

PLATINUM UNDERWRITERS HOLDINGS LTD

Form PRE 14A

March 10, 2009

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SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

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

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

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
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- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:
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 - (3) Filing Party:
 - (4) Date Filed:
-

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The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08 Bermuda

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 29, 2009

To the Shareholders of Platinum Underwriters Holdings, Ltd.:

Notice is hereby given that the 2009 Annual General Meeting of Shareholders (the Annual Meeting) of Platinum Underwriters Holdings, Ltd. (the Company) will be held at the Fairmont Hamilton Princess Hotel, 76 Pitts Bay Road, Pembroke HM 11 Bermuda, on Wednesday, April 29, 2009 at 3:00 p.m., local time, for the following purposes:

1. To elect seven directors to the Company s Board of Directors to serve until the Company s 2010 Annual General Meeting of Shareholders.
2. To consider and take action on a proposal to approve the Amended and Restated Bye-laws of the Company to take advantage of several developments in the laws of Bermuda and the United States that involve matters covered by, and to improve the organization of, the Company s Bye-laws.
3. To consider and take action on a proposal to approve the nomination of KPMG, a Bermuda partnership, as the Company s independent registered public accounting firm for the 2009 fiscal year and to authorize the Audit Committee to set the remuneration of such independent registered public accounting firm.

At the Annual Meeting, shareholders will receive the audited consolidated financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2008 with the independent registered public accounting firm s report thereon, and may also be asked to consider and take action with respect to such other business as may properly come before the meeting, or any postponement or adjournment thereof.

The Company s Board of Directors has fixed the close of business on March 16, 2009 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting and any postponement or adjournment thereof. You are cordially invited to be present. Shareholders who do not expect to attend in person are requested to sign and return the enclosed form of proxy in the envelope provided. At any time prior to their being voted at the Annual Meeting, proxies are revocable by written notice to the Secretary of the Company, by a duly executed proxy bearing a later date or by voting in person at the Annual Meeting.

By order of the Board of Directors,

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

Pembroke, Bermuda
March 30, 2009

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Important Notice Regarding the Availability of Proxy Materials for the Platinum Underwriters Holdings, Ltd. 2009 Annual Meeting of Shareholders to be Held on April 29, 2009.

The proxy statement, proxy and 2008 Annual Report to Shareholders are available at www.platinumre.com/proxymaterials.

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

PROXY STATEMENT
FOR
ANNUAL GENERAL MEETING OF SHAREHOLDERS
April 29, 2009

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GENERAL INFORMATION

This proxy statement and the accompanying form of proxy are being furnished to holders of the common shares (the Common Shares) of Platinum Underwriters Holdings, Ltd. (the Company) to solicit proxies on behalf of the Board of Directors of the Company (the Board) for the 2009 Annual General Meeting of Shareholders (the Annual Meeting) to be held at the Fairmont Hamilton Princess Hotel, 76 Pitts Bay Road, Pembroke HM 11 Bermuda, on Wednesday, April 29, 2009 at 3:00 p.m., local time. These proxy materials are first being mailed to shareholders on or about March 30, 2009.

The Board has fixed the close of business on March 16, 2009 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting. As of such date, there were [] Common Shares outstanding and entitled to vote. Each shareholder is entitled to one vote for each Common Share held of record on the record date with respect to each matter to be acted upon at the Annual Meeting, provided that if the number of Controlled Shares (as defined below) of any shareholder constitutes 10% or more of the combined voting power of the issued Common Shares (such holder, a 10% Shareholder), the vote of any such shareholder is limited to 9.9% of the voting power of the outstanding Common Shares pursuant to the Company s Bye-laws. Controlled Shares of any person refers to all Common Shares owned (i) directly, (ii) with respect to persons who are United States persons, by application of the attribution and constructive ownership rules of Sections 958(a) and 958(b) of the U.S. Internal Revenue Code of 1986, as amended (the Internal Revenue Code), or (iii) beneficially, directly or indirectly, within the meaning of Rule 13(d)(3) of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the rules and regulations thereunder.

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

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

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SOLICITATION AND REVOCATION

Proxies in the form enclosed are being solicited on behalf of the Board. Common Shares may be voted at the Annual Meeting by returning the enclosed proxy card or by attending the Annual Meeting and voting in person. The enclosed proxy card authorizes each of Dan R. Carmichael, Michael D. Price and Michael E. Lombardozzi to vote the Common Shares represented thereby in accordance with the instructions given or, if no instructions are given, in their discretion. They may also vote such Common Shares to adjourn or postpone the meeting and will be authorized to vote such Common Shares at any adjournment or postponement of the Annual Meeting. Common Shares held in street name by a broker, bank or other nominee (hereinafter referred to as a broker) must be voted by the broker according to the instructions given by the beneficial owner of the Common Shares or if no instructions are given and the particular proposal to be voted on is considered to be a routine matter, in the broker's discretion. In this proxy statement, proposals 1 (to elect directors) and 3 (to approve the Company's independent registered public accounting firm and to authorize the Audit Committee to set its remuneration) are considered to be routine and proposal 2 (to approve the Amended and Restated Bye-laws of the Company) is considered to be a non-routine matter on which a broker will not have discretionary authority to vote.

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

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

The Company will bear all costs of this proxy solicitation. Proxies may be solicited by mail, in person, by telephone or by facsimile by officers, directors, and employees of the Company. The Company may also reimburse brokerage firms, banks, custodians, nominees and fiduciaries for their expenses incurred in forwarding proxy materials to beneficial owners. The Company has retained Mellon Investor Services, LLC to assist in the solicitation of proxies and will pay a fee of \$6,000 plus reimbursement of out-of-pocket expenses for those services.

THE COMPANY

The Company provides 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 Company operates primarily through two licensed reinsurance subsidiaries: Platinum Underwriters Bermuda, Ltd. (Platinum Bermuda) and Platinum Underwriters Reinsurance, Inc. (Platinum US).

PROPOSAL 1 ELECTION OF DIRECTORS

The Board currently consists of the following eight members, each of whom was elected as a director on April 23, 2008 at the Company's 2008 Annual General Meeting of Shareholders: H. Furlong Baldwin, Jonathan F. Bank, Dan R. Carmichael, Robert V. Deutsch, A. John Hass, Edmund R. Megna, Michael D. Price and Peter T. Pruitt. The term of office of each of the current directors will expire at the Annual Meeting. The Board, after considering the recommendation of the Governance Committee, nominated Messrs. Baldwin, Carmichael, Hass, Megna, Price and Pruitt for reelection as directors at the Annual Meeting to serve until the Company's 2010 Annual General Meeting of Shareholders.

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At the recommendation of the Governance Committee, the Board has nominated James P. Slattery for election as a director at the Annual Meeting to serve until the Company's 2010 Annual General Meeting of Shareholders. Mr. Slattery was recommended to the Governance Committee by Mr. Carmichael, the Company's non-executive Chairman of the Board and Chairman of the Governance Committee. If elected, Mr. Slattery will be appointed Chairman of the Audit Committee.

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

Information Concerning Nominees

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

H. Furlong Baldwin
Age: 77
Director since 2002
Chairman of the Audit
Committee and member of the
Governance Committee

Mr. Baldwin was Chairman of Mercantile Bankshares Corporation, a bank holding company, from March 2001 until his retirement in March 2003. Mr. Baldwin is the Chairman of the Board of Directors of The NASDAQ OMX Group, Inc. and a director of W.R. Grace & Company and Allegheny Energy, Inc.

Dan R. Carmichael
Age: 64
Director since 2002
Non-executive Chairman of
the Board, Chairman of
the Governance Committee and
member of the Audit Committee

Mr. Carmichael has been an adviser and consultant with Proudfoot Consulting, a management consulting firm, since January 2008. From August 2007 to October 2008, he was an executive consultant to Liberty Mutual Agency Markets, a business unit of Liberty Mutual Group. Prior thereto, Mr. Carmichael was President, Chief Executive Officer and a director of Ohio Casualty Corporation, an insurance holding company. Mr. Carmichael is a director of Alleghany Corporation.

A. John Hass
Age: 43
Director since 2007
Member of the Audit and
Compensation Committees

Mr. Hass has been a partner at PEAK6 Investments, LP since September 2008. He was the Chief Executive Officer of OptionsHouse, Inc., a brokerage company and subsidiary of PEAK6 Investments, LP, from October 2006 until September 2008. Prior thereto, Mr. Hass was employed at Goldman Sachs & Co., a financial services company, most recently serving as a Managing Director in the Investment Banking Division.

Edmund R. Megna
Age: 62
Director since 2007
Member of the Compensation and
Governance Committees

Mr. Megna was Vice Chairman of Guy Carpenter & Co., Inc., the reinsurance intermediary division of Marsh & McLennan Companies, Inc., from November 2002 until his retirement in April 2007.

Michael D. Price
Age: 42
Director since 2005
Member of the Executive Committee

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

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Peter T. Pruitt
Age: 76
Director since 2002
Member of the Audit and
Compensation Committees

Mr. Pruitt was Chairman of Willis Re Inc., a reinsurance intermediary, from June 1995 until his retirement in December 2001.

James P. Slattery
Age: 57
Nominee

Mr. Slattery was Senior Vice President Insurance of Alleghany Corporation, a property and casualty insurance holding company, and President of Alleghany Insurance Holdings, LLC, the insurance holding company subsidiary of Alleghany Corporation, from April 2002 until his retirement in July 2008. He has also been President of JPS & Co., LLC, an insurance and investment consulting company, since April 2001.

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

CORPORATE GOVERNANCE

Independence of Directors

New York Stock Exchange (NYSE) listing standards require the Company to have a majority of independent directors serving on the Board. A member of the Board qualifies as independent if the Board affirmatively determines that the director has no material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company. The Board has determined that Messrs. Baldwin, Bank, Carmichael, Deutsch, Hass, Megna and Pruitt, constituting a majority of the Board, have no material relationship with the Company other than in their capacities as members of the Board and committees thereof, and thus are independent directors of the Company. The Board has also determined that Mr. Slattery, a nominee for election as a director of the Company, has no material relationship with the Company and thus would be an independent director if elected at the Annual Meeting. Messrs. Baldwin, Bank, Carmichael, Hass and Megna do not have any relationship with the Company other than as a director and member of committees of the Board.

Mr. Deutsch has been the President and a director of Ironshore, Inc., an insurance holding company, since December 2006. He was the Chief Executive Officer of Ironshore, Inc. from December 2007 until December 2008 and was the Chief Executive Officer and a director of Ironshore Insurance, Ltd., a privately held insurance company and subsidiary of Ironshore, Inc., from January 2007 until December 2007. During 2008, the Company provided reinsurance coverage to a subsidiary of Ironshore, Inc. resulting in premiums to the Company of approximately \$1.12 million, representing approximately 0.08% of the Company s consolidated total revenue for 2008. Mr. Deutsch does not receive any special benefits from the contract. Based on the foregoing, the Board has determined that Mr. Deutsch has no material relationship with the Company.

Mr. Pruitt s son is a partner of the law firm of Dewey & LeBoeuf LLP. Dewey & LeBoeuf LLP provides, and one of its predecessor firms provided, legal services to the Company. Mr. Pruitt s son is not involved in the provision of these legal services to the Company. In addition, payments made by the Company to Dewey & LeBoeuf LLP and its predecessor firm did not exceed the greater of \$1 million or 2% of the consolidated gross revenues of such firm in any of the last three fiscal years. Based on the foregoing, the Board has determined that Mr. Pruitt has no material relationship with the Company. In addition, the Board reviewed and approved Mr. Pruitt s relationship with Dewey &

LeBoeuf LLP and determined that it does not constitute a conflict of interest under the Company's Code of Business Conduct and Ethics because Mr. Pruitt does not have a significant financial interest in, and is not an affiliate of, a company with which the Company does business or proposes to do business.

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Mr. Slattery is party to a letter agreement with the Company dated June 5, 2008 pursuant to which he is providing consulting services to the Board and Audit Committee from July 1, 2008 until the date of the Annual Meeting, at which time the letter agreement will expire. Mr. Slattery will receive a total of \$90,000 in fees for these consulting services, payable in three equal installments on or about September 30, 2008, December 31, 2008 and March 31, 2009. Based on the foregoing, the Board has determined that Mr. Slattery has no material relationship with the Company.

Non-Executive Chairman of the Board

Mr. Carmichael is the non-executive Chairman of the Board and the Chairman of the Governance Committee and, as such, he presides at the meetings of non-management directors (each of whom is independent) that are held after each Board meeting.

Standing Committees of the Board of Directors

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

Audit Committee

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

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

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

assess and take appropriate action regarding the independence of the Company's independent registered public accounting firm;

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

periodically review with management and the independent registered public accounting firm the Company's accounting policies, including critical accounting policies and practices and the estimates and assumptions used

by management in the preparation of the Company's financial statements;

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

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discuss with management the Company's guidelines and policies with respect to corporate risk assessment and risk management;

discuss with management each of the earnings press releases;

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

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

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

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

Compensation Committee

The Compensation Committee presently consists of Messrs. Bank (Chairman), Deutsch, Hass, Megna and Pruitt. Following the Annual Meeting, if elected, Mr. Hass will be appointed as Chairman of the Compensation Committee and the Compensation Committee will consist of Messrs. Hass (Chairman), Megna and Pruitt. The Board has determined that each member of the Compensation Committee is independent as defined in the NYSE listing standards.

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

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

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

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

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

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

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

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

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

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

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

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

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

Pursuant to its charter, the Compensation Committee may retain professional firms and outside experts to assist in the discharge of its duties. The Compensation Committee has the sole authority to retain, evaluate and replace such firms, including the sole authority to approve the firms' fees and other retention terms. In 2006 and at other times since the Company's inception, the Compensation Committee has engaged Fredrick W. Cook & Co. (FWC), a professional compensation consulting firm, to provide competitive compensation data. In May 2007, the Compensation Committee engaged FWC to assist in the adoption of the Amended and Restated Change in Control Severance Plan (the CIC Plan). FWC provided guidance with respect to the scope of the CIC Plan, the payment levels under the CIC Plan and the terms of the CIC Plan. In June 2008, the Compensation Committee engaged Grahall Partners, LLC (Grahall), a professional compensation consulting firm, to assist in a comprehensive review of the competitiveness of the compensation of the Company's named executive officers and to provide advice with respect to a new employment agreement with the Chief Executive Officer. The Compensation Committee selects the peer group of companies used by compensation consulting firms and reviews the methodology employed by such firms in their reports to the Compensation Committee.

Governance Committee

The Governance Committee presently consists of Messrs. Carmichael (Chairman), Baldwin, Bank and Megna. Following the Annual Meeting, if elected, the Governance Committee will consist of Messrs. Carmichael (Chairman),

Baldwin and Megna. The Board has determined that each member of the Governance Committee is independent as defined in the NYSE listing standards.

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

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

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

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

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

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

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

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

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

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

Candidates may come to the attention of the Governance Committee through current Board members, professional search firms, shareholders or other persons. These candidates will be evaluated at regular or special meetings of the Governance Committee and may be considered at any point during the year. Candidates recommended by shareholders for nomination to the Board will be considered and evaluated by the Governance Committee using the

same criteria that is used to evaluate all other candidates. Any shareholder recommendations should include the candidate's name and qualifications for Board membership and should be submitted in writing to the Governance Committee in care of the Secretary of the Company at the Company's principal executive offices.

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Executive Committee

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

Meetings and Attendance

During 2008, the Board met six times, the Audit Committee met four times, the Compensation Committee met five times, the Governance Committee met six times and the Executive Committee did not meet. Each director attended at least 75% of the aggregate number of meetings of the Board and meetings of the committees of the Board on which he served that were held in 2008.

Board members are encouraged to attend the Company's Annual General Meetings of Shareholders. All directors attended the Company's 2008 Annual General Meeting of Shareholders held on April 23, 2008 in Bermuda.

Corporate Governance Guidelines and Code of Conduct

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

Executive Sessions

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

Compensation Committee Interlocks and Insider Participation

Messrs. Bank, Deutsch, Hass, Megna and Pruitt served on the Compensation Committee of the Board during 2008. Each member of the Compensation Committee is an independent director and no member of the Compensation Committee was an officer or an employee of the Company during 2008 or a former officer of the Company. Additionally, no member of the Compensation Committee had any relationship with the Company requiring disclosure under Item 404 of SEC Regulation S-K. No executive officer of the Company served on any board of directors or compensation committee of any other company for which any of our directors served as an executive officer at any time during the 2008 fiscal year.

Communications with the Board

Interested parties may communicate with the Board, anonymously if they wish, by writing to the General Counsel at Platinum Underwriters Holdings, Ltd., The Belvedere Building, 69 Pitts Bay Road, Pembroke HM 08 Bermuda. Communications that are intended specifically for non-management directors should be sent to the above address to

the attention of the Chairman of the Board (as the independent director who presides at meetings of such directors), in care of the General Counsel. All such communications will be treated as confidential and delivered to the appropriate Board member or members.

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The following information relates to compensation of each director who served on the Board in 2008, other than Mr. Price whose compensation as President and Chief Executive Officer of the Company is reflected in the Summary Compensation Table below.

Director Compensation for Fiscal Year ending December 31, 2008

Name (a)	Fees Earned or Paid in Cash⁽¹⁾ (\$) (b)	Stock Awards⁽²⁾ (\$) (c)	Option Awards⁽³⁾ (\$) (d)	All Other Compensation⁽⁴⁾ (\$) (g)	Total (\$) (h)
H. Furlong Baldwin	73,836	114,005		507	188,348
Jonathan F. Bank	80,000	120,179		517	200,696
Dan R. Carmichael	95,859	136,021		517	232,397
Robert V. Deutsch	68,750	108,950	23,763	382	201,845
A. John Hass	62,500	102,671		382	165,553
Edmund R. Megna	66,250	106,374		382	173,006
Peter T. Pruitt	65,000	105,200		507	170,707
Steven H. Newman ⁽⁵⁾	86,126		1,565,000	575,201	2,226,327

- (1) These amounts represent the portion of director fees earned in cash with respect to 2008. Messrs. Baldwin, Bank, Carmichael and Hass, each elected to receive this portion of their director fees in share units rather than in cash.
- (2) The amounts shown in the Stock Awards column represent the amount we recognized for financial statement reporting purposes in 2008 for share unit awards granted to the directors in 2008 and prior years, in accordance with Statement of Financial Accounting Standards No. 123R Share-Based Payment (SFAS 123R), excluding the impact of estimated forfeitures related to service-based vesting conditions, as required by SEC rules. These amounts do not reflect the amount of compensation actually received by the directors during the fiscal year. These amounts represent: (i) the dollar amount of the 2008 compensation cost of the share unit portion of director fees paid pursuant to the Share Unit Plan for Nonemployee Directors, and (ii) the dollar amount of the 2008 compensation cost of the annual share unit awards made under the 2006 Share Incentive Plan, which amount was \$40,138 for each of Messrs. Baldwin, Bank, Carmichael, Deutsch, Hass, Megna and Pruitt. The grant date fair value of each of the annual share unit awards computed in accordance with SFAS 123R was \$40,000. The grant date fair value of the share unit portion of 2008 director fees computed in accordance with SFAS 123R was as follows: Mr. Bank: \$80,041; Mr. Baldwin: \$73,867; Mr. Carmichael: \$95,883; Mr. Deutsch: \$68,812; Mr. Hass: \$62,533; Mr. Megna: \$66,236; Mr. Newman: \$0; and Mr. Pruitt: \$65,062. The number of Common Shares underlying outstanding Stock Awards held by each of the Company's directors as of December 31, 2008 was as follows: Mr. Bank: 21,777; Mr. Baldwin: 14,980; Mr. Carmichael: 20,770; Mr. Deutsch: 7,792; Mr. Hass: 5,263; Mr. Megna: 3,917; and Mr. Pruitt: 11,119. The assumptions made in the valuation of these stock awards are discussed in Note 11 to the Company's consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2008 (the 2008 Form 10-K).

- (3) The amounts shown in the Option Awards column represent the amount we recognized for financial statement reporting purposes in 2008 for option awards granted to the directors in 2008 and prior years, in accordance with SFAS 123R, excluding the impact of estimated forfeitures related to service-based vesting conditions, as required by SEC rules. These amounts do not reflect the amount of compensation actually received by the directors during the fiscal year. The amount for Mr. Deutsch represents the dollar amount of the 2008 compensation cost of an option to purchase 25,000 Common Shares with an exercise price of \$27.40 per Common Share received by Mr. Deutsch upon his election to the Board at the 2005 Annual General Meeting of Shareholders held on April 26, 2005, which option has a ten-year term and is exercisable in three equal annual installments beginning on April 26, 2006. The amount shown for Mr. Newman

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represents the dollar amount of the 2008 compensation cost of an option to purchase 500,000 Common Shares with an exercise price of \$36.00 per Common Share received by Mr. Newman on April 23, 2008, which option is fully vested and exercisable through April 23, 2010. The number of Common Shares underlying outstanding Option Awards held by each of the Company's directors as of December 31, 2008 was as follows: Mr. Bank: 35,000; Mr. Baldwin: 35,000; Mr. Carmichael: 35,000; Mr. Deutsch: 25,000; Mr. Newman: 500,000; and Mr. Pruitt: 35,000. The assumptions made in the valuation of these option awards are discussed in Note 11 to the Company's consolidated financial statements contained in the 2008 Form 10-K.

- (4) The amounts for each of Messrs. Baldwin, Bank, Carmichael, Deutsch and Pruitt represent the dollar value of dividends paid on the annual share unit grant and the share unit portion of director fees which converted in 2008 that were not factored into the grant date fair value computation. The amount for Mr. Newman represents:
- (i) Platinum US consulting fees in the amount of \$459,826; (ii) a payment for unused corporate jet hours of \$57,200; (iii) the non-business use of the Company's participation in a corporate jet rental program for 3.7 hours at a cost to the Company of \$27,049; (iv) an allowance for office, secretarial and administration services in the amount of \$23,562; and (v) the dollar value of dividends paid on the share unit portion of director fees that were not factored into the grant date fair value computation in the amount of \$7,565.
- (5) Mr. Newman retired from the Board as of April 23, 2008. Mr. Newman serves as a consultant to Platinum US. See Director Compensation Agreements with Steven H. Newman below.

Nonemployee Director