Employment Agreement dated November 1, 2005 between Platinum Holdings and Michael E. Lombardozzi. ⁽²¹⁾
10.20*	Amended Letter Agreement dated October 27, 2005 between Platinum Holdings and Steven H. Newman. ⁽¹⁹⁾
10.21*	Amended Consulting Agreement dated October 27, 2005 between Platinum US, Steven H. Newman and SHN Enterprises, Inc. ⁽¹⁹⁾
10.22*	Amendment dated April 27, 2005 to the Letter Agreement between Platinum US and SHN dated March 1, 2002. ⁽¹¹⁾
10.23*	Employment Agreement dated August 4, 2004 between Michael D. Price and Platinum Holdings. ⁽⁶⁾

- 10.24* Amendment dated February 21, 2007 to the Employment Agreement dated August 4, 2004 between Michael D. Price and Platinum Holdings. ⁽²⁶⁾
- 10.25* Employment Agreement dated June 24, 2004 between Joseph F. Fisher and Platinum Holdings. ⁽⁶⁾
- 10.26* Amended and Restated Letter Agreement dated February 26, 2006 between Platinum Holdings and Gregory E.A. Morrison. ⁽²³⁾

- 86 -

Table of Contents

Exhibit Number	Description
10.27*	Employment Agreement dated February 26, 2006 between Platinum Bermuda and Robert S. Porter. (23)
10.28*	Letter Agreement dated July 25, 2006 between H. Elizabeth Mitchell and Platinum US. (24)
10.29	Capital Support Agreement dated November 26, 2002 between Platinum Holdings and Platinum US. (2)
10.30	Option Agreement dated November 1, 2002 between St. Paul and Platinum Holdings. (2)
10.31	Amendment dated January 10, 2005 to the Option Agreement dated November 1, 2002 among St. Paul Reinsurance Company Limited, Platinum Holdings and St. Paul. (8)
10.32	Amendment dated January 10, 2005 to the Option Agreement dated November 1, 2002 between St. Paul and Platinum Holdings. (8)
10.33	Investment Management Agreement dated May 12, 2005 between Platinum US and Hyperion Capital Management, Inc. (12)
10.34	Investment Management Agreement dated May 12, 2005 between Platinum Bermuda and Hyperion Capital Management, Inc. (12)
10.35	Investment Management Agreement dated May 12, 2005 between Platinum Holdings, Platinum Bermuda, Platinum Regency and BlackRock Financial Management, Inc. (12)
10.36	Investment Management Agreement dated May 12, 2005 between Platinum UK and BlackRock Financial Management, Inc. (12)
10.37	Investment Management Agreement dated May 12, 2005 between Platinum US, Platinum Finance and BlackRock Financial Management, Inc. (12)
10.38	Investment Agreement dated September 20, 2002 among Platinum Holdings, St. Paul, and RenaissanceRe. (2)
10.39	First Amendment dated November 1, 2002 to the Investment Agreement dated September 20, 2002 among Platinum Holdings, St. Paul, and RenaissanceRe. (2)
10.40	Option Agreement dated November 1, 2002 between Platinum Holdings and RenaissanceRe. (2)
10.41	Amended and Restated Option Agreement dated November 18, 2004 between Platinum Holdings and RenaissanceRe. (7)
10.42	Services and Capacity Reservation Agreement dated November 1, 2002 between Platinum Holdings and RenaissanceRe. (2)
10.43	

Edgar Filing: ASSURANT INC - Form S-3ASR

Quota Share Retrocession Agreement dated November 26, 2002 between Platinum Bermuda and Platinum UK. ⁽²⁾

10.44 Quota Share Retrocession Agreement dated March 27, 2003 between Platinum Bermuda and Platinum UK. ⁽⁵⁾

10.45 Addendum No. 1 effective April 1, 2003 to the Quota Share Retrocession Agreement dated March 27, 2003, between Platinum Bermuda and Platinum UK. ⁽⁵⁾

- 87 -

Table of Contents

Exhibit Number	Description
10.46	Addendum No. 2 effective March 27, 2003 to the Quota Share Retrocession Agreement dated March 27, 2003, between Platinum Bermuda and Platinum UK. ⁽⁵⁾
10.47	Addendum No. 3 effective April 1, 2005 to the Quota Share Reinsurance Agreement dated March 27, 2003 between Platinum Bermuda and Platinum UK. ⁽¹⁰⁾
10.48	Security Agreement dated November 26, 2002 between Platinum Bermuda and Platinum UK. ⁽²⁾
10.49	Addendum No. 1 effective January 1, 2004 to the Security Agreement dated November 26, 2002, between Platinum Bermuda and Platinum UK. ⁽⁵⁾
10.50	Control Agreement dated November 26, 2002 among Platinum Bermuda, Platinum UK and State Street Bank. ⁽²⁾
10.51	Discretionary Investment Advisory Agreement dated November 26, 2002 between Platinum Bermuda and Platinum UK. ⁽²⁾
10.52	Trust Agreement effective January 1, 2003 among Platinum Bermuda, Platinum US and State Street Bank. ⁽³⁾
10.53	Quota Share Retrocession Agreement dated May 13, 2003 between Platinum Bermuda and Platinum US. ⁽³⁾
10.54	Addendum No. 1 dated December 31, 2003 to the Quota Share Retrocession Agreement dated May 13, 2003, between Platinum Bermuda and Platinum US. ⁽⁴⁾
10.55	Addendum No. 2 effective as of April 1, 2005 to the Quota Share Retrocession Agreement between Platinum Bermuda and Platinum US. ⁽¹³⁾
10.56	Quota Share Retrocession Agreement dated May 6, 2004 between Platinum Bermuda and Platinum US. ⁽⁶⁾
10.57	Amended and Restated Quota Share Retrocession Agreement dated January 1, 2006 between Platinum Bermuda and Platinum US. ⁽²⁷⁾
10.58	Excess of Loss Retrocession Agreement by and between Platinum Bermuda and Platinum US dated as of April 1, 2006. ⁽²⁸⁾
10.59	Quota Share Retrocession Agreement by and between Platinum Underwriters Bermuda, Ltd. and Platinum Re (UK) Limited dated as of January 1, 2006. ⁽²⁸⁾
10.60	Excess of Loss Retrocession Agreement effective as of April 1, 2005 between Platinum US and Platinum UK. ⁽¹³⁾
10.61	Termination Addendum effective December 31, 2006 to Amended and Restated Quota Share Retrocession Agreement dated April 11, 2006 between Platinum Bermuda and Platinum US.

10.62 Casualty and Specialty Quota Share Retrocession Agreement between Platinum Bermuda and Platinum US dated as of January 1, 2007.

- 88 -

Table of Contents

Exhibit Number	Description
10.63	Amended and Restated Credit Agreement, dated as of September 13, 2006, by and among the Company, certain subsidiaries of the Company, Wachovia Bank, National Association, Citibank, N.A., HSBC Bank USA, National Association, Bayerische Hypo-Und Vereinsbank AG and Comerica Bank as the Lenders, and Wachovia Bank, National Association, as Administrative Agent. ⁽²⁵⁾
10.64	List of Contents of exhibits and Schedules to the Amended and Restated Credit Agreement. ⁽²⁵⁾
10.65	Referral Agreement between Platinum Bermuda and Renaissance Underwriting Managers Ltd. ⁽³⁾
10.66	Referral Agreement between Platinum US and Renaissance Underwriting Managers Ltd. ⁽⁴⁾
10.67	Guaranty dated December 31, 2003 between Platinum Holdings and Platinum US. ⁽⁴⁾
10.68	Amendment No. 1 dated January 1, 2005 to Guaranty dated December 31, 2003 between Platinum Holdings and Platinum US. ⁽¹⁶⁾
10.69	Guarantee dated December 31, 2003 between Platinum Holdings and Platinum UK. ⁽⁴⁾
10.70	Purchase Agreement dated May 20, 2005 among Platinum Holdings, Platinum Finance and Goldman, Sachs & Co. ⁽¹⁴⁾
10.71	Remarketing Agreement dated August 8, 2005 among Platinum Holdings, Platinum Finance, Goldman, Sachs & Co. and Merrill Lynch. ⁽¹⁶⁾
10.72	Pledge Agreement dated November 1, 2002 among Platinum Holdings, State Street Bank and Trust Company and JP Morgan Chase. ⁽²⁾
21.1	Subsidiaries of Platinum Holdings.
23.1	Independent Registered Public Accounting Firm's Consent.
31.1	Certification of Michael D. Price, Chief Executive Officer of Platinum Holdings, pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Joseph F. Fisher, Chief Financial Officer of Platinum Holdings, pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1	Certification of Michael D. Price, Chief Executive Officer of Platinum Holdings, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Joseph F. Fisher, Chief Financial Officer of Platinum Holdings, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.

* Items denoted
with an asterisk

represent
management
contracts or
compensatory
plans or
arrangements.

- (1) Incorporated by
reference from
the Registration
Statement on
Form S-1
(Registration
No. 333-86906)
of Platinum
Holdings.

Table of Contents

- (2) Incorporated by reference from Platinum Holdings Annual Report on Form 10-K for the year ended December 31, 2002, filed with the SEC on March 31, 2003.

- (3) Incorporated by reference from Platinum Holdings Quarterly Report on Form 10-Q for the quarter ended June 30, 2003, filed with the SEC on August 14, 2003.

- (4) Incorporated by reference from Platinum Holdings Annual Report on Form 10-K for the year ended December 31, 2003, filed with the SEC on March 15, 2004.

- (5) Incorporated by reference from Platinum Holdings Quarterly Report on Form 10-Q for the quarter ended March 31, 2004,

filed with the
SEC on May 10,
2004.

(6) Incorporated by
reference from
Platinum
Holdings
Quarterly
Report on Form
10-Q for the
quarter ended
June 30, 2004,
filed with the
SEC on
August 6, 2004.

(7) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
November 18,
2004.

(8) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
January 11,
2005.

(9) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
February 23,
2005.

(10)

Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
April 14, 2005.

(11) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
April 28, 2005.

(12) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on May 13,
2005.

(13) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on May 18,
2005.

(14) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on May 24,
2005.

(15)

Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on May 27,
2005.

(16) Incorporated by
reference from
Platinum
Holdings
Quarterly
Report on Form
10-Q for the
quarter ended
June 30, 2005,
filed with the
SEC on
August 5, 2005.

(17) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
August 9, 2005.

(18) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
August 17,
2005.

(19) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the

SEC on
October 28,
2005.

(20) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
November 3,
2005.

(21) Incorporated by
reference from
Platinum
Holdings
Current Report
on Form 8-K,
filed with the
SEC on
November 21,
2005.

Table of Contents

- (22) Incorporated by reference from Platinum Holdings Current Report on Form 8-K, filed with the SEC on December 6, 2005.

- (23) Incorporated by reference from Platinum Holdings Current Report on Form 8-K, filed with the SEC on February 27, 2006.

- (24) Incorporated by reference from Platinum Holdings Current Report on Form 8-K, filed with the SEC on July 26, 2006.

- (25) Incorporated by reference from Platinum Holdings Current Report on Form 8-K, filed with the SEC on September 18, 2006.

- (26) Incorporated by reference from Platinum Holdings Current Report on Form 8-K,

filed with the
SEC on
February 22,
2007.

(27) Incorporated by
reference from
Platinum
Holdings
Quarterly
Report on Form
10-Q for the
quarter ended
March 31, 2006,
filed with the
SEC on
April 28, 2006.

(28) Incorporated by
reference from
Platinum
Holdings
Quarterly
Report on Form
10-Q for the
quarter ended
June 30, 2006,
filed with the
SEC on July 31,
2006.

(29) Incorporated by
reference from
Platinum
Holdings
Quarterly
Report on Form
10-Q for the
quarter ended
September 30,
2006, filed with
the SEC on
October 30,
2006.

(30) Incorporated by
reference from
the Registration
Statement on
Form S-8
(Registration

No.
333-133521) of
Platinum
Holdings, filed
with the SEC on
April 25, 2006.

- 91 -

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 21, 2007

PLATINUM UNDERWRITERS
HOLDINGS, LTD.

/s/ Michael D. Price
Michael D. Price
President and Chief Executive Officer

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

Signature	Title	Date
/s/ Michael D. Price	President, Chief Executive Officer and Director	February 21, 2007
Michael D. Price	(Principal Executive Officer)	
/s/ Joseph F. Fisher	Executive Vice President and Chief Financial Officer	February 21, 2007
Joseph F. Fisher	(Principal Financial Officer)	
/s/ James A. Krantz	Senior Vice President and Chief Accounting Officer	February 21, 2007
James A. Krantz	(Principal Accounting Officer)	
/s/ Steven H. Newman	Chairman of the Board of Directors	February 21, 2007
Steven H. Newman		
/s/ H. Furlong Baldwin	Director	February 21, 2007
H. Furlong Baldwin		
/s/ Jonathan F. Bank	Director	February 21, 2007
Jonathan F. Bank		
/s/ Dan R. Carmichael	Director	February 21, 2007
Dan R. Carmichael		
/s/ Robert V. Deutsch	Director	February 21, 2007
Robert V. Deutsch		
/s/ Peter T. Pruitt	Director	February 21, 2007

Peter T. Pruitt

- 92 -

Table of Contents

**PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
Table of Contents Page**

<u>Report of Independent Registered Public Accounting Firm</u>	Page F-2
<u>Consolidated Balance Sheets as of December 31, 2006 and 2005</u>	F-3
<u>Consolidated Statements of Operations and Comprehensive Income (Loss) for the years ended December 31, 2006, 2005 and 2004</u>	F-4
<u>Consolidated Statements of Shareholders' Equity for the years ended December 31, 2006, 2005 and 2004</u>	F-5
<u>Consolidated Statements of Cash Flows for the years ended December 31, 2006, 2005 and 2004</u>	F-6
<u>Notes to Consolidated Financial Statements</u>	F-7
	F-1

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
Platinum Underwriters Holdings, Ltd.:

We have audited the accompanying consolidated balance sheets of Platinum Underwriters Holdings, Ltd. and subsidiaries as of December 31, 2006 and 2005, and the related consolidated statements of operations and comprehensive income (loss), shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2006. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Platinum Underwriters Holdings, Ltd. and subsidiaries as of December 31, 2006 and 2005, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2006 in conformity with U. S. generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, in 2006, the Company changed its method of accounting for share-based payments.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Platinum Underwriters Holdings, Ltd. and subsidiaries' internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 27, 2007 expressed an unqualified opinion on management's assessment of, and the effective operation of, internal control over financial reporting.

/s/ KPMG LLP

New York, New York

February 27, 2007

F-2

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
 Consolidated Balance Sheets
 December 31, 2006 and 2005
 (amounts in thousands, except share data)

	2006	2005
ASSETS		
Investments:		
Fixed maturity available-for-sale securities at fair value (amortized cost \$3,276,970 and \$2,936,152, respectively)	\$ 3,226,354	\$ 2,888,922
Fixed maturity trading securities at fair value (amortized cost \$110,845 and \$99,141, respectively)	108,291	98,781
Preferred stocks (cost \$11,246 and \$8,735, respectively)	10,772	8,186
Other invested asset	4,745	5,000
Short-term investments	27,123	8,793
Total investments	3,377,285	3,009,682
Cash and cash equivalents	851,652	820,746
Accrued investment income	32,682	29,230
Reinsurance premiums receivable	377,183	567,449
Reinsurance recoverable on ceded losses and loss adjustment expenses	57,956	68,210
Prepaid reinsurance premiums	9,680	7,899
Funds held by ceding companies	238,499	291,629
Deferred acquisition costs	82,610	130,800
Income tax recoverable	7,515	24,522
Deferred tax assets	38,577	31,934
Due from investment broker	5,631	157,930
Other assets	14,297	14,344
Total assets	\$ 5,093,567	\$ 5,154,375
 LIABILITIES AND SHAREHOLDERS EQUITY		
Liabilities		
Unpaid losses and loss adjustment expenses	\$ 2,368,482	\$ 2,323,990
Unearned premiums	349,792	502,018
Reinsurance deposit liabilities	4,009	6,048
Debt obligations	292,840	292,840
Ceded premiums payable	17,597	22,544
Commissions payable	140,835	186,654
Deferred tax liabilities	4,234	118
Due to investment broker		259,834
Other liabilities	57,717	20,080
Total liabilities	3,235,506	3,614,126
Shareholders Equity	57	57

Edgar Filing: ASSURANT INC - Form S-3ASR

Preferred shares, \$.01 par value, 25,000,000 shares authorized, 5,750,000 shares issued and outstanding		
Common shares, \$.01 par value, 200,000,000 shares authorized, 59,671,959 and 59,126,675 shares issued and outstanding, respectively	597	590
Additional paid-in capital	1,545,979	1,527,316
Unearned share grant compensation		(2,467)
Accumulated other comprehensive loss	(44,289)	(40,718)
Retained earnings	355,717	55,471
 Total shareholders' equity	 1,858,061	 1,540,249
 Total liabilities and shareholders' equity	 \$ 5,093,567	 \$ 5,154,375

See accompanying notes to consolidated financial statements.

F-3

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
 Consolidated Statements of Operations and Comprehensive Income (Loss)
 For the years ended December 31, 2006, 2005 and 2004
 (amounts in thousands, except share data)

	2006	2005	2004
Revenue:			
Net premiums earned	\$ 1,336,701	1,714,723	\$ 1,447,935
Net investment income	187,987	129,445	84,532
Net realized gains (losses) on investments	1,090	(3,046)	1,955
Other income (expense)	(2,872)	(586)	3,211
Total revenue	1,522,906	1,840,536	1,537,633
Expenses:			
Net losses and loss adjustment expenses	760,602	1,505,425	1,019,804
Net acquisition expenses	285,923	403,135	327,821
Operating expenses	95,490	69,827	66,333
Net foreign currency exchange losses (gains)	(738)	2,111	(725)
Interest expense	21,805	20,006	9,268
Loss on repurchase of debt		2,486	
Total expenses	1,163,082	2,002,990	1,422,501
Income (loss) before income tax expense (benefit)	359,824	(162,454)	115,132
Income tax expense (benefit)	30,167	(24,967)	30,349
Net income (loss)	329,657	(137,487)	84,783
Preferred dividends	10,382	737	
Net income (loss) attributable to common shareholders	\$ 319,275	(138,224)	\$ 84,783
Earnings (loss) per common share:			
Basic earnings (loss) per common share	\$ 5.38	(3.01)	\$ 1.96
Diluted earnings (loss) per common share	\$ 4.96	(3.01)	\$ 1.81
Comprehensive income (loss):			
Net income (loss)	\$ 329,657	(137,487)	\$ 84,783
Other comprehensive income (loss):			
Net change in unrealized gains and losses on available-for-sale securities, net of deferred tax	(3,887)	(52,454)	(6,910)
Cumulative translation adjustments, net of deferred tax	316	(516)	388
Comprehensive income (loss)	\$ 326,086	(190,457)	\$ 78,261
Shareholder dividends:			

Edgar Filing: ASSURANT INC - Form S-3ASR

Preferred dividends declared	9,818		
Preferred dividends declared per share	1.71		
Common shareholder dividends declared	\$ 19,029	14,775	\$ 13,807
Dividends declared per common share	\$ 0.32	0.32	\$ 0.32

See accompanying notes to consolidated financial statements.

F-4

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
 Consolidated Statements of Shareholders' Equity
 For the years ended December 31, 2006, 2005 and 2004
 (amounts in thousands)

	2006	2005	2004
Preferred shares:			
Balances at beginning of year	\$ 57		\$
Issuance of preferred shares		57	
Balances at end of year	57	57	
Common shares:			
Balances at beginning of year	590	430	430
Exercise of share options	6	7	2
Issuance of restricted shares and shares for share units		1	
Issuance of common shares	1	152	1
Purchase of common shares			(3)
Balances at end of year	597	590	430
Additional paid-in-capital:			
Balances at beginning of year	1,527,316	911,851	910,505
Transfer of unearned common share grant compensation	(2,467)		
Exercise of share options	12,969	15,020	7,405
Issuance of restricted shares and shares for share units		3,274	
Share based compensation	7,995	3,516	2,358
Issuance of common shares		425,604	1,565
Issuance of preferred shares		167,451	
Purchase of common shares			(9,982)
Tax benefit of share options	166	600	
Balances at end of year	1,545,979	1,527,316	911,851
Unearned share grant compensation:			
Balances at beginning of year	(2,467)		
Transfer of unearned common share grant compensation	2,467		
Shares issued		(3,275)	
Amortization		808	
Balances at end of year		(2,467)	
Accumulated other comprehensive income (loss):			
Balances at beginning of year	(40,718)	12,252	18,774
	(3,887)	(52,454)	(6,910)

Edgar Filing: ASSURANT INC - Form S-3ASR

Net change in unrealized gains and losses on available-for-sale securities, net of deferred tax			
Net change in cumulative translation adjustments, net of deferred tax	316	(516)	388
Balances at end of year	(44,289)	(40,718)	12,252
Retained earnings:			
Balances at beginning of year	55,471	208,470	137,494
Net income (loss)	329,657	(137,487)	84,783
Preferred share dividends	(10,382)	(737)	
Common share dividends	(19,029)	(14,775)	(13,807)
Balances at end of year	355,717	55,471	208,470
Total shareholders equity	\$ 1,858,061	1,540,249	\$ 1,133,003

See accompanying notes to consolidated financial statements.

F-5

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2006, 2005 and 2004
(amounts in thousands)

	2006	2005	2004
Operating Activities:			
Net income (loss)	\$ 329,657	(137,487)	\$ 84,783
Adjustments to reconcile net income to cash used in operations:			
Depreciation and amortization	16,213	14,993	20,642
Net realized (gains) losses on investments	(1,090)	3,046	(1,955)
Loss on repurchase of debt		2,486	
Net foreign currency exchange (gains) losses	(738)	2,111	(725)
Share based compensation	7,995	4,424	2,358
Deferred income tax expense (benefit)	(2,613)	(24,590)	2,216
Trading securities activities	1,776	(21,235)	16,510
Changes in assets and liabilities:			
Increase in accrued investment income	(3,452)	(5,567)	(6,171)
(Increase) decrease in reinsurance premiums receivable	195,094	12,599	(92,607)
(Increase) decrease in funds held by ceding companies	53,130	(93,581)	(132,988)
(Increase) decrease in deferred acquisition costs	48,190	5,238	(56,731)
Increase (decrease) in net unpaid losses and loss adjustment expenses	37,188	887,563	641,062
Increase (decrease) in net unearned premiums	(154,007)	(5,417)	199,680
Increase (decrease) in reinsurance deposit liabilities	(2,039)	(14,141)	14,490
Increase (decrease) in ceded premiums payable	(4,947)	20,160	(3,821)
Increase (decrease) in commissions payable	(45,819)	4,729	5,615
Increase (decrease) in funds withheld		(11,999)	11,999
(Increase) decrease in income tax recoverable	17,174	(22,595)	8,035
Changes in other assets and liabilities	35,496	(23,598)	1,944
Other net	(407)	535	397
 Net cash provided by operating activities	 526,801	 597,674	 714,733
 Investing Activities:			
Proceeds from sale of available-for-sale securities	348,142	891,799	498,945
Proceeds from maturity or paydown of available-for-sale securities	270,939	97,931	136,472
Acquisition of available-for-sale securities	(1,083,282)	(1,711,505)	(1,230,895)
Increase in short-term investments	(15,822)	(8,793)	
 Net cash used in investing activities	 (480,023)	 (730,568)	 (595,478)
 Financing Activities:			
Dividends paid to preferred shareholders	(9,818)		
Dividends paid to common shareholders	(19,029)	(14,775)	(13,807)

Edgar Filing: ASSURANT INC - Form S-3ASR

Proceeds from exercise of share options	12,975	15,027	7,406
Net proceeds from issuance of common shares		425,756	1,567
Net proceeds from issuance of preferred shares		167,509	
Net proceeds from issuance of debt securities		246,900	
Purchase of common shares			(9,985)
Repurchase of debt obligations		(96,674)	
Net cash provided by (used in) financing activities	(15,872)	743,743	(14,819)
Net increase in cash and cash equivalents	30,906	610,849	104,436
Cash and cash equivalents at beginning of year	820,746	209,897	105,461
Cash and cash equivalents at end of year	\$ 851,652	820,746	\$ 209,897
Supplemental disclosures of cash flow information:			
Income taxes paid	\$ 15,602	33,569	\$ 8,549
Interest paid	\$ 21,479	17,662	\$ 7,442
See accompanying notes to consolidated financial statements.			

F-6

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements

1. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

Platinum Underwriters Holdings, Ltd. (Platinum Holdings) is a Bermuda holding company organized in 2002. Platinum Holdings and its subsidiaries (the Company) operate through three licensed reinsurance subsidiaries: Platinum Underwriters Bermuda, Ltd. (Platinum Bermuda), Platinum Underwriters Reinsurance, Inc. (Platinum US) and Platinum Re (UK) Limited (Platinum UK). 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.

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). These financial statements reflect the consolidated position of the Company, including Platinum Bermuda, Platinum US, Platinum UK, Platinum Underwriters Finance, Inc. (Platinum Finance), Platinum Regency Holdings (Platinum Regency), Platinum Administrative Services, Inc. and Platinum UK Services Company Limited. Platinum Regency is an intermediate holding company based in Ireland and a wholly owned subsidiary of Platinum Holdings. Platinum Finance is a U.S. based intermediate holding company and a wholly owned subsidiary of Platinum Regency. Platinum Administrative Services, Inc. is a U.S. based service company providing financial, legal and information systems support services to various subsidiaries of the Company. Platinum UK Services Company Limited is a wholly owned subsidiary of Platinum Bermuda based in the United Kingdom that provides administrative services to Platinum Bermuda. All material intercompany transactions have been eliminated in preparing these consolidated financial statements.

Summary of Significant Accounting Policies

Investments

Fixed maturity securities we own that we may not have the positive intent to hold until maturity and preferred stocks are classified as available-for-sale and reported at fair value, with unrealized gains and losses excluded from net income and reported in other comprehensive income (loss) as a separate component of shareholders' equity, net of deferred tax. Fixed maturity securities we own and have the intent to sell prior to maturity are classified as trading securities and reported at fair value, with unrealized gains and losses included in other income and the related deferred income tax included in income tax expense. Securities classified as trading securities are generally foreign currency denominated securities intended to match net liabilities denominated in foreign currencies in order to minimize net exposures arising from fluctuations in foreign currency exchange rates. The fair values of fixed maturity securities and preferred stocks are based on quoted market prices at the reporting date for those or similar securities.

Premiums and discounts on fixed maturity securities are amortized into interest income over the life of the security under the effective yield method. Premiums and discounts on mortgage-backed and asset-backed securities are amortized into interest income based on prepayment assumptions obtained from outside investment managers. These assumptions are consistent with the current interest rate and economic environment. The prospective adjustment method is used to value mortgage-backed and asset-backed securities.

Realized gains and losses on sales of securities are determined on the basis of the specific identification method. If we determine that an unrealized loss on a security is other than temporary , we

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

write down the carrying value of the security to fair value and record a realized loss in the consolidated statement of operations.

Other invested asset represents an investment in Inter-Ocean Holdings, Ltd., a non-public reinsurance company, and is carried at estimated net realizable value.

Short-term investments are carried at cost, which approximates fair value. Short-term investments mature within one year from the purchase date.

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost, which approximates fair value, and include all securities that, at their purchase date, have a maturity of less than 90 days. Cash and cash equivalents consist primarily of investments in money market funds, time deposits and short-term obligations of the U.S. government and its agencies.

Premium Revenues

Assumed reinsurance premiums are recognized as revenues when premiums become earned, which generally occurs proportionately over the coverage period. Net premiums earned are recorded in the consolidated statement of operations, net of the cost of retrocession. Net premiums written not yet recognized as revenue are recorded in the consolidated balance sheet as unearned premiums, gross of any ceded unearned premiums.

Due to the nature of reinsurance, ceding companies routinely report and remit premiums subsequent to the contract coverage period. Consequently, reinsurance premiums written include estimates of premiums that are written but not reported (WBNR). In addition to estimating WBNR, we estimate the portion of premium earned but not reported (EBNR). The estimates of WBNR and EBNR are based on amounts reported by the ceding companies, information obtained during audits and other information received from ceding companies. We also estimate the expenses associated with EBNR in the form of losses, loss adjustment expenses (LAE) and commissions. As actual premiums are reported by ceding companies, management evaluates the appropriateness of the premium estimates and any adjustments to these estimates, to the extent they represent earned premiums, are accounted for as changes in estimates and are reflected in the results of operations in the period in which they are made. Adjustments to original premium estimates could be material and could significantly impact earnings in the period they are recorded.

Certain of our reinsurance contracts include provisions that adjust premiums or acquisition expenses based upon the experience under the contracts. Premiums or commissions are adjusted in such instances based on actual loss experience under the contracts. Reinstatement premiums are the premiums charged for the restoration of the reinsurance limit of a reinsurance contract to its full amount, generally coinciding with the payment by the reinsurer of losses. These premiums relate to the future coverage obtained for the remainder of the initial contract term and are earned over the remaining contract term. Any unearned premium existing at the time a contract limit is exhausted or reinstated is immediately earned. Additional premiums are premiums triggered by losses and are immediately earned. Reinstatement premiums and additional premiums are recognized in accordance with the provisions of assumed reinsurance contracts, based on loss experience under such contracts. An allowance for

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

uncollectible premiums is established for possible non-payment of such amounts due, as deemed necessary. As of December 31, 2006 and 2005 no such allowances were made based on our historical experience, the general profile of our ceding companies and our ability in most cases to contractually offset those premium receivables with losses and LAE or other amounts payable to the same parties.

Funds Held by Ceding Companies

We write business on a funds held basis. Under these contractual arrangements, the ceding company holds the net funds that would otherwise be remitted to us and generally credits the funds held balance with interest income. The general objective of the funds held balances is to provide the ceding company with collateral for our obligations to them. We bear the credit risk in the event that the ceding company fails to remit the net funds held balances, however, that credit risk is mitigated by the contractual ability to offset funds held balances with any loss amounts owed by us.

Deferred Acquisition Costs

Costs of acquiring business, consisting primarily of commissions and other underwriting expenses that vary with and are directly related to the production of business, are deferred and amortized over the period that the corresponding premiums are earned. On a regular basis, an analysis of the recoverability of deferred acquisition costs is performed based on the estimated profitability of the underlying reinsurance contracts including anticipated investment income. Any adjustments are reflected in the results of operations in the period in which they are made. A liability is established, if necessary, to provide for losses that may exceed the related unearned premiums. Deferred acquisition costs amortized in 2006, 2005 and 2004 were \$220,758,000, \$299,560,000 and \$224,307,000, respectively.

Debt Obligations and Deferred Debt Issuance Costs

Costs incurred in issuing debt are capitalized and amortized over the life of the debt. In 2002, the net proceeds from the sale of our Equity Security Units (ESU s) were allocated between the purchase contracts and the senior notes based on the underlying fair value of each instrument. The present value of the purchase contract adjustment payments was initially charged to shareholders' equity, with an offsetting credit to liabilities. Subsequent contract adjustment payments were allocated between this liability account and interest expense based on a constant rate calculation over the life of the transaction.

Unpaid Losses and LAE

Unpaid losses and LAE are estimated based upon reports received from ceding companies, supplemented by our estimates of losses for which ceding company reports have not been received, our historical experience for unreported claims and industry experience for unreported claims. Unpaid losses and LAE include estimates of the cost of claims that were reported, but not yet paid, and the cost of claims incurred but not yet reported (IBNR).

Unpaid losses and LAE represent management's best estimate at a given point in time and are subject to the effects of trends in loss severity and frequency. These estimates are reviewed regularly and adjusted as experience develops or new information becomes available. Any such adjustments are accounted for as changes in estimates and reflected in the results of operations in the period in which they are made. It is possible that the ultimate liability may materially differ from such estimates.

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Reinsurance Ceded

Premiums written, premiums earned and net losses and LAE reflect the net effects of assumed and ceded reinsurance transactions. Reinsurance accounting is followed for assumed and ceded transactions when risk transfer requirements have been met. Risk transfer analysis evaluates significant assumptions relating to the amount and timing of expected cash flows, as well as the interpretation of underlying contract terms. Reinsurance contracts that do not transfer sufficient insurance risk are accounted for as deposits.

Estimated amounts recoverable from retrocessionaires on unpaid losses and LAE are determined based on our estimate of assumed ultimate losses and LAE and the terms and conditions of our retrocessional contracts. The estimates of retroceded amounts recoverable are reflected as assets.

Reinsurance Deposit Liabilities

Reinsurance contracts that we enter into which are not deemed to transfer sufficient insurance risk are accounted for as deposits, whereby liabilities are initially recorded for the same amount as assets received. Interest expense related to the deposit is recognized as incurred. Profit margins are earned over the settlement period of the contractual obligations.

Earnings Per Common Share

Basic earnings per common share is computed by dividing net income (loss) attributable to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflects the basic earnings per share adjusted for the potential dilution that would occur if outstanding common share options were exercised and considers the conversion of preferred shares and the outstanding purchase contracts relating to the ESUs that were outstanding as of December 31, 2004. Securities that are convertible into common shares that are anti-dilutive are not included in the calculation of diluted earnings per share.

If the effect of either the issuance of common shares in exchange for debt or preferred shares is dilutive to earnings per share, it is included in the calculation of diluted earnings per share as if the common shares were exchanged or issued and the proceeds received were used to pay down the debt at the beginning of the reporting period.

Income Taxes

We apply the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applicable to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the change is enacted. A valuation allowance is established for deferred tax assets where it is more likely than not that future tax benefits will not be realized.

In July 2006, the FASB issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (an Interpretation of FASB Statement No. 109 (FIN 48)). FIN 48 prescribes a recognition

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries

Notes to Consolidated Financial Statements, continued

threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Under FIN 48, evaluation of a tax position is a two-step process. The first step is to determine whether it is more-likely-than-not that a tax position will be sustained upon examination, including the resolution of any related appeals or litigation based on the technical merits of the position. The second step is to measure a tax position that meets the more-likely-than-not threshold to determine the amount of benefit to be recognized in the financial statements. The tax position is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more-likely-than-not recognition threshold should be recognized in the first subsequent period in which the threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not criteria should be de-recognized in the first subsequent financial reporting period in which the threshold is no longer met.

FIN 48 is effective for fiscal years beginning after December 15, 2006. We do not expect the provisions of FIN 48 will have a material effect on our results of operations, financial condition or liquidity.

Share-Based Compensation

We adopted Statement of Financial Accounting Standards No. 123R *Share-Based Payment* (SFAS 123R) using the modified prospective method effective January 1, 2006. SFAS 123R establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. SFAS 123R requires that, prospectively, compensation costs be recognized for the fair value of all share options over their vesting period, including the cost related to the unvested portion of all outstanding share options as of December 31, 2005. The fair value of option awards is determined on the grant date using the Black-Scholes option pricing model and is amortized into earnings over the vesting period. The cumulative effect of the adoption of SFAS 123R was not material.

Prior to January 1, 2006, we accounted for share-based compensation using Statement of Financial Accounting Standards No. 123 *Accounting for Awards of Stock Based Compensation to Employees* and Statement of Financial Accounting Standards No. 148 *Accounting for Stock-Based Compensation-Transition and Disclosure* (SFAS 148). In accordance with the transition rules of SFAS 148, we elected to continue using the intrinsic value method of accounting established by Accounting Principles Board Opinion No. 25 *Accounting for Stock Issued to Employees* (APB 25) for our share-based awards granted to employees in 2002. Under APB 25, if the exercise price of our employee share options is equal to or greater than the fair market value of the underlying shares on the date of the grant, no compensation expense is recorded.

Had we calculated and recorded compensation expense for share option grants based on the fair value method described in SFAS 123R for options granted in 2002, net income (loss) and earnings (loss) per share, net of tax, for the years ended December 31, 2005 and 2004 would have been the pro forma amounts as indicated below (\$ in thousands, except per share data):

F-11

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	As Reported	Pro Forma
Year Ended December 31, 2005:		
Share-based compensation expense	\$ 3,799	\$ 8,149
Net loss	(138,224)	(142,574)
Basic loss per share	(3.01)	(3.11)
Diluted loss per share	(3.01)	(3.11)
Year Ended December 31, 2004:		
Share-based compensation expense	2,358	7,026
Net income	84,783	80,115
Basic earnings per share	1.96	1.86
Diluted earnings per share	\$ 1.81	\$ 1.72

The fair values of restricted share and restricted share unit awards are determined on the grant date and are amortized into earnings over the vesting period. There are limits on the transferability of the restricted shares and such restricted shares may be forfeited in the event of certain types of termination of the recipient's employment. The cost of performance based share awards are based on the estimated number of shares or share units that are expected to be issued at the end of the performance period. Through December 31, 2005, the unearned or unvested portion of the restricted shares issued is presented as a separate component of shareholders' equity.

Foreign Currency Exchange Gains and Losses

Our reporting currency is U.S. dollars. The functional currency of our subsidiaries is generally the currency of the local operating environment. Transactions conducted in other than functional and reporting currencies are remeasured into the subsidiary's functional currency, and the resulting foreign exchange gains and losses are included in net foreign currency exchange gains or losses. Functional currency based assets and liabilities are translated into U.S. dollars using current rates of exchange prevailing at the balance sheet date and the related translation adjustments are recorded as a separate component of accumulated other comprehensive income (loss), net of applicable deferred income tax. Foreign currency exchange gains and losses related to securities classified as trading securities are included in foreign currency exchange gains and losses.

Use of Estimates

Our financial statements include estimates and valuation assumptions that have an effect on the amounts reported. The most significant estimates are those relating to unpaid losses and LAE, written and unearned premium, valuation of investments and evaluation of risk transfer. These estimates are continually reviewed and adjustments made as necessary, but actual results could be significantly different than expected at the time such estimates are made. Results of changes in estimates are reflected in results of operations in the period in which the change is made.

Recently Issued Accounting Standards

In February 2006, the Financial Accounting Standards Board (the "FASB") issued Statement of

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Financial Accounting Standards No. 155, Accounting for Certain Hybrid Instruments, an amendment of FASB Statements No. 133 and 140 (SFAS 155). SFAS 155 becomes effective in 2007 and requires that investments in securitized financial instruments, such as mortgage-backed and asset-backed securities, be evaluated to identify whether they are freestanding derivatives or hybrid financial instruments containing an embedded derivative that requires bifurcation. The FASB subsequently issued additional guidance in the form of Implementation Issue B40. Implementation Issue B40 provides a narrow scope exception for certain securitized interests in prepayable financial assets, subject to certain criteria. Securitized financial instruments with the potential for prepayment will be evaluated under SFAS 155 and related guidance, possibly resulting in the bifurcation of an embedded derivative. The embedded derivative will be recorded at fair value, with unrealized gains and losses included in other income and the related deferred income tax included in income tax expense. SFAS 155 and related guidance is effective for all financial instruments acquired, issued, or subject to a remeasurement event occurring for the Company after December 31, 2006.

The Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin No. 108 (SAB 108) that provides guidance to SEC registrants on evaluating the effects of misstatements from prior year(s) when quantifying misstatements in the current year. We have adopted the provisions of SAB 108 as of January 1, 2007 and it did not have a material effect on our results of operations or financial condition.

2. Investments

Our available-for-sale fixed maturity securities and preferred stocks as of December 31, 2006 and 2005 were as follows (\$ in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2006:				
U.S. Government	\$ 155,766	64	2,036	\$ 153,794
Corporate bonds	1,529,400	609	24,853	1,505,156
Mortgage-backed and asset-backed securities	1,349,586	1,098	21,717	1,328,967
Municipal bonds	200,445	4	2,851	197,598
Foreign governments and states	41,773		934	40,839
Total available-for-sale fixed maturity securities	3,276,970	1,775	52,391	3,226,354
Preferred stocks	11,246		474	10,772
Total available-for-sale securities	\$ 3,288,216	1,775	52,865	\$ 3,237,126

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2005:				
U.S. Government	\$ 140,218	11	644	\$ 139,585
Corporate bonds	1,379,702	991	26,389	1,354,304
Mortgage-backed and asset-backed securities	1,159,250	598	17,917	1,141,931
Municipal bonds	215,237	125	3,001	212,361
Foreign governments and states	41,745		1,004	40,741
Total available-for-sale fixed maturity securities	2,936,152	1,725	48,955	2,888,922
Preferred stocks	8,735		549	8,186
Total available-for-sale securities	\$ 2,944,887	1,725	49,504	\$ 2,897,108

Amortized cost and fair value of available-for-sale fixed maturity securities by contractual maturity as of December 31, 2006 are shown below; actual maturities could differ from contractual maturities due to call or prepayment provisions (\$ in thousands):

	Amortized Cost	Fair Value
Due in one year or less	\$ 400,723	\$ 397,408
Due from one to five years	1,065,670	1,051,975
Due from five to ten years	258,003	249,685
Due in ten or more years	202,988	198,319
Mortgage and asset backed securities	1,349,586	1,328,967
Total	\$ 3,276,970	\$ 3,226,354

Investment income for the years ended December 31, 2006, 2005 and 2004 is summarized as follows (\$ in thousands):

	2006	2005	2004
Fixed maturity securities	\$ 148,708	114,234	\$ 82,038
Cash and cash equivalents	35,684	11,063	2,261
Funds held	7,998	8,172	2,651
	192,390	133,469	86,950
Less investment expenses	4,403	4,024	2,418
Net investment income	\$ 187,987	129,445	\$ 84,532

Net realized gains and losses from investments for the years ended December 31, 2006, 2005 and 2004 were as follows (\$ in thousands):

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	2006	2005	2004
Available-for-sale securities and other invested asset:			
Gross realized gains	\$ 1,591	4,333	\$ 5,554
Gross realized losses	316	7,503	3,144
Subtotal	1,275	(3,170)	2,410
Trading securities:			
Gross realized gains	1	272	151
Gross realized losses	186	148	606
Subtotal	(185)	124	(455)
Net realized gains (losses)	\$ 1,090	(3,046)	\$ 1,955

Proceeds from sales, maturities and calls of available-for-sale fixed maturity securities were \$619,081,000, \$989,730,000 and \$635,417,000 for the years ended December 31, 2006, 2005 and 2004, respectively. Proceeds from sales, maturities and calls of trading securities were \$24,562,000, \$71,238,000 and \$50,542,000 for the years ended December 31, 2006, 2005 and 2004, respectively. There were no sales of preferred stocks in 2006, 2005 or 2004. There were purchases of preferred stocks of \$4,985,000 in 2005. There were no purchases of preferred stocks in 2006 or 2004.

Net change in unrealized investment gains and losses for the years ended December 31, 2006, 2005 and 2004 were as follows (\$ in thousands):

	2006	2005	2004
Available for sale securities	\$ (3,311)	(61,018)	\$ (9,459)
Less deferred tax	(576)	8,564	2,549
Net change in unrealized gains and losses	\$ (3,887)	(52,454)	\$ (6,910)

Net change in unrealized investment gains (losses) on trading securities for the years ended December 31, 2006, 2005 and 2004 were (\$2,193,000), (\$102,000) and \$1,036,000, respectively, and is included in other income (expense).

Investments with a carrying value of \$4,319,000 were on deposit with regulatory authorities as of December 31, 2006. Investments with a carrying value of \$190,045,000 and cash and cash equivalents of \$4,594,000 as of December 31, 2006 were held in trust to collateralize liabilities ceded by The St. Paul Travelers Companies, Inc., formerly The St. Paul Companies, Inc., (St. Paul) to us under the reinsurance contracts entered into on or after January 1, 2002 (the Quota Share Retrocession Agreements). Investments with a carrying value of \$241,533,000 and cash and cash equivalents of \$11,637,000 as of December 31, 2006 were held in trust to collateralize obligations under various other reinsurance contracts. Investments with a carrying value of \$53,364,000 and cash and cash equivalents of \$36,333,000 as of December 31, 2006 were held in trust to collateralize letters of credit issued under a credit facility.

The unrealized losses of securities available-for-sale as of December 31, 2006 aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position were as follows (\$ in thousands):

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	Fair Value	Unrealized Loss
Less than twelve months:		
U.S. Government	\$ 46,214	\$ 741
Corporate bonds	399,866	1,854
Mortgage-backed and asset-backed securities	302,707	1,630
Municipal bonds	15,871	73
Foreign governments and states	5,976	96
Preferred stocks	2,406	105
Total	\$ 773,040	\$ 4,499
Twelve months or more:		
U.S. Government	\$ 85,450	\$ 1,295
Corporate bonds	1,028,912	22,999
Mortgage-backed and asset-backed securities	767,217	20,087
Municipal bonds	174,468	2,778
Foreign governments and states	34,863	838
Preferred stocks	8,365	369
Total	\$ 2,099,275	\$ 48,366
Total unrealized losses:		
U.S. Government	\$ 131,664	\$ 2,036
Corporate bonds	1,428,778	24,853
Mortgage-backed and asset-backed securities	1,069,924	21,717
Municipal bonds	190,339	2,851
Foreign governments and states	40,839	934
Preferred stocks	10,771	474
Total	\$ 2,872,315	\$ 52,865

We routinely review our available-for-sale investments to determine whether unrealized losses represent temporary changes in fair value or are the result of other-than-temporary impairments. The process of determining whether a security is other than temporarily impaired is subjective and involves analyzing many factors. These factors include but are not limited to: the overall financial condition of the issuer, the length and magnitude of an unrealized loss, specific credit events, and our ability and intent to hold a security for a sufficient period of time for the value to recover the unrealized loss, which is based in part, on current and anticipated future positive net cash flows from operations that generate sufficient liquidity in order to meet our obligations. If we determine that an unrealized loss on a security is other than temporary, we write down the carrying value of the security and record a realized loss in the consolidated statement of operations.

Corporate and mortgage-backed and asset-backed securities represent our largest categories within our available-for-sale portfolio and consequently account for the greatest amount of our overall unrealized loss as of December 31, 2006. Investment holdings within our corporate sector are diversified across approximately 30 sub-sectors, ranging from aerospace to telecommunications, and within each

F-16

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

sub-sector across many individual issuers and issues. As of December 31, 2006 there were 279 corporate issues in an unrealized loss position, with the single largest unrealized loss being \$652,000. Investment holdings within our mortgage-backed and asset-backed sector are diversified across a number of sub-categories, including asset-backed securities, collateralized mortgage obligations and federal and government agency mortgage-backed securities, with the single largest unrealized loss being \$997,000.

Overall, our unrealized loss position as of December 31, 2006 was primarily the result of interest rate increases that impacted all investment categories. We do not consider any of our available-for-sale investments to be other-than-temporarily impaired as of December 31, 2006.

During 2006, we entered into a definitive agreement to sell our interest in Inter-Ocean Holdings Ltd., our other invested asset. We wrote down the carrying value of the investment based on expected proceeds from this sale and recorded a realized loss of \$255,000. During 2005, as a result of the routine evaluation of investments, we wrote down the carrying value of the same other invested asset to its estimated net realizable value and recorded a realized loss of \$1,769,000. Other than these adjustments, we do not believe that our investment portfolio at December 31, 2006 contains any securities with an unrealized loss that is other-than-temporary.

The following table presents the carrying amounts and estimated fair values of our financial instruments as of December 31, 2006 and 2005 (\$ in thousands):

	December 31, 2006		December 31, 2005	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Fixed maturity securities	\$3,334,645	3,334,645	2,987,703	\$2,987,703
Preferred stocks	10,772	10,772	8,186	8,186
Short-term investments	27,123	27,123	8,793	8,793
Other invested asset	4,745	4,745	5,000	5,000
Financial liabilities:				
Debt obligations	\$ 292,840	303,589	292,840	\$ 296,708

The fair value of fixed maturity securities, preferred stocks, short-term investments and debt obligations are based on quoted market prices at the reporting date for those or similar investments. The fair value of the other invested asset is based on its estimated net realizable value.

3. Unpaid Losses and LAE

In 2005, three significant named hurricanes, Katrina, Rita and Wilma (the 2005 Hurricanes), caused severe damage in Louisiana, Mississippi, Texas, Florida and several other states in the Gulf Coast region of the United States as well as Mexico and the Caribbean. In 2004, four significant named hurricanes, Charley, Frances, Ivan and Jeanne (the 2004 Hurricanes), caused severe damage in the Caribbean and the southeastern United States, principally Florida.

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

As a result of losses arising from these catastrophic events, certain reinsurance contracts generated additional premiums and adjustments to accrued profit commissions. The aggregate net adverse impact on income before income taxes for the years ended December 31, 2005 and 2004 from the above mentioned hurricanes is summarized as follows (\$ in thousands):

	2005	2004
Gross losses and LAE	\$ 654,090	\$ 230,475
Retrocessional reinsurance	(73,800)	
Net losses and LAE	580,290	230,475
Additional net premiums earned	(46,666)	(29,265)
Profit commissions	(3,654)	(10,243)
Net adverse impact on income before income taxes	\$ 529,970	\$ 190,967

The net unfavorable impact on income before income taxes in 2006 from changes in estimates of the 2005 Hurricanes was \$4,160,000. The effect on income before income taxes of net development of the 2004 Hurricanes was immaterial in 2005 and 2006.

Activity in the liability for unpaid losses and LAE for the years ended December 31, 2006, 2005 and 2004 is summarized as follows (\$ in thousands):

	2006	2005	2004
Net unpaid losses and LAE as of the beginning of year	\$ 2,268,655	1,379,227	\$ 731,918
Net incurred related to:			
Current year	811,250	1,577,944	1,101,820
Prior years	(50,648)	(72,519)	(82,016)
Total incurred net losses and LAE	760,602	1,505,425	1,019,804
Net paid losses and LAE:			
Current year	96,112	210,306	174,870
Prior year	624,477	390,598	205,889
Total net paid losses and LAE	720,589	600,904	380,759
Effects of foreign currency exchange rate changes	17,559	(15,093)	8,264
Net unpaid losses and LAE as of the end of year	2,326,227	2,268,655	1,379,227
Reinsurance recoverable	42,255	55,335	1,728
Gross unpaid losses and LAE at end of year	\$ 2,368,482	2,323,990	\$ 1,380,955

The net favorable loss development in 2006, 2005 and 2004 related to prior years includes \$60,746,000, \$97,314,000 and \$57,151,000, respectively, of net favorable loss development primarily from property and certain other lines of business with relatively short patterns of reported losses. The net favorable loss development in 2006, 2005 and 2004 related to prior years also include increases in incurred losses and LAE associated with changes in estimates of premiums and the patterns of their earnings. The net increases (decreases) of losses and LAE related to

prior accident years arising from changes in premium estimates were \$10,098,000, \$24,795,000, and (\$24,865,000), in 2006, 2005 and

F-18

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

2004, respectively. The net effect of changes in premium estimates, after considering corresponding changes in related losses, LAE and acquisition expenses, was not significant.

The lines experiencing favorable loss development are primarily property coverages provided in both of the Property and Marine and Finite Risk segments as well as certain casualty classes with short loss development periods. During 2006, 2005 and 2004, actual reported losses were significantly less than expected for these short-tailed property and casualty lines resulting in reductions in estimated ultimate losses.

Because many of the reinsurance coverages we offer will likely involve claims that may not ultimately be settled for many years after they are incurred, subjective judgments as to ultimate exposure to losses are an integral and necessary component of the process of estimating unpaid losses and LAE. With respect to reinsurers, the inherent uncertainties of estimating unpaid losses and LAE are further exacerbated by the significant amount of time that often elapses between the occurrence of an insured loss, the reporting of that loss to the primary insurer and then to the reinsurer, and the primary insurer's payment of that loss to the insured and subsequent payment by the reinsurer to the primary insurer. Unpaid losses and LAE are reviewed quarterly using a variety of statistical and actuarial techniques to analyze current claim costs, frequency and severity data and prevailing economic, social and legal factors. While we commenced operations in 2002, the business we write is sufficiently similar to the historical reinsurance business of St. Paul that we are able to use the historical loss experience of this reinsurance business, which is periodically updated by St. Paul, to estimate our ultimate losses and LAE. Unpaid losses and LAE established in prior years are adjusted as loss experience develops and new information becomes available. Adjustments to previously estimated unpaid losses and LAE are reflected in financial results in the periods in which they are made.

In addition to the inherent uncertainty of estimating unpaid losses and LAE, our estimates with respect to the 2005 Hurricanes are subject to an unusually high level of uncertainty arising out of complex and unique causation and coverage issues associated with the attribution of losses to wind or flood damage or other perils such as fire, business interruption or riot and civil commotion. For example, the underlying policies generally do not cover flood damage; however, water damage caused by wind may be covered. Our actual losses from the 2005 Hurricanes may exceed our estimates as a result of, among other things, the attribution of losses to coverages that for the purpose of our estimates we assumed would not be exposed, which may be affected by class action lawsuits or state regulatory actions. We expect that these issues will not be resolved for a considerable period of time and may be influenced by evolving legal and regulatory developments.

4. Retrocessional Reinsurance

Reinsurance is the transfer of risk, by contract, from one insurance company to another for consideration of premium. Retrocessional reinsurance is reinsurance ceded by a reinsurer to insure against all or a portion of its reinsurance written. Retrocessional reinsurance agreements provide us with increased capacity to write larger risks, limit our maximum loss arising from any one occurrence and maintain our exposure to loss within our capital resources. Retrocessional reinsurance contracts do not relieve us from our obligations under our contracts. Failure of retrocessionaires to honor their obligations could result in losses to us. Consequently, we have a contingent liability to the extent of any unpaid losses and LAE ceded to another company. We evaluate the financial condition of our reinsurers and

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

monitor concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize our exposure to significant losses from reinsurer insolvencies.

During 2006, Platinum US and Platinum UK also entered into a retrocessional reinsurance agreement under which they cede, on a quota share basis, 30% of new and renewal property catastrophe business effective on or after January 1, 2006. Under this agreement, the retrocessionnaire is obligated to place premiums ceded, net of commissions, in trust for the benefit of Platinum US and Platinum UK as well as provide a letter of credit such that the combination of the two amounts will ultimately collateralize the limit of loss under this treaty. This agreement was not renewed in 2007. Platinum US also obtained from third party retrocessionnaires \$42,500,000 of excess-of-loss retrocession limit with respect to its property catastrophe business and \$10,000,000 of aggregate excess-of-loss retrocession limit with respect to crop business.

The effects of retrocessional reinsurance on premiums, losses and LAE for the years ended December 31, 2006, 2005 and 2004 are as follows (\$ in thousands):

	Assumed	Ceded	Net
As of and for the year ended December 31, 2006:			
Premiums written	\$1,275,200	98,587	\$1,176,613
Premiums earned	1,434,282	97,581	1,336,701
Losses and LAE	778,836	18,234	760,602
Unpaid losses and LAE	2,368,482	42,255	2,326,227
As of and for the year ended December 31, 2005:			
Premiums written	1,765,155	47,433	1,717,722
Premiums earned	1,757,139	42,416	1,714,723
Losses and LAE	1,594,737	89,312	1,505,425
Unpaid losses and LAE	2,323,990	55,335	2,268,655
As of and for the year ended December 31, 2004:			
Premiums written	1,659,790	13,777	1,646,013
Premiums earned	1,465,058	17,123	1,447,935
Losses and LAE	1,018,106	(1,698)	1,019,804
Unpaid losses and LAE	\$1,380,955	1,728	\$1,379,227

In 2003, Platinum US and Platinum UK entered into a quota share retrocession agreement with Platinum Bermuda. Platinum US retrocedes approximately 75% of its business to Platinum Bermuda and Platinum UK retrocedes approximately 55% of its business to Platinum Bermuda. In addition, effective April 1, 2005 Platinum UK and Platinum Bermuda entered into an excess-of-loss reinsurance agreement covering substantially all North American business assumed by Platinum Bermuda under which Platinum UK provides \$55,000,000 of coverage in excess of \$145,000,000 for each loss occurrence. This agreement was terminated effective December 31, 2005. Platinum US also reinsured Platinum UK for \$50,000,000 per occurrence on an excess-of-loss basis in excess of \$60,000,000 with respect to international property

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

business.

Effective January 1, 2006, Platinum US provided an excess-of-loss cover to Platinum UK, replacing the prior agreement terminated as of December 31, 2005. Pursuant to the excess-of-loss agreement Platinum US provides \$35,000,000 of coverage in excess of \$50,000,000. This agreement was terminated effective March 31, 2006. Effective April 1, 2006, Platinum US and Platinum Bermuda entered into an excess-of-loss reinsurance agreement under which Platinum US provides \$65,000,000 of coverage in excess of \$185,000,000 with respect to international property business. Effective January 1, 2006, Platinum UK also reinsured Platinum Bermuda for \$35,000,000 per occurrence on an excess-of-loss basis in excess of \$145,000,000 with respect to their business in North America and certain other territories. Following is a summary of the premiums earned and losses ceded from Platinum US and Platinum UK to Platinum Bermuda, from Platinum Bermuda to Platinum UK and Platinum US and from Platinum UK to Platinum US for the years ended December 31, 2006, 2005 and 2004 (\$ in thousands):

	2006	2005	2004
Retroceded by Platinum US to Platinum Bermuda:			
Premiums earned	\$666,331	697,992	\$515,869
Incurred losses and LAE	457,447	893,237	562,193
Retroceded by Platinum UK to Platinum Bermuda:			
Premiums earned	79,173	86,163	89,394
Incurred losses and LAE	28,113	54,657	57,830
Retroceded by Platinum Bermuda to Platinum UK:			
Premiums earned	4,583	8,250	
Incurred losses and LAE	19,678	55,000	
Retroceded by Platinum UK to Platinum US:			
Premiums earned	250	1,800	
Incurred losses and LAE			
Retroceded by Platinum Bermuda to Platinum US:			
Premiums earned	977		
Incurred losses and LAE	\$		\$

These transactions had no net effect on underwriting results in the consolidated financial statements.

5. Debt, Equity Security Units and Credit Facility*Debt*

In May 2005, Platinum Finance issued \$250,000,000 aggregate principal amount of Series A 7.5% Notes due June 1, 2017 (the Series A Notes), unconditionally guaranteed by Platinum Holdings. The Series A Notes were issued in a transaction exempt from the registration requirements under the Securities Act of 1933, as amended (the Securities Act). The proceeds of the Series A Notes were used

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

primarily to increase the capital of Platinum Bermuda and Platinum US. In November 2005, Platinum Finance completed an exchange offer through which they exchanged all of the Series A Notes for Series B Notes that have substantially the same terms and which were registered under the Securities Act (the Series B Notes). Interest is payable on the Series B Notes at a rate of 7.5% per annum on each June 1 and December 1, commencing on December 1, 2005. Platinum Finance may redeem the Series B Notes, at its option, at any time in whole, or from time to time in part, prior to maturity. The redemption price will be equal to the greater of: (i) 100 percent of the principal amount of the Series B Notes and (ii) the sum of the present values of the remaining scheduled payments of principal and interest, discounted to the redemption date on a semiannual basis at a comparable U.S. Treasury rate plus 50 basis points, plus in each case, interest accrued but not paid to the date of redemption.

Equity Security Units

In November 2002, we issued the ESUs each of which consisted of a contract to purchase our common shares in 2005 (the Purchase Contract) and an ownership interest in a 5.25% Senior Guaranteed Note, due November 16, 2005. On August 16, 2005, Platinum Finance successfully completed the remarketing of \$137,500,000 aggregate principal amount of the Senior Guaranteed Notes due November 16, 2007 at a price of 100.7738% with a reset interest rate of 6.371% (the Original Remarketed Notes). The Original Remarketed Notes were remarketed as 6.371% Senior Guaranteed Notes and then subsequently exchanged for Series B 6.371% Senior Guaranteed Notes (the Remarketed Notes) that have substantially the same terms and which were registered under the Securities Act. Interest is payable on the Remarketed Notes on May 16 and November 16 of each year. The Remarketed Notes are unconditionally guaranteed by Platinum Holdings. The remarketing was conducted on behalf of holders of the ESUs and neither Platinum Holdings nor Platinum Finance received any cash proceeds from the remarketing. Proceeds from the remarketing were used to purchase a portfolio of U.S. Treasury securities to collateralize the obligations of the holders of the ESUs under the related common share purchase contract and to pay the remarketing fee. There were no excess proceeds distributed to holders of the ESUs in connection with the remarketing. On November 16, 2005, we settled the Purchase Contract component by issuing 5,008,850 common shares, which generated cash proceeds to us of \$137,500,000. As a result of the settlement of the Purchase Contract component of the ESUs, the ESUs ceased to exist and are no longer traded on the New York Stock Exchange.

In December 2005, Platinum Finance completed a tender offer to repurchase all of the outstanding Original Remarketed Notes and Remarketed Notes. As a result, Platinum Finance repurchased \$94,660,000 of this debt and \$42,840,000 of the Remarketed Notes remains outstanding.

The following table shows the amount and maturities of debt obligations as of December 31, 2006 and 2005 (\$ in thousands):

	2006	2005
Series B Notes, 7.5%, due June 1, 2017	\$ 250,000	\$ 250,000
Series B Remarketed Notes, 6.371%, due November 16, 2007	42,840	42,840
Total debt obligations	\$ 292,840	\$ 292,840

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued*Credit Facility*

On October 21, 2005 we entered into a three-year \$200,000,000 credit agreement with a syndicate of lenders. On September 13, 2006, we amended and restated the existing agreement, increasing the term to five years and increasing the facility to \$400,000,000 (the Credit Facility). The amended and restated credit agreement consists of a \$150,000,000 senior unsecured credit facility available for revolving borrowings and letters of credit and a \$250,000,000 senior secured credit facility available for letters of credit. The revolving line of credit generally will be available for our working capital, liquidity and general corporate requirements and those of our subsidiaries. Platinum Holdings and Platinum Finance have guaranteed borrowings by our reinsurance subsidiaries. The interest rate on borrowings under the Credit Facility is based on our election of either: (1) LIBOR plus 50 basis points or (2) the higher of: (a) the prime interest rate of the lead bank providing the credit facility, or (b) the federal funds rate plus 50 basis points. The interest rate based on LIBOR rate would increase or decrease by up to 12.5 basis points should our senior unsecured debt credit rating increase or decrease. The Credit Facility requires us to satisfy various covenants, including several financial covenants. As of December 31, 2006, we were in compliance with all covenants under the Credit Facility.

We had approximately \$80,769,000 of letters of credit outstanding in favor of various cedants as of December 31, 2006. Letters of credit outstanding under the Credit Facility were \$80,694,000 as of December 31, 2006. Cash and cash equivalents of \$36,333,000 as of December 31, 2006 were held in trust to collateralize secured letters of credit issued under the Credit Facility. As of December 31, 2006, \$144,922,000 was available for borrowing on an unsecured basis and \$174,384,000 was available for borrowing on a secured basis under the Credit Facility.

6. Income Taxes

We provide income taxes based upon amounts reported in the financial statements and the provisions of currently enacted tax laws. Platinum Holdings and Platinum Bermuda are incorporated under the laws of Bermuda and are subject to Bermuda law with respect to taxation. Under current Bermuda law, they are not taxed on any Bermuda income or capital gains and they have received an assurance from the Bermuda Minister of Finance that if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to Platinum Holdings or Platinum Bermuda or any of their respective operations, shares, debentures or other obligations until March 28, 2016. Platinum Holdings has subsidiaries based in the United States, the United Kingdom and Ireland that are subject to the tax laws thereof.

Under current United States law, Platinum US is subject to a 35 percent U.S. corporate income tax rate. Under current United Kingdom law, Platinum UK is taxed at the U.K. corporate income tax rate (generally 30 percent). There is no withholding tax on dividends distributed from Platinum UK to Platinum Regency. Under current Irish law, Platinum Regency is taxed at a 25 percent corporate income tax rate on non-trading income and a 12.5 percent corporate income tax rate on trading income. There is no withholding tax on dividends distributed from Platinum Regency to Platinum Holdings.

We incurred approximately \$6,500,000 of withholding taxes associated with the transfer from Platinum Finance to Platinum Holdings of \$183,350,000 of the proceeds from the issuance of the Series A Notes in May 2005. This transaction is deemed to be a taxable distribution under U.S. tax law and

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

subject to U.S. withholding tax.

Income (loss) before income tax expense (benefit) for the years ended December 31, 2006, 2005 and 2004 by location is as follows (\$ in thousands):

	2006	2005	2004
United States	\$ 75,374	(66,181)	\$ 73,020
Bermuda	263,327	(73,165)	19,423
Other	21,123	(23,108)	22,689
Income before income tax expense (benefit)	\$ 359,824	(162,454)	\$ 115,132

Income tax expense (benefit) for the years ended December 31, 2006, 2005 and 2004 is comprised of current and deferred taxes as follows (\$ in thousands):

	2006	2005	2004
Current tax expense (benefit)	\$ 32,780	(377)	\$ 28,133
Deferred tax expense (benefit)	(2,613)	(24,590)	2,216
Total	\$ 30,167	(24,967)	\$ 30,349

A reconciliation of expected income tax expense (benefit), computed by applying a 35 percent income tax rate to income (loss) before income taxes (benefit), to income tax expense (benefit) for the years ended December 31, 2006, 2005 and 2004 is as follows (\$ in thousands):

	2006	2005	2004
Expected income tax expense (benefit) at 35%	\$ 125,938	(56,859)	\$ 40,296
Effect of income or loss subject to tax at rates other than 35%	(93,347)	26,474	(8,222)
Tax exempt investment income	(2,062)	(2,932)	(1,084)
U.S. withholding taxes deemed taxable transfer to foreign affiliate	(450)	6,500	
Other, net	88	1,850	(641)
Income tax expense (benefit)	\$ 30,167	(24,967)	\$ 30,349

The tax effects of temporary differences that give rise to the deferred tax assets and deferred tax liabilities as of December 31, 2006 and 2005 are as follows (\$ in thousands):

F-24

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	2006	2005
Deferred tax assets:		
Unpaid losses and LAE	\$ 34,433	\$ 45,516
Timing differences in recognition of expenses	1,448	
Unearned premiums	7,499	12,555
Net unrealized losses on investments	5,985	6,565
Other deferred tax assets	6,586	41
Total deferred tax assets	\$ 55,951	\$ 64,677
Deferred tax liabilities:		
Deferred acquisition costs	11,051	31,716
Timing differences in recognition of expenses		261
Unrealized net foreign currency exchange losses	10,557	884
Total deferred tax liabilities	21,608	32,861
Total net deferred tax assets (liabilities)	\$ 34,343	\$ 31,816

Income tax assets and liabilities are recorded by offsetting assets and liabilities by tax jurisdiction. The deferred tax assets and liabilities as of December 31, 2006 and 2005 are included in the consolidated balance sheets as follows (\$ in thousands):

	2006	2005
Platinum US deferred tax assets	\$ 49,627	\$ 64,871
Platinum US deferred tax liabilities	11,051	32,937
Net Platinum US deferred tax assets	38,576	31,934
Platinum UK deferred tax assets	6,585	1,073
Platinum UK deferred tax liabilities	10,818	1,191
Net Platinum UK deferred tax liabilities	4,233	118
Total net deferred tax assets (liabilities)	\$ 34,343	\$ 31,816

To evaluate the realization of the deferred tax assets, we consider the timing of the reversal of deferred income and expense items as well as the likelihood that we will generate sufficient taxable income to realize the future tax benefits. We believe that we will generate sufficient taxable income to realize the deferred assets and, consequently, no valuation allowance was established as of December 31, 2006 or 2005.

Income taxes paid in 2006, 2005 and 2004 were \$15,602,000, \$33,569,000 and \$8,549,000, respectively.

7. Shareholders Equity and Regulation

Platinum Holdings is authorized to issue up to 200,000,000 common shares, \$0.01 par value, and 25,000,000 preferred shares, \$0.01 par value. As of December 31, 2006 we had

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

59,671,959 common shares and 5,750,000 preferred shares issued and outstanding. As of December 31, 2005 we had 59,126,675 common shares and 5,750,000 preferred shares issued and outstanding. No common or preferred shares were repurchased in 2006 or 2005.

In 2002 Platinum Holdings completed an initial public offering of common shares. Concurrently, Platinum Holdings sold 6,000,000 common shares and issued options to purchase 6,000,000 common shares to St. Paul and sold 3,960,000 common shares and issued options to purchase 2,500,000 common shares to RenaissanceRe. The options have a \$27.00 per share purchase price and a term of ten years from November 2, 2002. Both St. Paul and RenaissanceRe have amended their options to provide that in lieu of paying \$27.00 per share, any option exercise will be settled on a net share basis, which will result in Platinum Holdings issuing a number of common shares equal to the excess of the market price per share, determined in accordance with the amendments, over \$27.00, less the par value per share, multiplied by the number of common shares issuable upon exercise of the option divided by that market price per share.

We filed an allocated universal shelf registration statement with the SEC, which the SEC declared effective on April 5, 2004. The securities registered under the shelf registration statement for sales include up to \$750,000,000 of common shares, preferred shares and various types of debt securities. Common shares sold by St. Paul and RenaissanceRe and common shares issuable upon exercise of options owned by St. Paul and RenaissanceRe accounted for \$586,381,900 of the \$750,000,000 of securities registered under the allocated universal shelf registration statement. On June 30, 2004, St. Paul completed the sale of its 6,000,000 common shares in an underwritten public offering, which was effected pursuant to a prospectus supplement to the shelf registration statement dated June 28, 2004. We did not sell any common shares in the offering and did not receive any proceeds from the sale of the common shares by St Paul. The proceeds from the sale of 6,000,000 common shares by St. Paul amounted to \$177,330,000 of the securities registered under the \$750,000,000 shelf registration statement. On December 6, 2005, Renaissance Re sold its 3,960,000 common shares in a public offering, which was effected pursuant to a prospectus supplement to the allocated universal shelf registration statement effective April 5, 2004. The proceeds from the sale of 3,960,000 common shares by Renaissance Re amounted to \$119,394,000. On September 22, 2005, Platinum Holdings completed an offering of 5,839,286 common shares at a price to the public of \$28.00 per share, less related expenses. All shares were offered by Platinum Holdings and were sold pursuant to its effective allocated shelf registration statement. The net proceeds of \$161,865,000 were used to make contributions to the capital and surplus of the reinsurance subsidiaries and for general corporate purposes. This common share offering utilized substantially all of the remaining capacity allocated to us under the allocated shelf registration statement.

We filed an unallocated universal shelf registration statement with the SEC, which the SEC declared effective on November 8, 2005. Under this shelf registration statement we may issue and sell, in one or more offerings, up to \$750,000,000 of debt, equity and other types of securities or a combination of the above, including debt securities of Platinum Finance, unconditionally guaranteed by Platinum Holdings. On December 6, 2005, Platinum Holdings completed an offering of 4,408,263 common shares at a price to the public of \$30.15 per share, less related expenses.

On December 6, 2005, Platinum Holdings completed an offering pursuant to a prospectus supplement to the unallocated universal shelf registration statement of 5,750,000 6.0% Series A Mandatory Convertible Preferred Shares at a price to the public of \$30.15 per share, less related expenses. The net proceeds of \$167,508,000 were used to make contributions to the capital and surplus of the

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

reinsurance subsidiaries and for general corporate purposes. On February 15, 2009, the mandatory conversion date, each preferred share will automatically convert into a number of our common shares based on the volume-weighted average price per common share on the 20 consecutive trading days ending on the third trading day prior to February 15, 2009. The conversion rate will not be more than one to one and not less than 0.7874 per preferred share, depending on the market value of our common shares. Based on the conversion rate of .7874 applicable to any conversion of preferred shares prior to February 15, 2009, we would issue 4,527,550 common shares. The conversion rate of our preferred shares to common shares is subject to anti-dilution adjustments under certain circumstances, including the payment of dividends on our common shares in common shares, the issuance of common share rights or warrants to acquire common shares at less than market price to all holders, and the payment of cash dividends per common share in excess of \$0.08 per quarter, subject to adjustment whenever the conversion rate is adjusted. Unless all accrued, cumulated and unpaid dividends on our preferred shares for all past quarterly dividend periods have been paid in full we cannot declare or pay any dividend or make any distribution of assets on our common shares. If dividends on the preferred shares outstanding have not been paid in an amount equal to six full quarterly dividends, holders of the outstanding preferred shares will be entitled to elect two additional directors to our board of directors. These voting rights continue until all accrued, cumulated and unpaid dividends on the preferred shares then outstanding are paid in full. Each preferred share has a liquidation preference of \$30.15 per preferred share.

On August 4, 2004, the board of directors of Platinum Holdings approved a plan to purchase up to \$50,000,000 of our common shares. During the year ended December 31, 2004 we purchased 349,700 of our common shares in the open market at an aggregate amount of \$9,985,000 at a weighted average price of \$28.55 per share. The common shares we purchased were canceled. No repurchases of our common shares were made during 2006 or 2005.

Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) is a component of shareholders' equity and includes all changes in unrealized appreciation and depreciation; reclassification adjustments for investment losses and gains included in net income; and translation adjustments. The components of comprehensive income (loss) for the years ended December 31, 2006, 2005 and 2004 are as follows (\$ in thousands, except per share data):

	2006	2005	2004
Before tax amounts:			
Foreign currency translation adjustment	\$ 452	(737)	\$ 555
Net change in unrealized holding gains and losses arising during the period	(1,786)	(62,441)	(6,866)
Less: reclassification adjustment for net gains (losses) realized in net income	1,522	(1,423)	2,594
Other comprehensive income (loss) before tax	(2,856)	(61,755)	(8,905)

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	2006	2005	2004
Deferred income tax (expense) benefit on:			
Foreign currency translation adjustment	(136)	221	(167)
Net change in unrealized holding gains and losses arising during the period	(654)	8,536	2,337
Less: reclassification adjustment for net gains (losses) realized in net income	(75)	(28)	(213)
Deferred tax on other comprehensive income (loss)	(715)	8,785	2,383
Net of tax amounts:			
Net foreign currency translation adjustment	316	(516)	388
Net change in unrealized holding gains and losses arising during the period	(2,440)	(53,905)	(4,529)
Less: reclassification adjustment for net (gains) losses realized in net income	1,447	(1,451)	2,381
Other comprehensive income (loss), net of tax	\$ (3,571)	(52,970)	\$ (6,522)

Statutory Basis Equity, Income and Regulation

Our ability to pay dividends is subject to certain regulatory restrictions on the payment of dividends by our subsidiaries. The payment of dividends from our regulated reinsurance subsidiaries is limited by applicable laws and statutory requirements of the jurisdictions in which the subsidiaries operate, including Bermuda, the United States and the United Kingdom. Based on the regulatory restrictions of the applicable jurisdictions, the maximum amount available for payment of dividends or other distributions by our reinsurance subsidiaries in 2007 without prior regulatory approval is estimated to be approximately \$307,000,000.

The combined statutory capital and surplus and statutory net income as reported to relevant regulatory authorities for our reinsurance subsidiaries were as follows (\$ in thousands):

	2006	2005	2004
Statutory capital and surplus			
Bermuda	\$ 1,178,261	930,072	\$ 535,054
United States	530,822	447,207	403,121
United Kingdom	174,474	156,927	186,270
Total statutory capital and surplus	1,883,557	1,534,206	1,124,445
Statutory net income (loss)			
Bermuda	281,247	(68,459)	29,356
United States	117,980	(21,884)	20,575
United Kingdom	(7,927)	(4,685)	1,872
Total statutory net income (loss)	\$ 391,300	(95,028)	\$ 51,803

Our reinsurance subsidiaries file financial statements prepared in accordance with statutory accounting practices prescribed or permitted by domestic or foreign insurance regulatory authorities. The differences between statutory basis financial statements and financial statements prepared in accordance

F-28

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

with U.S. GAAP vary between domestic and foreign jurisdictions. The principal differences in Bermuda are that statutory financial statements do not reflect deferred acquisition costs, prepaid assets, or fixed assets. Also, reinsurance assets and liabilities are presented net of retrocessional reinsurance and there is no cash flow statement. The principal differences in the United States are that statutory financial statements do not reflect deferred acquisition costs, bonds are carried at amortized cost, deferred income tax is charged or credited directly to equity, subject to limitations, and reinsurance assets and liabilities are presented net of retrocessional reinsurance. We have not used any statutory accounting practices that are not prescribed. The principal differences in the United Kingdom are that bonds are carried at amortized cost, all foreign currency exchange gains and losses are recognized in the consolidated statement of operations and a claims equalization reserve is established.

8. Earnings (Loss) Per Common Share

Following is a reconciliation of the basic and diluted earnings per common share computations for the years ended December 31, 2006, 2005 and 2004 (\$ in thousands, except per share data):

	Net Income (Loss)	Weighted Average Shares Outstanding	Earnings (Loss) Per Common Share
Year Ended December 31, 2006:			
Basic earnings per common share:			
Net income attributable to common shareholders	\$ 319,275	59,371	\$ 5.38
Effect of dilutive securities:			
Common share options, restricted common shares and restricted share units		1,377	
Conversion of preferred shares		5,750	
Preferred shares dividends	10,382		
Adjusted net income for diluted earnings per common share	\$ 329,657	66,498	\$ 4.96
Year Ended December 31, 2005:			
Basic and diluted loss per common share:			
Loss attributable to common shareholders	\$ (138,224)	45,915	\$ (3.01)

F-29

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	Net Income (Loss)	Weighted Average Shares Outstanding	Earnings (Loss) Per Common Share
Year Ended December 31, 2004:			
Basic earnings per common share:			
Net income	\$ 84,783	43,158	\$ 1.96
Effect of dilutive securities:			
Common share options, restricted common shares and restricted share units		2,094	
Interest expense related to ESU s	6,097		
Common share conversion of ESU s		5,009	
Adjusted net income for diluted earnings per common share	\$ 90,880	50,261	\$ 1.81

9. Share Incentive Compensation and Employee Benefit Plans*Share Incentive Compensation*

We have a share incentive plan under which our key employees and directors may be granted options, restricted shares, share units, share appreciation rights, or other rights to acquire shares. Our 2006 share incentive plan provides for the granting of up to an aggregate 5,500,000 shares of common stock to employees and directors at a price equal to the closing price of common shares on the New York Stock Exchange on the date immediately preceding the date of the grant. Share incentive plan awards are granted periodically and generally vest based on three or four years of continuous employment with the Company. The common shares issuable under the share incentive plan will be made available from authorized but unissued common shares. Option awards expire ten years from the date of grant.

The following summary sets forth option activity for the years ended December 31, 2006, 2005 and 2004 (amounts in thousands, except per share exercise price):

F-30

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	As of and for the years ended					
	December 31, 2006		December 31, 2005		December 31, 2004	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding beginning of the year	3,918	\$23.93	4,428	\$23.40	4,614	\$22.92
Granted	249	30.47	333	29.78	227	31.43
Exercised	530	24.49	663	22.65	329	22.50
Forfeited	171	26.24	180	25.20	84	22.50
Outstanding end of the year	3,466	\$24.20	3,918	\$23.93	4,428	\$23.40
Options exercisable at year-end	2,930		2,896		3,636	
Weighted average exercise price of options exercisable at year-end		\$23.11		\$23.04		\$22.99

The fair value of each option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions for the years ended December 31, 2006, 2005 and 2004:

	2006	2005	2004
Dividend yield	1.0%	1.0%	1.4%
Risk free interest rate	4.6%	3.0%	3.0%
Expected volatility	22.0%	30.0%	30.0%
Expected option life	5.4 years	7 years	7 years
Weighted average grant fair value	\$8.08	\$9.92	\$9.76

The weighted average remaining contractual terms of all outstanding options and options exercisable were 6.29 years and 5.89 years, respectively as of December 31, 2006. The total intrinsic value, which is the difference between the market value and strike price on the date of exercise, of options exercised during the years ended December 31, 2006, 2005 and 2004 was \$1,903,000, \$6,012,000 and \$3,040,452, respectively. The total fair value, based on the Black-Scholes option pricing model, of options exercised during the years ended December 31, 2006, 2005 and 2004 was \$4,087,000, \$4,768,000 and \$2,334,000, respectively. The total fair value, based on the Black-Scholes option pricing model, of options vested during the years ended December 31, 2006, 2005 and 2004 was \$4,518,000, \$7,752,000 and \$7,647,000, respectively. Estimated unrecognized compensation cost, net of estimated forfeitures, related to outstanding options as of December 31, 2006 was \$3,339,000. Such cost is expected to be recognized over a weighted-average period of 1.6 years.

The Company's computation of expected volatility for the year ended December 31, 2006 is based on 3.5 years of historical volatility using daily price observations. Our computation of expected option life is based on historical data analysis of exercises, forfeitures, and post-vest cancellations. The forfeitures are used to determine the outstanding pool of options and do not affect the expected term calculation (either historical or projected). The exercises and post-vest cancellations are used to calculate the time between grant and settlement date (exercise date or post-vest

cancel date), and then weighted by the shares settled (options exercised or canceled).

F-31

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

The following summary sets forth share unit activity for the years ended December 31, 2006 and 2005 (amounts in thousands, except grant date fair value):

	As of and for the years ended			
	December 31, 2006		December 31, 2005	
	Share	Weighted	Share	Weighted
	Units	Average	Units	Average
		Grant Date		Grant Date
		Fair Value		Fair Value
Outstanding beginning of the year	112	\$30.93		
Granted	82	30.31	122	\$30.91
Converted			3	30.75
Forfeited	13	30.73	7	30.75
Outstanding end of the year	181	\$30.66	112	\$30.93

The total fair value of share units converted during the year ended December 31, 2005 was \$82,000. There were no share units converted in 2006. As of December 31, 2006, there was \$2,729,000, of estimated unrecognized compensation cost related to share unit awards. That cost is expected to be recognized over a weighted-average period of 2.1 years.

During 2006, we granted 15,534 restricted shares, with a fair value at the grant date of \$475,000, that vest over a three year period. During 2005, we granted 18,428 restricted shares, with a fair value at the grant date of \$525,000, that vest over a three-year period. During 2004, we granted 98,531 restricted shares, with a fair value at the grant date of \$2,750,000, that vest over a five-year period. During 2006, 45,555 restricted shares vested. As of December 31, 2006, there were 86,938 remaining unvested restricted shares and \$1,989,000, of estimated unrecognized compensation cost related to unvested restricted shares. Such cost is expected to be recognized over a weighted-average period of 1.7 years.

In 2006, the Company granted 85,168 long-term incentive awards under the 2006 Executive Incentive Plan which had a grant date fair value of \$2,604,000. This plan provides for a payout at 100% of the award if the Company achieves an average return on equity for a three year period, beginning in 2006, 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), determined through straight line interpolation. These awards are to be settled in common shares at the completion of the performance period and are conditioned upon the continued employment of the participant throughout the performance period. In 2006, the Company recognized \$1,439,000 of share-based compensation related to this award which is based on the estimated payout as of December 31, 2006. As of December 31, 2006, there was \$2,878,000 of estimated unrecognized compensation cost related to these awards which is expected to be recognized over 2 years.

The following table provides the total share-based compensation expense recognized during the year ended December 31, 2006 (\$ in thousands):

Share-based compensation expense	\$7,995
Tax benefit	(995)
Share-based compensation expense, net of tax	\$7,000

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued*Defined Contribution Plan*

In 2003, Platinum US adopted an employee savings plan as a defined contribution plan intended to qualify under Section 401(a) of the Internal Revenue Code of 1986, as amended (the Code) and covering substantially all U.S. based employees and certain other non-U.S. based employees. The savings plan allows eligible employees to contribute up to 50 percent of their annual compensation on a tax-deferred basis up to limits under the Code and we will match up to the first four percent. In addition, Platinum US may, at its discretion, make additional contributions. Expenses related to the savings plan were \$2,164,000, \$1,638,000 and \$1,255,000 for the years ended December 31, 2006, 2005 and 2004, respectively.

10. Related Party Transactions and Agreements

In connection with our initial public offering in 2002 and the transfer of business, we entered into various agreements with St. Paul and its affiliates and RenaissanceRe and its affiliates including the Quota Share Retrocession Agreements. We also entered into several agreements with St. Paul pursuant to which St. Paul provides various services, including accounting and administration of the business assumed under the Quota Share Retrocession Agreements. We paid St. Paul a total of \$283,000, \$381,000 and \$326,000 for such services provided in 2006, 2005 and 2004, respectively.

Platinum Holdings also entered into a five-year Services and Capacity Reservation Agreement with RenaissanceRe, effective October 1, 2002, pursuant to which RenaissanceRe provides services to our subsidiaries in connection with their property catastrophe book of business. At our request, RenaissanceRe analyzes our property catastrophe treaties and contracts no more than twice per year and assists us in measuring risk and managing our property catastrophe treaties and contracts. Based upon such analysis, RenaissanceRe provides us with quotations for rates for non-marine non-finite property catastrophe retrocessional coverage with aggregate limits up to \$100 million annually, either on an excess-of-loss or proportional basis. We may then enter into retrocessional agreements with RenaissanceRe on the basis of the quotations. The fee for the coverage commitment and the services provided by RenaissanceRe under this agreement is 3.5 percent of our gross written non-marine non-finite property catastrophe premium for the contract year, subject to a minimum of \$4 million. Fees related to this agreement were \$7,829,000, \$6,538,000 and \$6,395,000 for the years ended December 31, 2006, 2005 and 2004, respectively. Fees related to this agreement are included in operating expenses. This agreement expires in September 2007.

Renaissance Underwriting Managers Ltd. (RUM), a subsidiary of RenaissanceRe, and Platinum Bermuda entered into an agreement whereby RUM will, from time to time, provide referrals of treaty and facultative reinsurance contracts to Platinum Bermuda for a fee. The fee is 1.0% of gross premiums written for all pro-rata business, 2.5% of gross premiums written on all excess-of-loss business, and 7.5% of the margin on all finite business. We paid \$12,000, \$57,000 and \$846,000 in fees for such referrals for the years ended December 31, 2006, 2005 and 2004, respectively. The business referred is also subject to profit commissions which were \$191,000, \$341,000 and \$727,000 in 2006, 2005 and 2004, respectively.

Platinum US is a party to two property catastrophe excess-of-loss programs with the Glencoe Group of Companies, which are affiliates of RenaissanceRe. Platinum US has a 5% participation across

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

four layers of reinsurance on one program and a 15% participation on the other program. Platinum US is also a party to a quota share retrocession agreement with Glencoe Insurance Ltd. pursuant to which Platinum US cedes to Glencoe Insurance Ltd. 60% of all liabilities under the subject property facultative certificates. Premium ceded in 2006, 2005 and 2004 under this agreement was approximately \$16,533,000, \$5,058,000 and 3,400,000, respectively.

11. Operating Segment Information

We have organized our worldwide reinsurance business around three operating segments: Property and Marine, Casualty and Finite Risk. The Property and Marine operating segment includes principally property (including crop) and marine reinsurance coverages that are written in the United States and international markets. This business includes property per-risk excess-of-loss treaties, property proportional treaties and catastrophe excess-of-loss treaties. The Casualty operating segment includes principally reinsurance treaties that cover umbrella liability, general and product liability, professional liability, workers' compensation, casualty clash, automobile liability, surety and trade credit. This segment also includes accident and health reinsurance treaties, which are predominantly reinsurance of health insurance products. The Finite Risk operating segment includes principally structured reinsurance contracts with ceding companies whose needs may not be met efficiently through traditional reinsurance products. In exchange for contractual features that limit our downside risk, reinsurance contracts we classify as finite risk provide the potential for significant profit commission to the ceding company. The classes of risks underwritten through finite risk contracts are generally consistent with the classes covered by traditional products. The finite risk contracts that we underwrite generally provide prospective protection, meaning coverage is provided for losses that are incurred after inception of the contract, as contrasted with retrospective coverage, which covers losses that are incurred prior to inception of the contract. The three main categories of finite risk contracts are quota share, multi-year excess-of-loss and whole account aggregate stop loss.

In managing our operating segments, management uses measures such as underwriting income and underwriting ratios to evaluate segment performance. We do not allocate assets or certain income and expenses such as investment income, interest expense and certain corporate expenses by segment. The measures used by management in evaluating our operating segments should not be used as a substitute for measures determined under U.S. GAAP. The following table summarizes underwriting activity and ratios for the three operating segments together with a reconciliation of underwriting income (loss) to income before income tax expense (benefit) for the years ended December 31, 2006, 2005 and 2004 (\$ in thousands):

F-34

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	Property and Marine	Casualty	Finite Risk	Total
Year ended December 31, 2006:				
Net premiums written	\$ 424,929	757,675	(5,991)	\$ 1,176,613
Net premiums earned	448,959	764,341	123,401	1,336,701
Net losses and LAE	145,900	522,815	91,887	760,602
Net acquisition expenses	70,905	188,717	26,301	285,923
Other underwriting expenses	39,887	27,022	4,387	71,296
Segment underwriting income	\$ 192,267	25,787	826	218,880
Net investment income				187,987
Net realized gains on investments				1,090
Net foreign currency exchange gains				738
Other expense				(2,872)
Corporate expenses not allocated to segments				(24,194)
Interest expense				(21,805)
Income before income tax expense				\$ 359,824
Ratios:				
Net loss and LAE	32.5%	68.4%	74.5%	56.9%
Net acquisition expense	15.8%	24.7%	21.3%	21.4%
Other underwriting expense	8.9%	3.5%	3.6%	5.3%
Combined	57.2%	96.6%	99.4%	83.6%
Year ended December 31, 2005:				
Net premiums written	\$ 575,055	809,031	333,636	\$ 1,717,722
Net premiums earned	569,173	789,629	355,921	1,714,723
Net losses and LAE	756,742	511,609	237,074	1,505,425
Net acquisition expenses	93,983	194,397	114,755	403,135
Other underwriting expenses	26,074	24,690	4,905	55,669
Segment underwriting income (loss)	\$ (307,626)	58,933	(813)	(249,506)
Net investment income				129,445
Net realized losses on investments				(3,046)
Net foreign currency exchange losses				(2,111)

Other expense	(586)
Corporate expenses not allocated to segments	(14,158)
Interest expense	(20,006)
Loss on repurchase of debt	(2,486)
Loss before income tax benefit	\$ (162,454)

F-35

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	Property and Marine	Casualty	Finite Risk	Total
Ratios:				
Net loss and LAE	133.0%	64.8%	66.6%	87.8%
Net acquisition expense	16.5%	24.6%	32.2%	23.5%
Other underwriting expense	4.6%	3.1%	1.4%	3.2%
Combined	154.1%	92.5%	100.2%	114.5%

Year ended December 31, 2004

Net premiums written	\$ 504,439	677,399	464,175	\$ 1,646,013
Net premiums earned	485,135	611,893	350,907	1,447,935
Net losses and LAE	349,557	418,355	251,892	1,019,804
Net acquisition expenses	76,360	151,649	99,812	327,821
Other underwriting expenses	27,827	19,086	6,224	53,137
Segment underwriting income	\$ 31,391	22,803	(7,021)	47,173
Net investment income				84,532
Net realized gains on investments				1,955
Net foreign currency exchange gains				725
Other income				3,211
Corporate expenses not allocated to segments				(13,196)
Interest expense				(9,268)
Income before income tax expense				\$ 115,132

Ratios:				
Net loss and LAE	72.1%	68.4%	71.8%	70.4%
Net acquisition expense	15.7%	24.8%	28.4%	22.6%
Other underwriting expense	5.7%	3.1%	1.8%	3.7%
Combined	93.5%	96.3%	102.0%	96.7%

Corporate expenses, interest expenses, net investment income, net realized investment gains, loss on repurchase of debt and other income or expense items that are not specifically attributable to operating segments are not allocated.

The following table sets forth our net premiums written for the years ended December 31, 2006, 2005 and 2004 by geographic location of the ceding company (\$ in thousands):

	2006	2005	2004
United States	\$ 949,522	1,449,216	\$ 1,350,408

Edgar Filing: ASSURANT INC - Form S-3ASR

International	227,091	268,506	295,605
Total	\$ 1,176,613	1,717,722	\$ 1,646,013

F-36

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued**12. Commitments and Contingencies***Litigation*

In the normal course of business, we may become involved in various claims and legal proceedings. We are not currently aware of any pending or threatened material litigation.

Lease Commitments

Future minimum annual lease commitments under various non-cancelable operating leases for our office facilities are as follows: (\$ in thousands):

Years Ending December 31,	
2007	\$ 2,707
2008	2,613
2009	2,579
2010	2,002
2011	1,945
Thereafter	2,902
Total	\$ 14,748

Rent expense was \$2,887,000, \$2,750,000 and \$3,070,000 for the years ended December 31, 2006, 2005 and 2004, respectively.

Contingencies

In November and December 2004, we received subpoenas from the SEC and the Office of the Attorney General for the State of New York for documents and information relating to certain non-traditional, or loss mitigation, insurance products. On June 14, 2005, we received a grand jury subpoena from the United States Attorney for the Southern District of New York requesting documents relating to our finite reinsurance products. We have fully cooperated in responding to all such requests. We are unable to predict the direction the investigation will take and the impact, if any, it may have on our business.

13. Quarterly Financial Data (Unaudited)

The following quarterly financial information for each of the three months ended March 31, June 30, September 30 and December 31, 2006 and 2005 is unaudited. However, in the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary to present fairly the results of operations for such periods, have been made for a fair presentation of the results shown (\$ in thousands, except per share data):

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

	Three months ended			
	March 31, 2006	June 30, 2006	September 30, 2006	December 31, 2006
Net premiums earned	\$344,301	337,065	339,609	\$315,726
Net investment income	43,515	45,348	48,302	50,822
Net losses and LAE	206,774	187,464	191,428	174,936
Net acquisition expenses	69,239	76,052	74,994	65,638
Operating expenses	22,988	23,392	25,348	23,762
Net income attributable to common shareholders	74,460	79,146	82,321	83,348
Earnings per common share:				
Basic	1.26	1.34	1.38	1.40
Diluted	\$ 1.16	1.24	1.28	\$ 1.28
Average common shares outstanding:				
Basic	59,097	59,224	59,537	59,621
Diluted	66,597	65,725	66,520	67,091
	Three months ended			
	March 31, 2005	June 30, 2005	September 30, 2005	December 31, 2005
Net premiums earned	\$411,040	431,470	429,388	\$ 442,825
Net investment income	26,905	28,904	36,441	37,195
Net losses and LAE	237,698	240,852	564,618	462,257
Net acquisition expenses	93,249	103,928	98,858	107,100
Operating expenses	20,008	23,480	8,080	18,259
Net income (loss) attributable to common shareholders	73,088	67,985	(176,024)	(103,273)
Earnings (loss) per common share:				
Basic	1.69	1.57	(4.02)	(1.94)
Diluted	\$ 1.49	1.39	(4.02)	\$ (1.94)
Average common shares outstanding:				
Basic	43,163	43,293	43,785	53,339
Diluted	50,032	50,009	43,785	53,339

14. Condensed Consolidating Financial Information

Platinum Finance is a U.S. based intermediate holding company and a wholly owned subsidiary

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

of Platinum Regency. The outstanding Series B Notes, due June 1, 2017 issued by Platinum Finance are fully and unconditionally guaranteed by Platinum Holdings. The outstanding Series B Remarketed Notes, due November 16, 2007, issued by Platinum Finance are also fully and unconditionally guaranteed by Platinum Holdings.

The payment of dividends from our regulated reinsurance subsidiaries is limited by applicable laws and statutory requirements of the jurisdictions in which the subsidiaries operate, including Bermuda, the United States and the United Kingdom. Based on the regulatory restrictions of the applicable jurisdictions, the maximum amount available for payment of dividends or other distributions by the reinsurance subsidiary of Platinum Finance in 2007 without prior regulatory approval is approximately \$13,000,000. The maximum amount available for payment of dividends or other distributions by the reinsurance subsidiaries of Platinum Holdings in 2007, including the reinsurance subsidiary of Platinum Finance, without prior regulatory approval is estimated to be approximately \$307,000,000.

The tables below present condensed consolidating financial information for the years ended December 31, 2006, 2005 and 2004 of Platinum Holdings, Platinum Finance and the non-guarantor subsidiaries of Platinum Holdings (\$ in thousands):

F-39

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Condensed Consolidating Balance Sheet December 31, 2006	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS					
Total investments	\$	11,342	3,365,943		\$ 3,377,285
Investment in subsidiaries	1,749,762	475,194	402,098	(2,627,054)	
Cash and cash equivalents	106,039	39,294	706,319		851,652
Reinsurance assets			765,928		765,928
Income tax recoverable		(1,418)	8,933		7,515
Other assets	9,296	3,792	78,099		91,187
Total assets	\$ 1,865,097	528,204	5,327,320	(2,627,054)	\$ 5,093,567
LIABILITIES AND SHAREHOLDERS EQUITY					
Liabilities					
Reinsurance liabilities	\$		2,880,715		\$ 2,880,715
Debt obligations		292,840			292,840
Other liabilities	7,036	2,024	52,891		61,951
Total liabilities	7,036	294,864	2,933,606		3,235,506
Shareholders' Equity					
Preferred shares		57			57
Common shares		597	6,250	(6,250)	597
Additional paid-in capital	1,545,979	192,203	2,051,468	(2,243,671)	1,545,979
Accumulated other comprehensive loss	(44,289)	(9,071)	(55,012)	64,083	(44,289)
Retained earnings	355,717	50,208	391,008	(441,216)	355,717
Total shareholders' equity	1,858,061	233,340	2,393,714	(2,627,054)	1,858,061
Total liabilities and shareholders' equity	\$ 1,865,097	528,204	5,327,320	(2,627,054)	\$ 5,093,567

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Condensed Consolidating Balance Sheet December 31, 2005	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS					
Total investments	\$	12,448	2,997,234		\$ 3,009,682
Investment in subsidiaries	1,410,794	448,839	436,368	(2,296,001)	
Cash and cash equivalents	129,962	5,010	685,774		820,746
Reinsurance assets			1,065,987		1,065,987
Income tax recoverable		5,874	18,648		24,522
Other assets	2,963	4,086	226,389		233,438
Total assets	\$ 1,543,719	476,257	5,430,400	(2,296,001)	\$ 5,154,375
LIABILITIES AND SHAREHOLDERS EQUITY					
Liabilities					
Reinsurance liabilities	\$		3,041,254		\$ 3,041,254
Debt obligations		292,840			292,840
Other liabilities	3,470	2,243	274,319		280,032
Total liabilities	3,470	295,083	3,315,573		3,614,126
Shareholders Equity					
Preferred shares	57				57
Common shares	590		6,250	(6,250)	590
Unearned share grant compensation	(2,467)				(2,467)
Additional paid-in capital	1,527,316	192,036	2,050,834	(2,242,870)	1,527,316
Accumulated other comprehensive loss	(40,718)	(10,199)	(52,840)	63,039	(40,718)
Retained earnings	55,471	(663)	110,583	(109,920)	55,471
Total shareholders equity	1,540,249	181,174	2,114,827	(2,296,001)	1,540,249
Total liabilities and shareholders equity	\$ 1,543,719	476,257	5,430,400	(2,296,001)	\$ 5,154,375

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Consolidating Statement of Operations For the year ended December 31, 2006	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Revenue:					
Net premiums earned	\$		1,336,701		\$ 1,336,701
Net investment income	5,912	1,033	181,042		187,987
Net realized gains on investments			1,090		1,090
Other income (expense)	3,577		(6,449)		(2,872)
Total revenue	9,489	1,033	1,512,384		1,522,906
Expenses:					
Net losses and loss adjustment expenses			760,602		760,602
Net acquisition expenses			285,923		285,923
Operating expenses	23,803	544	71,143		95,490
Net foreign currency exchange gains			(738)		(738)
Interest expense		21,803	2		21,805
Total expenses	23,803	22,347	1,116,932		1,163,082
Income (loss) before income tax expense (benefit)	(14,314)	(21,314)	395,452		359,824
Income tax expense (benefit)		(7,444)	37,611		30,167
Net income (loss) before equity in earnings of subsidiaries	(14,314)	(13,870)	357,841		329,657
Equity in earnings of subsidiaries	343,971	64,741	61,473	(470,185)	
Net income (loss)	329,657	50,871	419,314	(470,185)	329,657
Preferred dividends	10,382				10,382
Net income attributable to common shareholders	\$ 319,275	50,871	419,314	(470,185)	\$ 319,275

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Consolidating Statement of Operations For the year ended December 31, 2005	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Revenue:					
Net premiums earned	\$		1,714,723		\$ 1,714,723
Net investment income	1,724	937	126,867	(83)	129,445
Net realized losses on investments		(15)	(3,031)		(3,046)
Other income (expense)	7,036		(7,622)		(586)
Total revenue	8,760	922	1,830,937	(83)	1,840,536
Expenses:					
Net losses and loss adjustment expenses			1,505,425		1,505,425
Net acquisition expenses			407,680	(4,545)	403,135
Operating expenses	13,393	635	51,337	4,462	69,827
Net foreign currency exchange losses	2		2,109		2,111
Interest expense	71	19,935			20,006
Loss on repurchase of debt		2,486			2,486
Total expenses	13,466	23,056	1,966,551	(83)	2,002,990
Loss before income tax benefit	(4,706)	(22,134)	(135,614)		(162,454)
Income tax benefit		(7,746)	(17,221)		(24,967)
Net income (loss) before equity in earnings of subsidiaries	(4,706)	(14,388)	(118,393)		(137,487)
Equity in loss of subsidiaries	(132,781)	(27,557)	(62,160)	222,498	
Net loss	(137,487)	(41,945)	(180,553)	222,498	(137,487)
Preferred dividends	737				737
Net loss attributable to common shareholders	\$ (138,224)	(41,945)	(180,553)	222,498	\$ (138,224)

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Consolidating Statement of Operations For the year ended December 31, 2004	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Revenue:					
Net premiums earned	\$		1,447,935		\$ 1,447,935
Net investment income	53	164	84,315		84,532
Net realized gains on investments		6	1,949		1,955
Other income	2,944		48	219	3,211
Total revenue	2,997	170	1,534,247	219	1,537,633
Expenses:					
Net losses and loss adjustment expenses			1,019,804		1,019,804
Net acquisition expenses			331,754	(3,933)	327,821
Operating expenses	12,725	288	49,387	3,933	66,333
Net foreign currency exchange gains	(3)		(722)		(725)
Interest expense	207	9,061			9,268
Total expenses	12,929	9,349	1,400,223		1,422,501
Income (loss) before income tax expense (benefit)	(9,932)	(9,179)	134,024	219	115,132
Income tax expense (benefit)		(3,213)	33,562		30,349
Net income (loss) before equity in earnings of subsidiaries	(9,932)	(5,966)	100,462	219	84,783
Equity in earnings of subsidiaries	94,715	55,006	60,799	(210,520)	
Net income	\$ 84,783	49,040	161,261	(210,301)	\$ 84,783

F-44

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Condensed Consolidating Statement of Cash Flows For the year ended December 31, 2006	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net cash provided by (used in) operating activities	\$ (9,650)	(6,483)	542,934		\$ 526,801
Investing Activities:					
Proceeds from sale of available-for-sale fixed maturity securities		1,564	346,578		348,142
Proceeds from maturity or paydown of available-for-sale fixed maturity securities			270,939		270,939
Acquisition of available-for-sale fixed maturity securities		(498)	(1,082,784)		(1,083,282)
Dividends from subsidiaries	1,600	40,000		(41,600)	
Increase in short-term investments			(15,822)		(15,822)
Contributions to subsidiaries		(300)		300	
Net cash provided by (used in) investing activities	1,600	40,766	(481,089)	(41,300)	(480,023)
Financing Activities:					
Dividends paid to common shareholders	(19,029)		(41,600)	41,600	(19,029)
Dividends paid to preferred shareholders	(9,818)				(9,818)
Proceeds from exercise of share options	12,975				12,975
Capital contribution from parent			300	(300)	
Net cash used in financing activities	(15,872)		(41,300)	41,300	(15,872)
Net increase (decrease) in cash and cash equivalents	(23,922)	34,283	20,545		30,906
Cash and cash equivalents at beginning of year	129,962	5,010	685,774		820,746
Cash and cash equivalents at end of year	\$ 106,040	39,293	706,319		\$ 851,652

F-45

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Condensed Consolidating Statement of Cash Flows For the year ended December 31, 2005	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net cash provided by (used in) operating activities	\$ (4,999)	(16,340)	619,013		\$ 597,674
Investing Activities:					
Proceeds from sale of available-for-sale fixed maturity securities		3,026	888,773		891,799
Proceeds from maturity or paydown of available-for-sale fixed maturity securities		439	97,492		97,931
Proceeds from sale of subsidiary shares			193,000	(193,000)	
Purchase of subsidiary shares			(139,902)	139,902	
Acquisition of available-for-sale fixed maturity securities		(12,347)	(1,699,158)		(1,711,505)
Dividends from subsidiaries	17,000			(17,000)	
Decrease in short-term investments			(8,793)		(8,793)
Contributions to subsidiaries	(477,500)	(75,100)		552,600	
Net cash used in investing activities	(460,500)	(83,982)	(668,588)	482,502	(730,568)
Financing Activities:					
Dividends paid to shareholders	(14,775)		(17,000)	17,000	(14,775)
Proceeds from exercise of share options	15,026				15,026
Proceeds from issuance of common shares	425,757	139,902		(139,902)	425,757
Proceeds from issuance of debt		246,900			246,900
Proceeds from issuance of preferred shares	167,509				167,509
Capital contribution from parent			552,600	(552,600)	
Purchase of common shares		(193,000)		193,000	
Repurchase of debt obligations		(96,674)			(96,674)
Net cash provided by financing activities	593,517	97,128	535,600	(482,502)	743,743
Net increase (decrease) in cash and cash equivalents	128,018	(3,194)	486,025		610,849
Cash and cash equivalents at beginning of year	1,944	8,204	199,749		209,897
Cash and cash equivalents at end of year	\$ 129,962	5,010	685,774		\$ 820,746

F-46

Table of ContentsPlatinum Underwriters Holdings, Ltd. and Subsidiaries
Notes to Consolidated Financial Statements, continued

Condensed Consolidating Statement of Cash Flows For the year ended December 31, 2004	Platinum Holdings	Platinum Finance	Non- guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net cash provided by (used in) operating activities	\$ (8,400)	(436)	723,569		\$ 714,733
Investing Activities:					
Proceeds from sale of available-for-sale fixed maturity securities		998	497,947		498,945
Proceeds from maturity or paydown of available-for-sale fixed maturity securities		697	135,775		136,472
Acquisition of available-for-sale fixed maturity securities		(2,972)	(1,227,923)		(1,230,895)
Dividends from subsidiaries	22,000			(22,000)	
Contributions to subsidiaries	(250)			250	
Net cash provided by (used in) investing activities	21,750	(1,277)	(594,201)	(21,750)	(595,478)
Financing Activities:					
Dividends paid to shareholders	(13,807)		(22,000)	22,000	(13,807)
Proceeds from exercise of share options	7,406				7,406
Proceeds from issuance of common shares	1,567				1,567
Purchase of common shares	(9,985)				(9,985)
Capital contribution from parent			250	(250)	
Net cash used in financing activities	(14,819)		(21,750)	21,750	(14,819)
Net increase (decrease) in cash and cash equivalents	(1,469)	(1,713)	107,618		104,436
Cash and cash equivalents at beginning of year	3,413	9,917	92,131		105,461
Cash and cash equivalents at end of year	\$ 1,944	8,204	199,749		\$ 209,897

F-47

Table of Contents

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Index to Schedules to Consolidated Financial Statements

	Page
<u>Report of Independent Registered Public Accounting Firm</u>	S-2
<u>Schedule I</u> <u>Summary of Investments Other Than Investments in Related Parties as of December 31, 2006</u>	S-3
<u>Schedule II</u> <u>Condensed Financial Information of the Registrant</u>	S-4
<u>Schedule III</u> <u>Supplementary Insurance Information for the years ended December 31, 2006, 2005 and 2004</u>	S-7
<u>Schedule IV</u> <u>Reinsurance for the years ended December 31, 2006, 2005 and 2004</u>	S-8

Schedules other than those listed above are omitted for the reason that they are not applicable or the information is provided elsewhere in the consolidated financial statements.

S-1

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders

Platinum Underwriters Holdings, Ltd.:

Under date of February 27, 2007, we reported on the consolidated balance sheets of Platinum Underwriters Holdings, Ltd. and subsidiaries as of December 31, 2006 and 2005, and the related consolidated statements of operations and comprehensive income (loss), shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2006, which are included in the December 31, 2006 annual report on Form 10-K. Our report refers to a change in the method of accounting for share-based payments in 2006. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedules appearing on pages S-3 through S-8 of the Form 10-K. These financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement schedules based on our audits.

In our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP

New York, New York

February 27, 2007

S-2

Table of Contents**SCHEDULE I**

Platinum Underwriters Holdings, Ltd. and Subsidiaries
 Summary of Investments Other Than Investments in Related Parties
 As of December 31, 2006
 (\$ in thousands)

	Cost*	Fair Value	Amount at which shown in Balance Sheet
Fixed maturity securities:			
Bonds:			
United States Government and government agencies and authorities	\$ 231,900	227,599	\$ 227,599
State, municipalities and political subdivisions	162,600	160,165	160,165
Foreign governments	130,245	127,075	127,075
Foreign corporate	201,764	197,799	197,799
Public utilities	128,696	126,175	126,175
All other corporate	2,493,052	2,456,566	2,456,566
 Total bonds	 3,348,257	 3,295,379	 3,295,379
Redeemable preferred stock	39,558	39,266	39,266
 Total fixed maturity securities	 3,387,815	 3,334,645	 3,334,645
Preferred stock	11,246	10,772	10,772
Other long term investments	5,000	4,745	4,745
Short-term investments	27,123	27,123	27,123
 Total investments	 \$ 3,431,184	 3,377,285	 \$ 3,377,285

* Original cost of fixed maturity securities reduced by repayments and adjusted for amortization of premiums and discounts.

Table of Contents**SCHEDULE II**

Platinum Underwriters Holdings, Ltd.
(Parent Company)
Condensed Balance Sheets
December 31, 2006 and 2005
(\$ in thousands, except share data)

	2006	2005
ASSETS		
Investment in affiliates	\$ 1,749,762	\$ 1,410,794
Cash	106,039	129,962
Other assets	9,296	2,963
Total assets	\$ 1,865,097	\$ 1,543,719
LIABILITIES AND SHAREHOLDERS EQUITY		
Liabilities		
Accrued expenses and other liabilities	\$ 7,036	\$ 3,470
Total liabilities	7,036	3,470
Shareholders equity		
Preferred shares, \$.01 par value, 25,000,000 shares authorized, 5,750,000 shares issued and outstanding	57	57
Common shares, \$.01 par value, 200,000,000 shares authorized, 59,671,959 and 59,126,675 shares issued and outstanding, respectively	597	590
Additional paid-in capital	1,545,979	1,527,316
Unearned share grant compensation		(2,467)
Accumulated other comprehensive income (loss)	(44,289)	(40,718)
Retained earnings	355,717	55,471
Total shareholders equity	1,858,061	1,540,249
Total liabilities and shareholders equity	\$ 1,865,097	\$ 1,543,719

Table of Contents**SCHEDULE II, continued**

Platinum Underwriters Holdings, Ltd.
(Parent Company)
Condensed Statements of Operations
For the years ended December 31, 2006, 2005 and 2004
(\$ in thousands)

	2006	2005	2004
Revenues:			
Net investment income	\$ 5,912	1,724	\$ 53
Other income	3,577	7,036	2,944
	9,489	8,760	2,997
Expenses:			
Interest expenses		71	207
Operating expenses	23,803	13,395	12,722
Total expenses	23,803	13,466	12,929
Net loss before equity in earnings of affiliate	(14,314)	(4,706)	(9,932)
Equity in earnings (loss) of affiliates	343,971	(132,781)	94,715
Net income (loss) before preferred dividends	329,657	(137,487)	84,783
Preferred dividends	10,382	737	
Net income (loss) attributable to common shareholders	\$ 319,275	(138,224)	\$ 84,783

S-5

Table of Contents**SCHEDULE II, continued**

Platinum Underwriters Holdings, Ltd.
(Parent Company)
Condensed Statements of Cash Flows
For the years ended December 31, 2006, 2005 and 2004
(\$ in thousands)

	2006	2005	2004
Operating Activities:			
Net loss before equity in earnings of affiliates	\$ (14,314)	(4,706)	\$ (9,932)
Adjustments to reconcile net income to net cash provided in operations:			
Share based compensation	3,552	2,313	1,777
Depreciation and amortization	129	129	125
Other, net	983	(2,735)	(369)
Net cash used in operating activities	(9,650)	(4,999)	(8,399)
Investing Activities:			
Dividends and distributions from subsidiaries	1,600	17,000	22,000
Contributions to subsidiaries		(477,500)	(250)
Net cash provided by (used in) investing activities	1,600	(460,500)	21,750
Financing Activities:			
Dividends paid to preferred shareholders	(9,818)		
Dividends paid to common shareholders	(19,029)	(14,775)	(13,807)
Proceeds from exercise of share options	12,974	15,026	7,406
Net proceeds from issuance of common shares		425,757	1,566
Net proceeds from issuance of preferred shares		167,509	
Purchase of common shares			(9,985)
Net cash (used in) provided by financing activities	(15,873)	593,517	(14,820)
Net increase (decrease) in cash and cash equivalents	(23,923)	128,018	(1,469)
Cash and cash equivalents at beginning of year	129,962	1,944	3,413
Cash and cash equivalents at end of year	\$ 106,039	129,962	\$ 1,944

Table of Contents**SCHEDULE III**

Platinum Underwriters Holdings, Ltd.
Supplementary Insurance Information
(\$ in thousands)

Period	Net unpaid		Other		Net investment income	Net losses and adjustment expenses incurred	Amortization of deferred		Net written premiums	
	Deferred policy acquisition costs	losses and adjustment expenses	Net unearned premium	policy claims and benefits payable			Net earned premium	policy acquisition costs		Other operating expenses
Year ended December 31, 2006:										
Property and Marine	\$ 9,969	537,794	46,022		448,959	145,900	47,183		\$ 424,929	
Casualty	72,641	1,467,879	289,966		764,341	522,815	114,880		757,675	
Finite Risk		320,554	4,124		123,401	91,887	58,695		(5,991)	
Total	82,610	2,326,227	340,112		1,336,701	187,987	760,602	220,758	24,194	1,176,613
Year ended December 31, 2005:										
Property and Marine	14,357	816,328	66,741		569,173	756,742	70,005		575,055	
Casualty	73,622	1,107,316	292,513		789,629	511,609	140,758		809,031	
Finite Risk	42,821	345,011	134,865		355,921	237,074	88,797		333,636	
Total	130,800	2,268,655	494,119		1,714,723	129,455	1,505,425	299,560	14,158	1,717,722
Year ended December 31, 2004:										
Property and Marine	15,747	410,347	64,985		485,135	349,557	58,792		504,439	
Casualty	72,454	715,314	278,634		611,893	418,355	118,734		677,399	
Finite Risk	47,837	253,566	155,917		350,907	251,892	46,781		464,175	
Total	\$ 136,038	1,379,227	499,536		1,447,935	84,532	1,019,804	224,307	13,196	\$ 1,646,013

Table of Contents**SCHEDULE IV**

Platinum Underwriters Holdings, Ltd.

Reinsurance

(\$ in thousands)

Description	Direct Amount	Ceded to other companies	Assumed from other companies	Net Amount	Percentage of amount assumed to net
Property and liability premiums written:					
Year ended December 31, 2006:					
Property and Marine		\$ 89,387	514,316	\$ 424,929	121.0%
Casualty		74	757,749	757,675	100.0%
Finite Risk		9,126	3,135	(5,991)	(52.3%)
Total		98,587	1,275,200	1,176,613	108.4%
Year ended December 31, 2005:					
Property and Marine		21,521	596,576	575,055	103.7%
Casualty		133	809,164	809,031	100.0%
Finite Risk		25,779	359,415	333,636	107.7%
Total		47,433	1,765,155	1,717,722	102.8%
Year ended December 31, 2004:					
Property and Marine		13,029	517,468	504,439	102.6%
Casualty		748	678,147	677,399	100.1%
Finite Risk			464,175	464,175	100.0%
Total		\$ 13,777	1,659,790	\$ 1,646,013	100.8%

S-8