

PLATINUM UNDERWRITERS HOLDINGS LTD

Form DEF 14A

March 21, 2014

Table of Contents

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:

Edgar Filing: PLATINUM UNDERWRITERS HOLDINGS LTD - Form DEF 14A

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:

5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ 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:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Table of Contents

Waterloo House

100 Pitts Bay Road

Pembroke HM 08 Bermuda

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON APRIL 22, 2014

To the Shareholders of Platinum Underwriters Holdings, Ltd.:

Notice is hereby given that the 2014 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 Tuesday, April 22, 2014 at 9:00 a.m., local time, for the following purposes:

1. To elect the eight directors nominated by the Company's Board of Directors to the Company's Board of Directors to serve until the Company's 2015 Annual General Meeting of Shareholders.
2. To hold an advisory vote on named executive officer compensation.
3. To approve the nomination of KPMG Audit Limited as the Company's independent registered public accounting firm for the 2014 fiscal year.

At the Annual Meeting, shareholders will receive the audited consolidated financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2013 with the Company's 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 7, 2014 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. Lombardozi

Edgar Filing: PLATINUM UNDERWRITERS HOLDINGS LTD - Form DEF 14A

Executive Vice President, General Counsel,

Chief Administrative Officer and Secretary

Pembroke, Bermuda

March 21, 2014

Important Notice Regarding the Availability of Proxy Materials for the Platinum Underwriters Holdings, Ltd. 2014 Annual General Meeting of Shareholders to be Held on April 22, 2014:

The proxy statement, proxy and 2013 Annual Report to Shareholders are available at www.platinumre.com/proxymaterials.

Table of Contents

PLATINUM UNDERWRITERS HOLDINGS, LTD.

Waterloo House

100 Pitts Bay Road

Pembroke HM 08 Bermuda

PROXY STATEMENT

FOR

ANNUAL GENERAL MEETING OF SHAREHOLDERS

April 22, 2014

TABLE OF CONTENTS

	Page
<u>GENERAL INFORMATION</u>	3
<u>SOLICITATION AND REVOCATION</u>	4
<u>THE COMPANY</u>	4
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	5
<u>Information Concerning Nominees</u>	5
<u>CORPORATE GOVERNANCE</u>	8
<u>Independence of Directors</u>	8
<u>Board Leadership Structure</u>	8
<u>Board Role in Risk Oversight</u>	8
<u>Standing Committees of the Board of Directors</u>	8
<u>Meetings and Attendance</u>	12
<u>Corporate Governance Guidelines and Code of Conduct</u>	12
<u>Executive Sessions</u>	12
<u>Compensation Committee Interlocks and Insider Participation</u>	13
<u>Communications with the Board</u>	13
<u>DIRECTOR COMPENSATION</u>	13
<u>Nonemployee Director Compensation Policy</u>	14
<u>TRANSACTIONS WITH RELATED PERSONS</u>	14
<u>SHARE OWNERSHIP GUIDELINES</u>	15
<u>INFORMATION CONCERNING EXECUTIVE OFFICERS</u>	16
<u>EXECUTIVE COMPENSATION</u>	17
<u>Compensation Discussion and Analysis</u>	17
<u>Compensation Committee Report</u>	33
<u>2013 Summary Compensation Table</u>	34

Edgar Filing: PLATINUM UNDERWRITERS HOLDINGS LTD - Form DEF 14A

<u>Grants of Plan-Based Awards in Fiscal Year Ended December 31, 2013</u>	35
<u>Employment Agreements and Arrangements with Named Executive Officers</u>	36
<u>Outstanding Equity Awards at Fiscal Year-End 2013</u>	39
<u>Option Exercises and Stock Vested for Fiscal Year-End 2013</u>	40
<u>Nonqualified Deferred Compensation for Fiscal Year Ended December 31, 2013</u>	42
<u>Potential Payments Upon Termination or Change In Control</u>	43
<u>Relationship between Compensation Policies and Risk Management</u>	50
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	50
<u>Security Ownership of Certain Beneficial Owners</u>	50
<u>Security Ownership of Management</u>	52
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	52
<u>PROPOSAL 2 ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION</u>	53
<u>AUDIT COMMITTEE REPORT</u>	54
<u>PROPOSAL 3 APPROVAL OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE 2014 FISCAL YEAR</u>	55

Table of Contents

	Page
<u>Audit Fees, Audit-Related Fees, Tax Fees and All Other Fees</u>	55
<u>Pre-Approval Policies and Procedures</u>	55
<u>ADDITIONAL INFORMATION</u>	56
<u>Other Action at the Annual Meeting</u>	56
<u>Shareholder Proposals for the 2015 Annual Meeting</u>	56

Table of Contents

GENERAL INFORMATION

This proxy statement and the accompanying form of proxy are being furnished to holders of the common shares (the **Common Shares**) of Platinum Underwriters Holdings, Ltd. (the **Company**, **we**, **us**, or **our**) to solicit proxies on behalf of the Board of Directors of the Company (the **Board**) for the 2014 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 Tuesday, April 22, 2014 at 9:00 a.m., local time. These proxy materials are first being mailed to shareholders on or about March 21, 2014.

The Board has fixed the close of business on March 7, 2014 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 27,436,310 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, pursuant to our Amended and Restated Bye-laws (our **Bye-laws**), the voting power of any shareholder shall be adjusted in circumstances in which the **Controlled Shares** (as defined below) held by any person constitute 9.5% or more of the voting power of all issued shares of the Company (such person, a **9.5% Member**), to the extent necessary so that there is no 9.5% Member. **Controlled Shares** means all shares of the Company (i) directly owned, (ii) directly, indirectly or constructively owned by a United States person as determined pursuant to sections 957 and 958 of the United States Internal Revenue Code of 1986, as amended (the **Internal Revenue Code**), and the treasury regulations promulgated thereunder or (iii) beneficially owned 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 promulgated thereunder.

Pursuant to our Bye-laws, any direct or indirect holder of shares shall notify us within ten days following the date that such person acquires actual knowledge that such person is the direct or indirect holder of **Controlled Shares** constituting 9.5% or more of the voting power of the issued shares of the Company. Accordingly, we request that any holder of Common Shares with reason to believe that it is a 9.5% Member or that it holds Common Shares characterized as **Controlled Shares** of a 9.5% Member contact us promptly so that we may determine whether the voting power of such holder's Common Shares should be reduced. By submitting a proxy, a holder of Common Shares will be deemed to have confirmed that, to its knowledge, it is not, and is not acting on behalf of, a 9.5% Member. The directors of the Company are empowered to require any direct or indirect shareholder to provide information the directors may reasonably request to determine whether such shareholder's voting power should be adjusted. 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 circumstances as to the aggregate number of votes attaching to the Common Shares of any shareholder to ensure that no person shall be, or shall be acting on behalf of, a 9.5% Member.

The presence of two or more persons in person and representing in person or by proxy 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. The proposals set forth in this proxy statement 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, and a hand vote will be taken on each proposal unless a poll is requested pursuant to our Bye-laws. Please note, however, that the vote on proposal 2 is advisory and non-binding, as discussed in more detail under **Proposal 2 Advisory Vote on Named Executive Officer Compensation**. Nevertheless, we will consider our shareholders' views, as expressed by their vote on this proposal, in any subsequent actions concerning the matter dealt with in such proposal.

Table of Contents

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. Lombardoizzi to vote the Common Shares represented thereby in accordance with the instructions given or, if no instructions are given, in their discretion. They may also vote such Common Shares to adjourn or postpone the meeting and will be authorized to vote such Common Shares at any adjournment or postponement of the Annual Meeting. Common Shares held in street name by a broker, bank or other nominee (hereinafter referred to as a broker) must be voted by the broker according to the instructions given by the beneficial owner of the Common Shares or, if no instructions are given and the particular proposal to be voted on is considered to be a routine matter, in the broker's discretion. In this proxy statement, proposal 3 (approval of the independent registered public accounting firm for the 2014 fiscal year) is considered to be routine. Proposal 1 (election of directors) and proposal 2 (advisory vote on named executive officer compensation) are considered non-routine under the rules of the New York Stock Exchange (the NYSE), and therefore a broker will not have discretionary authority to vote if no instructions are given by the beneficial owner of the Common Shares.

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

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

We will bear all costs of this proxy solicitation. Proxies may be solicited by mail, in person, by telephone or by facsimile by our officers, directors, and employees. We may also reimburse brokerage firms, banks, custodians, nominees and fiduciaries for their expenses incurred in forwarding proxy materials to beneficial owners. We have retained Georgeson Inc. to assist in the solicitation of proxies and will pay a fee of \$8,000 plus reimbursement of out-of-pocket expenses for those services.

THE COMPANY

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

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

The Board currently consists of the following eight members, each of whom was elected as a director on April 24, 2013 at our 2013 Annual General Meeting of Shareholders (the 2013 Annual Meeting): Dan R. Carmichael, A. John Hass, Antony P. D. Lancaster, Edmund R. Megna, Michael D. Price, Linda E. Ransom, James P. Slattery and Christopher J. Steffen. The term of office of each of the current directors will expire at the Annual Meeting. The Board, after considering the recommendation of the Governance Committee, nominated each of the current directors for election as directors at the Annual Meeting to serve until our 2015 Annual General Meeting of Shareholders (the 2015 Annual Meeting).

The Board has no reason to believe that any of its 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.

Dan R. Carmichael

Age: 69

Director since 2002

Non-executive Chairman of the Board and Chairman of the Governance and Executive Committees

Mr. Carmichael has been an advisor to FirstMark Capital, a private equity firm, since January 2009. He was an advisor and consultant to Proudfoot Consulting, a management consulting firm, from January 2008 to December 2009. From August 2007 to October 2008, he was an executive consultant to Liberty Mutual Agency Markets, a business unit of Liberty Mutual Group, an insurance company. From December 2000 to August 2007, Mr. Carmichael was President, Chief Executive Officer and a director of Ohio Casualty Corporation, a public insurance holding company. Prior thereto, Mr. Carmichael served as President and Chief Executive Officer of IVANS, Inc., an industry-owned organization that provides electronic communications services to insurance, healthcare and related companies. He has had significant involvement in the property and casualty insurance industry in various capacities and served as a Chief Executive Officer of insurance and non-insurance companies for more than twenty years. Mr. Carmichael was a director of Lender Processing Services, Inc., a public company that provides integrated technology, data and services to the mortgage lending industry, from 2013 until the company's acquisition in 2014, and a director of Alleghany Corporation, a public property and casualty insurance holding company, from 1993 to 2012. Mr. Carmichael was nominated to serve on the Board because of this insurance industry experience and his experience as a public company executive and director.

A. John Hass

Age: 48

Director since 2007

Chairman of the Compensation Committee and member of the Audit Committee

Mr. Hass has been a senior advisor to Osmium Partners, LLC, a hedge fund, since November 2012. He was a partner at PEAK6 Investments, L.P., a financial services company, from October 2008 through September 2012 and was the Chief Financial Officer of PEAK6 Investments, L.P. from February 2009 through June 2010. He was the Chief Executive Officer of OptionsHouse, Inc., a brokerage company and subsidiary of PEAK6 Investments, L.P., from October 2006 until September 2008. From 1988 to October

2006, Mr. Hass was employed at Goldman Sachs & Co., a subsidiary of the public financial services company The Goldman Sachs Group, Inc., most recently as a Managing Director in the Investment Banking Division. Mr. Hass was nominated to serve on the Board because of this executive, finance and investment experience.

Table of Contents

<p>Antony P. D. Lancaster</p> <p>Age: 71</p> <p>Director since 2010</p> <p>Member of the Audit and Governance Committees</p>	<p>Mr. Lancaster currently serves on the board of directors of several private insurance companies and other financial institutions and served as a non-executive director of Platinum Re (UK) Limited, a former subsidiary of the Company, from December 2002 until December 2009. From 1991 to 1998, Mr. Lancaster served as Chairman and Chief Executive Officer of GAN Insurance Company Limited, an insurance company based in France. Following the acquisition in 1998 of GAN by Groupama, an international insurance group based in France, Mr. Lancaster served as Chairman and Chief Executive Officer of Groupama Insurance Co. Limited (Groupama's United Kingdom subsidiary) until his retirement in 2002. Mr. Lancaster commenced his employment in the insurance industry in 1961 and was employed at various times as a general manager, senior vice president, chief executive and chairman of insurance and reinsurance companies and broker businesses in a number of overseas locations. He was a director of IPC Holdings, Ltd., a public reinsurance company based in Bermuda, from 2006 until 2009. Mr. Lancaster was nominated to serve on the Board because of this international insurance industry experience, this experience as a public company director and his familiarity with the Company.</p>
<p>Edmund R. Megna</p> <p>Age: 67</p> <p>Director since 2007</p> <p>Member of the Compensation and Governance Committees</p>	<p>Mr. Megna was Vice Chairman of Guy Carpenter & Co., Inc., the reinsurance intermediary division of Marsh & McLennan Companies, Inc., from November 2002 until his retirement in April 2007. From 1975 until November 2002, he held a variety of positions at Guy Carpenter & Co., Inc., including serving as President from March 1999 until November 2002. Mr. Megna was nominated to serve on the Board because of this experience as an insurance industry executive.</p>
<p>Michael D. Price</p> <p>Age: 47</p> <p>Director since 2005 Member of the Executive Committee</p>	<p>Mr. Price has been our President and Chief Executive Officer since October 2005, was our Chief Operating Officer from August 2005 until October 2005, and was President of Platinum US from November 2002 until August 2005. Mr. Price was Chief Underwriting Officer of our predecessor, the former reinsurance segment of The St. Paul Companies, Inc., from June 2002 until November 2002. Prior thereto, Mr. Price was Chief Operating Officer of Associated Aviation Underwriters Incorporated, a subsidiary of Global Aerospace Underwriting Managers Ltd., specializing in aerospace insurance. Mr. Price was nominated to serve on the Board because, as our Chief Executive Officer, he brings deep knowledge of our operations to the Board.</p>
<p>Linda E. Ransom</p> <p>Age: 60</p> <p>Director since 2013</p> <p>Member of the Compensation and Governance Committees</p>	<p>Ms. Ransom has been a corporate and securities lawyer for more than 30 years, and worked as our outside counsel from our formation in 2002 until April 2012 and as a consultant to our Board and General Counsel from May 2012 until April 2013. From March 1998 until April 2012, Ms. Ransom was a partner at the law firm of Dewey & LeBoeuf LLP (which declared bankruptcy on May 28, 2012 and in which she had no management role) and its predecessor, Dewey Ballantine LLP. Prior thereto, she was a partner at the law firm of Donovan Leisure Newton & Irvine. Ms. Ransom was nominated to serve on the Board because of her familiarity with the Company and her significant legal experience generally and in the insurance and reinsurance industries in particular.</p>

Table of Contents

James P. Slattery

Age: 62

Director since 2009

Chairman of the Audit Committee

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

Christopher J. Steffen

Age: 72

Director since 2010

Member of the Audit and Compensation Committees

Mr. Steffen was an advisor to Wall Street Management & Capital, Inc., a consulting firm, from 2002 until 2010 and has served on various committees advising the Financial Accounting Standards Board. From 1993 until his retirement in 1996, he served as Vice Chairman and a director of Citicorp and its principal subsidiary, Citibank N.A. In 1993, he was the Chief Financial Officer of Eastman Kodak, a public imaging technology products and services company, and from 1989 to 1993 he was the Chief Financial Officer and Chief Administrative Officer and a director of Honeywell International, Inc., a public diversified technology and manufacturing company. Mr. Steffen was also a certified public accountant. Mr. Steffen has been a director and the Chairman of the Board of Directors of ViaSystems Group, Inc., a public company that provides complex multi-layer printed circuit boards and electro-mechanical solutions, since 2003 and a director of W. R. Grace & Co., a public company that produces and sells specialty chemicals and specialty materials, since 2006. He is W. R. Grace & Co. s Lead Independent Director, Chairman of W. R. Grace & Co. s nominating and governance committee and serves on W. R. Grace & Co. s compensation committee and audit committee (and has been designated as an audit committee financial expert). In addition, Mr. Steffen is Chairman of ViaSystems Group, Inc. s nominating and governance committee, the interim Chairman of ViaSystems Group, Inc. s audit committee (and has been designated as an audit committee financial expert) and serves on ViaSystems Group, Inc. s compensation committee. He was a director of Accelrys, Inc., a public company that develops and commercializes scientific business intelligence software and solutions, from 2004 to 2012. Mr. Steffen was nominated to serve on the Board because of this finance experience and his experience as a public company executive and director.

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

Table of Contents

CORPORATE GOVERNANCE

Independence of Directors

The NYSE listing standards require us to have a majority of independent directors serving on the Board. A member of the Board qualifies as independent if the Board affirmatively determines that the director has no material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company. The Board has determined that each of Messrs. Carmichael, Hass, Lancaster, Megna, Slattery and Steffen and Ms. Ransom, constituting a majority of the Board, has no material relationship with the Company other than in his or her capacity as a member of the Board and committees thereof, and thus each is an independent director of the Company.

None of Messrs. Carmichael, Hass, Lancaster, Megna, Slattery and Steffen has any relationship with the Company other than as a director and member of committees of the Board. Ms. Ransom was party to a letter agreement with us dated May 7, 2012 pursuant to which she provided consulting services to the Board and its committees and legal services to our General Counsel and legal staff from May 7, 2012 until the letter agreement expired on April 24, 2013. Ms. Ransom received a total of \$100,000 in fees for these consulting services, paid in three equal installments on or about June 30, 2012, October 31, 2012 and December 31, 2012. Based on the foregoing, the Board has determined that Ms. Ransom has no material relationship with the Company.

Board Leadership Structure

Our Corporate Governance Guidelines provide that the Board should have the flexibility to decide whether it is best for the Company at any given point in time for the roles of the Chief Executive Officer and Chairman of the Board to be separate or combined and, if separate, whether the Chairman of the Board should be selected from the independent directors. Currently, different individuals serve in the roles of Chairman of the Board and Chief Executive Officer. Mr. Carmichael, an independent director, is the non-executive Chairman of the Board and the Chairman of the Governance Committee and, as such, he presides at the meetings of the Board and at the meetings of independent directors that are held after each Board meeting. We believe that it is important for the Company to have independent, non-management leadership at the Board level, which enhances the Chief Executive Officer's accountability to the Board and contributes to effective risk oversight and corporate governance. The separation of the Chief Executive Officer and Chairman of the Board roles provides a balance between management and independent, non-management leadership. However, the Board retains the flexibility to consider other structures that provide a similar balance of leadership, such as one that combines the roles of Chairman of the Board and Chief Executive Officer and includes the naming of a lead independent director. Accordingly, the Board periodically reviews its leadership structure.

Board Role in Risk Oversight

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

Standing Committees of the Board of Directors

The Board maintains four standing committees: the Audit, Compensation, Governance and Executive Committees. Each of these committees operates pursuant to a charter, each of which is posted on our website at www.platinumre.com and may be found under the Investor Relations section by selecting Corporate

Table of Contents

Governance. Copies of these charters may also be obtained, without charge, upon written request to the Secretary of the Company at our principal executive offices.

Audit Committee

The Audit Committee presently consists of Messrs. Hass, Lancaster, Slattery (Chairman) and Steffen. 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 Mr. Slattery and Mr. Steffen are audit committee financial experts as defined in the rules of the United States Securities and Exchange Commission (the "SEC").

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

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

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

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

periodically review with management and the independent registered public accounting firm our accounting policies, including critical accounting policies and practices and the estimates and assumptions used by management in the preparation of our financial statements;

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

discuss with management our guidelines and policies with respect to corporate risk assessment and risk management, which discussions shall involve all board members;

discuss with management each of the earnings press releases;

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

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

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

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

Compensation Committee

The Compensation Committee presently consists of Messrs. Hass (Chairman), Megna and Steffen and Ms. Ransom. 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 our compensation policies and practices and those of our subsidiaries, including incentive compensation plans and equity-based plans that are subject to Board approval;

review the recommendations of the Chief Executive Officer concerning the compensation of our officers and officers of our subsidiaries who report directly to the Chief Executive Officer and make determinations with respect thereto;

Table of Contents

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

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

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

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

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

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

appoint, compensate and oversee the work of any compensation consultant, legal counsel or other adviser retained by the Compensation Committee and assess the independence of any such adviser in accordance with NYSE and SEC rules; 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, our financial performance and shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and awards given to the Chief Executive Officer in past years. Compensation determinations for our other named executive officers are also made by the Compensation Committee. The Compensation Committee receives recommendations regarding such compensation from the Chief Executive Officer, who considers, among other factors, competitive compensation information. The Compensation Committee also consults with the Chief Executive Officer regarding the form of compensation and benefits to be provided to our other executive officers. The Compensation Committee may request a report from a compensation consulting firm in support of such proposed compensation and may consider comparative competitive data prepared by a compensation consulting firm or our human resources personnel.

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

Table of Contents

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

The Compensation Committee regularly consults with outside compensation advisors in performing its duties. The Compensation Committee has the authority to retain and dismiss compensation consultants, as well as to establish the scope of the work of any such consultant. In 2013, the Compensation Committee retained Frederic W. Cook & Co., Inc. (the Compensation Consultant) to provide executive compensation consulting services, including conducting benchmarking against our peer group. The Compensation Consultant is retained by and reports to the Compensation Committee and participates in committee meetings when requested by the Chairman of the Compensation Committee. The Compensation Consultant informs the Compensation Committee on market trends, as well as regulatory issues and developments and how they may impact our executive compensation programs. The Compensation Consultant also advises regarding the design and competitiveness of the executive compensation program to help the Compensation Committee evaluate the linkage between pay and performance. The Compensation Consultant does not provide any other services to the Company, and works with management only under the direction of the Committee. The Compensation Committee has assessed the independence of the Compensation Consultant pursuant to the NYSE rules and the Company concluded that the Compensation Consultant's work for the Compensation Committee did not raise any conflict of interest.

Governance Committee

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

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

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

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

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

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

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

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

Edgar Filing: PLATINUM UNDERWRITERS HOLDINGS LTD - Form DEF 14A

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.

Table of Contents

Director Nomination Process. The Governance Committee regularly assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or for other reasons, and is responsible for identifying and recommending to the Board qualified candidates for nomination to the Board. The Governance Committee believes that members of the Board should have the highest professional and personal ethics and values, consistent with our ethics and values. Directors should be committed to enhancing shareholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. While we value public company service and seek that experience in candidates for nomination to the Board, our Corporate Governance Guidelines provide that directors should not serve on more than three other boards of public companies. In evaluating the suitability of director candidates, the Governance Committee and the Board take into account many factors such as general understanding of various business disciplines, the Company's business environment, educational and professional background, analytical ability, diversity of experience and viewpoint and willingness to devote adequate time to Board duties in order to assure that specific talents, skills and other characteristics that are needed to promote the Board's effectiveness are possessed by an appropriate combination of directors. 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 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 are used to evaluate all other candidates. Any shareholder recommendations should include the candidate's name and qualifications for Board membership and should be submitted in writing to the Governance Committee in care of the Secretary of the Company at our principal executive offices.

Executive Committee

The Executive Committee presently consists of Messrs. Carmichael (Chairman) and Price. The Executive Committee is authorized to exercise 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 2013, the Board met four times, the Audit Committee met four times, the Compensation Committee met four times, the Governance Committee met three times and the Executive Committee did not meet. Each director attended all of the meetings of the Board and committees of the Board on which he or she served that were held in 2013.

Board members are encouraged to attend our Annual General Meetings of Shareholders. All of our directors attended our 2013 Annual Meeting held on April 24, 2013 in Bermuda.

Corporate Governance Guidelines and Code of Conduct

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

Executive Sessions

In accordance with our Corporate Governance Guidelines and the NYSE's corporate governance rules, separate executive sessions of non-management directors are held after each regular Board meeting and, if the non-management directors include any directors who are not independent, the independent directors will meet in an executive session at least once per year. Mr. Carmichael, an independent director who serves as non-executive Chairman of the Board and Chairman of the Governance Committee, presides at such sessions.

Table of Contents**Compensation Committee Interlocks and Insider Participation**

Messrs. Hass, Megna and Steffen and Ms. Ransom served on the Compensation Committee of the Board during the 2013 fiscal year. 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 2013 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 2013 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., Waterloo House, 100 Pitts Bay Road, Pembroke HM 08 Bermuda. Communications that are intended specifically for non-management or independent 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.

DIRECTOR COMPENSATION

The following information relates to compensation of each director who served on the Board in 2013, other than Mr. Price whose compensation as our President and Chief Executive Officer is reflected under Executive Compensation 2013 Summary Compensation Table below.

Director Compensation for Fiscal Year ending December 31, 2013

Name	Fees Earned or	Stock	All Other	Total
	Paid in Cash	Awards ⁽¹⁾	Compensation ⁽²⁾	
(a)	(\$)	(\$)	(\$)	(\$)
	(b)	(c)	(g)	(h)
Dan R. Carmichael	175,000	50,002	6,931	231,933