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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) March 2, 2015

RenaissanceRe Holdings Ltd.

(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction
of incorporation)

001-14428
(Commission
File Number)

98-014-1974
(I.R.S. Employer
Identification No.)

Renaissance House
12 Crow Lane
Pembroke, HM19 Bermuda
(Address of principal executive office)

(441) 295-4513
(Registrant's telephone number, including area code)

Not Applicable
(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry Into a Material Definitive Agreement.

Effective March 2, 2015, pursuant to the Agreement and Plan of Merger, dated as of November 23, 2014 (“Merger Agreement”), by and among Platinum Underwriters Holdings, Ltd. (“Platinum”), RenaissanceRe Holdings Ltd. (“RenaissanceRe”) and Port Holdings Ltd. (“Acquisition Sub”), a wholly owned subsidiary of RenaissanceRe, Acquisition Sub was merged with and into Platinum, with Platinum continuing as the surviving company and becoming a wholly owned subsidiary of RenaissanceRe (the “Merger”).

Credit Agreement Amendment and Guaranty

Effective March 2, 2015 and after consummation of the Merger, Platinum entered into a Consent and Amendment to Credit Agreement (the “Credit Agreement Amendment”) with Wells Fargo Bank, National Association (“Wells Fargo”), the Lenders party thereto and certain subsidiaries of Platinum party thereto (the “Subsidiary Borrowers”). The Credit Agreement Amendment amends the Third Amended and Restated Credit Agreement, dated as of April 9, 2014, by and among Platinum, the Subsidiary Borrowers, Wells Fargo and the lenders party thereto (as amended, supplemented or otherwise modified from time to time, the “Platinum Credit Agreement”). Among other things, the Credit Agreement Amendment (a) evidences the consent to the Merger of the Lenders under the Platinum Credit Agreement, (b) reduces the aggregate commitment under the Platinum Credit Agreement to \$100 million, all of which is available for letters of credit, (c) eliminates the sublimit under the Platinum Credit Agreement for revolver borrowings, (d) reflects the addition of RenaissanceRe as a guarantor of the obligations of Platinum and the Subsidiary Borrowers under the Platinum Credit Agreement and (e) eliminates or modifies certain of the covenants and events of default under the Platinum Credit Agreement.

Effective March 2, 2015, RenaissanceRe entered into a Guaranty (the “Credit Agreement Guaranty”) for the benefit of the lenders under the Platinum Credit Agreement pursuant to which RenaissanceRe guaranteed the obligations of Platinum and the Subsidiary Borrowers under the Platinum Credit Agreement and agreed to certain information reporting and financial covenants. The financial covenants are the same financial covenants as in effect as of March 2, 2015 under the Credit Agreement, dated as of May 17, 2012, by and among RenaissanceRe, Wells Fargo, as administrative agent, and various banks and financial institutions parties thereto (the “RenaissanceRe Credit Agreement”).

The foregoing descriptions of the Credit Agreement Amendment and the Credit Agreement Guaranty are qualified in their entirety by reference to the full text of the Credit Agreement Amendment and the Credit Agreement Guaranty, which are filed as Exhibits 10.1 and 10.2 hereto, respectively, and are incorporated herein by reference.

Facility Agreement Amendment and Guaranty

Effective March 2, 2015 and after consummation of the Merger, Platinum Underwriters Bermuda, Ltd. (“Platinum Bermuda”), as borrower, and Platinum, as guarantor, entered into a Consent and Amendment to Facility Agreement (the “Facility Agreement Amendment”) with National Australia Bank Limited and ING Bank, N.V. The Facility Agreement Amendment

amends the Uncommitted \$125,000,000 Facility Agreement, dated as of July 31, 2012, by and among Platinum Bermuda, Platinum, National Australia Bank Limited and ING Bank, N.V. (as amended, supplemented or otherwise modified from time to time, the "Facility Agreement"). Among other things, the Facility Agreement Amendment (a) evidences the consent of National Australia Bank Limited and ING Bank, N.V. to the Merger, (b) reflects the addition of RenaissanceRe as a guarantor of the obligations of Platinum and Platinum Bermuda under the Facility Agreement and (c) eliminates or modifies certain of the covenants and events of default under the Facility Agreement.

Effective March 2, 2015, RenaissanceRe entered into a Guaranty (the "Facility Agreement Guaranty") for the benefit of National Australia Bank Limited and ING Bank, N.V. pursuant to which RenaissanceRe guaranteed the obligations of Platinum Bermuda and Platinum under the Facility Agreement and agreed to certain information reporting and financial covenants. The financial covenants are the same financial covenants as in effect as of March 2, 2015 under the RenaissanceRe Credit Agreement.

The foregoing descriptions of the Facility Agreement Amendment and the Facility Agreement Guaranty are qualified in their entirety by reference to the full text of the Facility Agreement Amendment and the Facility Agreement Guaranty, which are filed as Exhibits 10.3 and 10.4 hereto, respectively, and are incorporated herein by reference.

Platinum Senior Notes

Subsequent to the consummation of the Merger, Platinum Underwriters Finance, Inc., as issuer (the "Issuer"), Platinum, as guarantor, RenaissanceRe, as parent guarantor, and The Bank of New York Mellon, as trustee, entered into the Third Supplemental Indenture, dated as of March 3, 2015 (the "Third Supplemental Indenture"). The Third Supplemental Indenture amends the Indenture, dated as of May 26, 2005 (as supplemented by the First Supplemental Indenture, dated as of May 26, 2005 and the Second Supplemental Indenture, dated as of November 2, 2005 (collectively, the "Indenture")), pursuant to which the Issuer previously issued \$250.0 million in aggregate principal amount of its Series B 7.50% Notes due June 1, 2017 (the "Notes"). Pursuant to the Third Supplemental Indenture and the Guaranty, dated as of March 3, 2015, executed by RenaissanceRe (the "RenRe Guaranty"), RenaissanceRe became an additional guarantor of the Issuer's obligations under the Notes and the Indenture. Following the execution of the Third Supplemental Indenture and the RenRe Guaranty, holders of the Notes are entitled to receive annual reports and information, documents and other reports which RenaissanceRe may be required to file with the United States Securities and Exchange Commission (the "SEC") pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, in lieu of receiving such information, documents and reports of Platinum.

The foregoing descriptions of the Third Supplemental Indenture and the RenRe Guaranty are qualified in their entirety by reference to the full text of the Third Supplemental Indenture and the RenRe Guaranty, which are filed as Exhibits 10.5 and 10.6 hereto, respectively, and are incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

Effective March 2, 2015, pursuant to the Merger Agreement, Acquisition Sub was merged with and into Platinum, with Platinum continuing as the surviving company and becoming a wholly owned subsidiary of RenaissanceRe.

Pursuant to the terms of the Merger Agreement, as a result of the Merger, each common share of Platinum, par value \$0.01 per share (the "Platinum Common Shares"), issued and outstanding immediately prior to the effective time of the Merger (other than Platinum Common Shares owned by Platinum, RenaissanceRe or any of their respective subsidiaries) was canceled and converted, at the holder's election in accordance with the procedures set forth in the Merger Agreement, into the right to receive, subject to proration pursuant to the terms of the Merger Agreement, (i) an amount of cash equal to \$66.00 (the "Cash Election Consideration"), (ii) 0.6504 common shares of RenaissanceRe, par value \$1.00 per share (the "RenaissanceRe Common Shares") (the "Share Election Consideration"), or (iii) 0.2960 RenaissanceRe Common Shares (the "Standard Exchange Ratio") and an amount of cash equal to \$35.96 (the "Standard Cash Amount") (the "Standard Election Consideration"). Holders of Platinum options, restricted Platinum Shares, Platinum time-based restricted share units and Platinum market-based restricted share units (collectively, "Platinum Awards") also had the right under the Merger Agreement to make elections regarding their preference as to the form of merger consideration they will receive in connection with the Merger; the merger consideration election results set forth below include the election results from holders of Platinum Awards.

In addition, prior to the effective time of the Merger, Platinum paid a special dividend of \$10.00 per Platinum Common Share (the "Special Dividend") to the holders of record of outstanding Platinum Common Shares on February 27, 2015. Holders of Platinum Awards also are entitled to receive a cash payment based on the Special Dividend and the number of Platinum Common Shares underlying or issuable upon net exercise of such awards.

The final results of the elections made by former Platinum shareholders and former holders of Platinum Awards are as follows:

- Holders of approximately 20.4% of outstanding or issuable Platinum Common Shares, or 5,121,614 Platinum Common Shares, elected the Cash Election Consideration.
- Holders of approximately 54.1% of outstanding or issuable Platinum Common Shares, or 13,617,793 Platinum Common Shares, elected the Share Election Consideration.
- Holders of approximately 16.2% of outstanding or issuable Platinum Common Shares, or 4,068,885 Platinum Common Shares, elected the Standard Election Consideration.
- Holders of approximately 9.3% of outstanding or issuable Platinum Common Shares, or 2,342,800 Platinum Common Shares, failed to make a valid election, and therefore are deemed to have elected the Standard Election Consideration.

The election results set forth above do not take into account any Platinum Common Shares held by RenaissanceRe or its wholly owned subsidiaries, as no merger consideration will be receivable in respect of such shares. Based on the election results, as the unprorated

aggregate number of RenaissanceRe Common Shares to be issued as merger consideration exceeded 7,500,000, the consideration to be received by holders who elected the Share Election Consideration was prorated pursuant to the terms set forth in the Merger Agreement.

Based on the election results, (i) each Platinum Common Share for which a valid election to receive the Cash Election Consideration was made was converted into the right to receive \$66.00 in cash, (ii) each Platinum Common Share for which a valid election to receive the Share Election Consideration was made was converted into the right to receive approximately \$24.66 in cash and 0.4073 RenaissanceRe Common Shares and (iii) each Platinum Common Share for which a valid election to receive the Standard Election Consideration was made or for which a valid election was not made was converted into the right to receive \$35.96 in cash and 0.2960 RenaissanceRe Common Shares, subject in each case to reduction for any tax withholding. No fractional RenaissanceRe Common Shares will be issued and in lieu of fractional shares, former Platinum shareholders and former holders of Platinum Awards will receive cash.

The aggregate consideration for the Merger is comprised of the Special Dividend, RenaissanceRe Common Shares and the cash consideration. Merger consideration payable to certain holders of Platinum Awards who are U.S. taxpayers and resident in the United States is subject to statutory tax withholding. RenaissanceRe expects to issue approximately 7,433,700 RenaissanceRe Common Shares in the transaction, after taking into account reductions for tax withholding. RenaissanceRe funded the cash consideration from available cash resources, the liquidation of certain of its fixed maturity investments trading, and the proceeds of a bridge loan in the aggregate principal amount of \$300,000,000 issued pursuant to the Credit Agreement, dated as of February 25, 2015, between Barclays Bank PLC and RenaissanceRe. RenaissanceRe currently intends to issue \$300,000,000 in senior notes to replace the bridge loan.

The issuance of RenaissanceRe Common Shares in connection with the Merger was registered under the Securities Act of 1933, as amended, pursuant to RenaissanceRe's registration statement on Form S-4 (File No. 333-201066) filed with the SEC on December 19, 2014 and declared effective on January 15, 2015.

The foregoing description of the Merger Agreement and the Merger does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement filed as Exhibit 2.1 to RenaissanceRe's Current Report on Form 8-K dated as of November 26, 2014 and hereby incorporated herein by reference.

A copy of RenaissanceRe's press release announcing the consummation of the Merger is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of the Registrant.

The disclosure set forth in Item 1.01 above is hereby incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired. The audited consolidated financial statements of Platinum at December 31, 2014 and 2013, and for each of the years in the three-year period ended December 31, 2014, are filed herewith as Exhibit 99.2 and are incorporated into this Item 9.01(a) by reference.

(b) Pro forma financial information. RenaissanceRe will furnish any pro forma financial information required by Item 9.01(b) by amendment not later than 71 calendar days after the date that this Current Report on Form 8-K must be filed.

(d) Exhibits.

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of November 23, 2014, by and among Platinum, RenaissanceRe Holdings Ltd. and Port Holdings Ltd. (incorporated by reference to Exhibit 2.1 of RenaissanceRe's November 26, 2014 Current Report on Form 8-K)
10.1	Consent and Amendment to Credit Agreement, dated as of March 2, 2015, by and among Platinum Underwriters Holdings, Ltd., certain subsidiaries of Platinum Underwriters Holdings, Ltd. party thereto, Wells Fargo Bank, National Association, as administrative agent, and the Lenders party thereto.
10.2	Guaranty, dated as of March 2, 2015, entered into by RenaissanceRe Holdings Ltd. for the benefit of Wells Fargo Bank, National Association, as administrative agent, and the other Lenders referred to therein.
10.3	Consent and Amendment to Facility Agreement, dated as of March 2, 2015, by and among Platinum Underwriters Bermuda, Ltd., Platinum Underwriters Holdings, Ltd., National Australia Bank Limited, as agent, security agent and a lender, and ING Bank, N.V., as a lender.
10.4	Guaranty, dated as of March 2, 2015, entered into by RenaissanceRe Holdings Ltd. for the benefit of National Australia Bank Limited, as agent, security agent and a lender, and ING Bank, N.V., as a lender.
10.5	Third Supplemental Indenture, dated as of March 3, 2015, by and among Platinum Underwriters Finance, Inc., as issuer, Platinum Underwriters Holdings, Ltd., as guarantor, RenaissanceRe Holdings Ltd., as parent guarantor, and The Bank of New York Mellon, as trustee.
10.6	Guarantee, dated as of March 3, 2015, executed by RenaissanceRe for the benefit of the holders of Platinum Underwriters Finance, Inc.'s Series B 7.50% Notes due June 1, 2017.
23.1	Consent of KPMG Audit Limited.
99.1	Copy of Press Release issued by RenaissanceRe Holdings Ltd., dated March 2, 2015.
99.2	Audited consolidated financial statements of Platinum at December 31, 2014 and 2013, and for each of the years in the three-year period ended December 31, 2014.

Cautionary Statement Regarding Forward Looking Statements

Any forward-looking statements made in this Form 8-K reflect RenaissanceRe's current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous factors that could cause actual results to differ materially from those set forth in or implied by such forward-looking statements, including the following: risks that the transaction disrupts each company's current plans and operations; the ability to retain key personnel; the ability to recognize the benefits of the Merger; the amount of the costs, fees, expenses and charges related to the Merger; the frequency and severity of catastrophic and other events; uncertainties in the companies' reserving processes; the lowering or loss of any of the financial strength, claims paying or enterprise wide risk management ratings of either company or their respective subsidiaries or joint ventures; risks associated with appropriately modeling, pricing for, and contractually addressing new or potential factors in loss emergence; risks that the companies might be bound to policyholder obligations beyond their underwriting intent; risks due to the companies' reliance on a small and decreasing number of reinsurance brokers and other distribution services; risks relating to operating in a highly competitive environment; risks relating to deteriorating market conditions; the risk that the companies' customers may fail to make premium payments due to them; the risk of failures of the companies' reinsurers, brokers or other counterparties to honor their obligations to the companies; a contention by the Internal Revenue Service that Renaissance Reinsurance Ltd., Platinum Underwriters Bermuda, Ltd. or any of the companies' other Bermuda subsidiaries, is subject to U.S. taxation; other risks relating to potential adverse tax developments; risks relating to adverse legislative developments; risks associated with the companies' investment portfolios; changes in economic conditions or inflation; and other factors affecting future results disclosed in RenaissanceRe's and Platinum's filings with the SEC, including its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and the definitive proxy statement/prospectus relating to the Merger.

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RENAISSANCERE HOLDINGS LTD.

Date: March 5, 2015

By: /s/ Stephen H. Weinstein
Name: Stephen H. Weinstein
Title: Senior Vice President, General Counsel &
Corporate Secretary

Exhibit Index

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10.1	Consent and Amendment to Credit Agreement, dated as of March 2, 2015, by and among Platinum Underwriters Holdings, Ltd., certain subsidiaries of Platinum Underwriters Holdings, Ltd. party thereto, Wells Fargo Bank, National Association, as administrative agent, and the Lenders party thereto.
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99.2	Audited consolidated financial statements of Platinum at December 31, 2014 and 2013, and for each of the years in the three-year period ended December 31, 2014.

CONSENT AND AMENDMENT TO CREDIT AGREEMENT

This **CONSENT AND AMENDMENT TO CREDIT AGREEMENT** (this "Amendment"), dated as of March 2, 2015, is entered into by and among **PLATINUM UNDERWRITERS HOLDINGS, LTD.**, a Bermuda exempted company ("Platinum Holdings"), the subsidiaries of Platinum Holdings party hereto (the "Subsidiary Credit Parties"), the Lenders party hereto, and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, as administrative agent (the "Administrative Agent").

RECITALS

A. Platinum Holdings, the Subsidiary Credit Parties, the Lenders and the Administrative Agent are parties to a Third Amended and Restated Credit Agreement, dated as of April 9, 2014 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Lenders party thereto have made available to the Credit Parties a revolving credit facility in the aggregate principal amount of \$300,000,000 for the making of revolving loans and the issuance of standby letters of credit. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

B. Platinum Holdings has entered into an Agreement and Plan of Merger (the "Merger Agreement"), dated as of November 23, 2014, with RenaissanceRe Holdings Ltd., a Bermuda exempted company ("RenRe Holdings"), and Port Holdings Ltd., a Bermuda exempted company and a wholly owned subsidiary of RenRe Holdings ("Port Holdings"), pursuant to which Platinum Holdings will merge with Port Holdings, with Platinum Holdings being the surviving entity and becoming a wholly owned subsidiary of RenRe Holdings (the "Merger").

C. The Credit Parties have requested that (i) the Lenders party hereto (the "Required Lenders") consent to the Merger and waive any noncompliance with Sections 8.1 and 9.1(m) of the Credit Agreement that would result from the Merger, (ii) the Credit Agreement be amended, effective upon the consummation of the Merger, to, among other things, (a) terminate the Commitments of the Lenders to make Loans, (b) reduce the aggregate Commitments of the Lenders to Issue and/or participate in Letters of Credit to \$100,000,000 and (c) to make certain other amendments to the Credit Agreement.

D. The Administrative Agent and the Required Lenders are willing to consent to the Merger and to amend the Credit Agreement on the terms and conditions set forth herein.

STATEMENT OF AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

LIMITED CONSENT

The Required Lenders hereby consent to the Merger and waive any Default or Event of Default under Section 8.1 and Section 9.1(m) of the Credit Agreement that would otherwise result from the Merger; provided that, the Merger shall have been consummated substantially in

accordance with the terms of the Merger Agreement in all material respects and without giving effect to any modifications, amendments, consents or waivers of the terms of the Merger Agreement that are material and adverse to the Lenders or the Administrative Agent as reasonably determined by the Administrative Agent, without the prior consent of the Required Lenders (such consent not to be unreasonably withheld, delayed or conditioned).

ARTICLE II

AMENDMENTS TO CREDIT AGREEMENT

2.1 Amendments to the Credit Agreement. Effective upon the Amendment Effective Date (as defined below), the Credit Agreement shall be automatically amended as follows.

(a) Termination of Revolving Loan Sublimit. The Commitments of the Lenders to make Loans to the Borrowers pursuant to Section 2.1 of the Credit Agreement shall be terminated and the definition of “Revolving Loan Sublimit” is hereby amended by deleting the figure “\$100,000,000” and substituting therefor the figure “\$0.” For the avoidance of doubt, the Fronting Bank’s and the Lenders’ Commitments to Issue and/or participate in Letters of Credit pursuant to Section 2.1 of the Credit Agreement shall remain in full force and effect, as reduced pursuant to Section 2.1(b) of this Amendment.

(b) Reduction of Commitments. The aggregate Commitments of the Lenders under the Credit Agreement to Issue and/or participate in Letters of Credit shall be reduced to \$100,000,000. Schedule 1.1(a) of the Credit Agreement is hereby replaced with Schedule 1.1(a) attached hereto.

(c) Amendments to Defined Terms.

(i) The defined term “Credit Documents” shall be amended and restated in its entirety as follows.

“Credit Documents” means this Agreement, the Consent and Amendment, the Letter of Credit Documents, the Fee Letters, the Security Agreement, all of the other Security Documents, the RenRe Holdings Guaranty and all other agreements, instruments, documents and certificates now or hereafter executed and delivered to the Administrative Agent or any Lender by or on behalf of any Credit Party with respect to this Agreement; but specifically excluding any Hedge Agreement to which Platinum Holdings or any of its Subsidiaries and any Hedge Party are parties.

(ii) The following defined terms shall be added to Section 1.1 of the Credit Agreement in appropriate alphabetical order.

“Amendment Effective Date” has the meaning set forth in the Consent and Amendment.

“Consent and Amendment” means the Consent and Amendment, dated as of March 2, 2015, between Platinum Holdings, the Subsidiary Credit Parties, the Lenders party thereto and the Administrative Agent.

“RenRe Holdings” means RenaissanceRe Holdings Ltd., a Bermuda exempted company.

“RenRe Holdings Credit Agreement” means the Credit Agreement, dated as of May 17, 2012, among RenRe Holdings, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent.

“RenRe Holdings Guaranty” means the Guaranty executed as of the Amendment Effective Date by RenRe Holdings in favor of the Lenders, the Fronting Bank and the Administrative Agent pursuant to the Consent and Amendment.

(d) Section 2.6(c) of the Credit Agreement shall be amended and restated in its entirety as follows.

“(c) Subject to the provisions of Section 3.9(a), in the event that, at any time, the aggregate Loans and L/C Obligations of any Credit Party exceeds the Borrowing Base of such Credit Party at such time, such Credit Party shall within three Business Days deposit into a Custodial Account Eligible Collateral or prepay its Loans or reduce its L/C Obligations, or a combination of the foregoing, in an amount sufficient to eliminate such excess.”

(e) Deletion of Certain Affirmative Covenants. Each of Sections 6.1, 6.2, 6.3(a), 6.3(b), 6.3(c), 6.3(e), 6.3(f), 6.6, 6.7, 6.8, and 6.9 of the Credit Agreement shall be deleted in its entirety and replaced with “[Reserved].”

(f) Deletion of Financial Covenants. Each of Sections 7.1 and 7.2 of the Credit Agreement shall be deleted in its entirety and replaced with “[Reserved].”

(g) Deletion of Certain Negative Covenants. Each of Sections 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.10, 8.11, 8.12 and 8.13 shall be deleted in its entirety and replaced with “[Reserved].”

(h) Fundamental Changes. Section 8.1 of the Credit shall be amended and restated in its entirety as follows.

“Fundamental Changes. Such Credit Party will not (a) liquidate, wind up or dissolve, and (b) solely with respect to any Credit Party that is an Account Party, such Account Party will not enter into any consolidation, merger or other combination, or agree to do any of the foregoing; provided, however, that such Account Party may merge into or consolidate with any other Person so long as (y) the surviving corporation is either (i) such Account Party or (ii) a Wholly Owned Subsidiary of RenRe Holdings

organized under the laws of Bermuda or the United States of America, and (z) immediately after giving effect thereto, no Default or Event of Default would occur or exist.”

(i) Events of Default. Section 9.1 of the Credit Agreement shall be amended as follows.

(i) Section 9.1(d) shall be amended by replacing the phrase “any Credit Party” in such Section with “RenRe Holdings or any Credit Party”.

(ii) Section 9.1(f) shall be amended by replacing the phrase “Platinum Holdings or any of its Material Subsidiaries” in such Section with “RenRe Holdings, Platinum Holdings or any of the Material Subsidiaries of Platinum Holdings”.

(iii) Section 9.1(g) shall be amended by replacing the phrase “Platinum Holdings or any of its Material Subsidiaries” in such Section with “RenRe Holdings, Platinum Holdings or any of the Material Subsidiaries of Platinum Holdings”.

(iv) Section 9.1(k) shall be amended and restated in its entirety as follows.

“(k) At any time, any Subsidiary Credit Party shall cease to be a Wholly Owned Subsidiary of RenRe Holdings other than as otherwise permitted in this Agreement; or”

(v) Section 9.1(m) shall be amended and restated in its entirety as follows.

“(m) (i) RenRe Holdings shall fail (1) to pay any amounts under the RenRe Holdings Guaranty when due, (2) to comply with the covenants set forth in Section 6.2 of the RenRe Holdings Guaranty or (3) to observe, perform or comply with any other condition, covenant or agreement contained in the RenRe Holdings Guaranty and such failure to observe, perform or comply shall continue for a period of 30 days from the earlier of (I) the date on which any of the Chief Executive Officer, Chief Financial Officer, Treasurer, General Counsel or Controller of Guarantor acquires knowledge of such failure and (II) the date the Administrative Agent has given notice of such failure to Guarantor, (ii) the obligations of RenRe Holdings under the RenRe Holdings Guaranty shall for any reason terminate or cease, in whole or in material part, to be a legally valid and binding obligation of RenRe Holdings, or RenRe Holdings or any Person acting for or on behalf of RenRe Holdings shall contest the validity or binding nature of the RenRe Holdings Guaranty, or (iii) there shall occur an Event of Default under and as defined in the RenRe Holdings Credit Agreement.”

(j) Section 11.4 of the Credit Agreement shall be amended to add Section 11.4(d) as follows.

“(d) Each notice given to a Credit Party shall also be given concurrently to RenRe Holdings at the address set forth in the RenRe Holdings Guaranty.”

ARTICLE III

CONDITIONS OF EFFECTIVENESS

3.1 The limited consent set forth in **Article I** shall become effective as of the date when, and only when, the Administrative Agent shall have received an executed counterpart of this Amendment from the Credit Parties and Lenders constituting Required Lenders under the Credit Agreement.

3.2 The amendments set forth in **Section 2.1** hereof shall become effective as of the date (the “Amendment Effective Date”) when, and only when, each of the following conditions precedent shall have been satisfied:

(a) The Administrative Agent shall have received an executed counterpart of this Amendment from the Credit Parties and Lenders constituting Required Lenders under the Credit Agreement;

(b) The Merger shall have been consummated substantially simultaneously with the Amendment Effective Date in accordance with the terms of the Merger Agreement in all material respects and without giving effect to any modifications, amendments, consents or waivers of the terms of the Merger Agreement that are material and adverse to the Lenders, the Fronting Bank or the Administrative Agent as reasonably determined by the Administrative Agent, without the prior consent of the Required Lenders (such consent not to be unreasonably withheld, delayed or conditioned).

(c) The Administrative Agent shall have received an executed Guaranty from RenRe Holdings in substantially the form attached hereto as Exhibit A (the “RenRe Holdings Guaranty”);

(d) The Administrative Agent shall have received a certificate, signed by a Responsible Officer of Platinum Holdings, in form and substance reasonably satisfactory to the Administrative Agent, certifying that (i) all representations and warranties of the Credit Parties contained in the Credit Agreement and the other Credit Documents (including the representations and warranties set forth in Article IV hereof) are true and correct as of the Amendment Effective Date, immediately after giving effect to this Amendment (except to the extent any such representation or warranty is expressly stated to have been made as of a specific date, in which case such representation or warranty shall be true and correct as of such date), and (ii) no Default or Event of Default has occurred and is continuing as of the Amendment Effective Date, immediately after giving effect to this Amendment;

(e) The Administrative Agent shall have received a certificate of the secretary, an assistant secretary or other appropriate officer of Platinum Holdings, in form and substance reasonably satisfactory to the Administrative Agent, certifying that (i) attached thereto is a true and complete copy of the articles or certificate of incorporation, certificate of formation or other

organizational document and all amendments thereto of Platinum Holdings as in effect immediately following the consummation of the Merger and (ii) attached thereto is a true and complete copy of the bylaws or similar governing document of Platinum Holdings as in effect immediately following the consummation of the Merger;

(f) The Administrative Agent shall have received a certificate of the secretary, an assistant secretary or other appropriate officer of RenRe Holdings, in form and substance reasonably satisfactory to the Administrative Agent, certifying that (i) attached thereto is a true and complete copy of the articles or certificate of incorporation, certificate of formation or other organizational document and all amendments thereto of RenRe Holdings, certified as of a recent date by the Secretary of State (or comparable Governmental Authority) of its jurisdiction of organization, and that the same has not been amended since the date of such certification, (ii) attached thereto is a true and complete copy of the bylaws or similar governing document of RenRe Holdings, as then in effect and as in effect at all times from the date on which the resolutions referred to in clause (iii) below were adopted to and including the date of such certificate, and (iii) attached thereto is a true and complete copy of resolutions adopted by the board of directors (or similar governing body) of RenRe Holdings authorizing the execution, delivery and performance of the RenRe Holdings Guaranty, and as to the incumbency and genuineness of the signature of each officer of RenRe Holdings executing the RenRe Holdings Guaranty;

(g) There shall be no Loans outstanding on the Amendment Effective Date and the aggregate Letter of Credit Exposure of the Lenders on the Amendment Effective Date shall not be greater than \$100,000,000;

(h) Each Lender shall have received such other documentation or information regarding RenRe Holdings required to satisfy applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act, as each Lender may reasonably request at least five Business Days prior to the consummation of the Merger;

(i) All material governmental authorizations and approvals necessary in connection with the consummation of the Merger shall have been obtained and shall remain in effect and shall not impose any restriction or condition materially adverse to the Administrative Agent, the Fronting Bank or the Lenders; and no law or regulation shall be applicable that seeks to enjoin, restrain, restrict, set aside or prohibit, or impose materially adverse conditions upon, the consummation of the Merger; and all third-party consents necessary in connection with the consummation of the Merger shall have been obtained and remain in effect (except for any third-party consents with respect to which the failure to obtain such consents would not result in a Material Adverse Effect); and

(j) The Credit Parties shall have paid all reasonable out-of-pocket costs and expenses of the Administrative Agent in connection with the preparation, negotiation, execution and delivery of this Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent with respect thereto).

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent, the Fronting Bank and the Lenders to enter into this Amendment, each Credit Party represents and warrants to the Administrative Agent, the Fronting Bank and the Lenders as follows:

4.1 Authorization; Enforceability. Such Credit Party has taken all necessary corporate action to execute, deliver and perform this Amendment and has validly executed and delivered this Amendment. This Amendment constitutes the legal, valid and binding obligation of such Credit Party, enforceable against it in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, fraudulent transfer, moratorium or other similar laws affecting creditors' rights generally or by general equitable principles regardless of whether enforceability is considered in a proceeding in equity or at law.

4.2 No Violation. The execution, delivery and performance by each Credit Party of this Amendment, and compliance by it with the terms hereof, do not and will not (i) violate any provision of its articles of incorporation or formation, bylaws or other applicable formation or organizational documents, (ii) contravene any other Requirement of Law applicable to it or (iii) conflict with, result in a breach of, or result in the creation of any Lien under, or require any payment to be made under, or constitute (with notice, lapse of time or both) a default under any material indenture, agreement or other instrument to which it is a party, by which it or any of its properties are bound or to which it is subject, other than, in the case of clauses (ii) and (iii), such contraventions, conflicts, breaches, Liens, payments and defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.3 Governmental and Third-Party Authorization. No consent, approval, authorization or other action by, notice to, or registration or filing with, any Governmental Authority or other third-party Person is or will be required as a condition to or otherwise in connection with the due execution, delivery and performance by such Credit Party of this Amendment or the legality, validity or enforceability hereof.

ARTICLE V

ACKNOWLEDGEMENT AND CONFIRMATION

Each Credit Party hereby confirms and agrees that, after giving effect to this Amendment, and except as expressly amended hereby, the Credit Agreement and the other Credit Documents to which it is a party remain in full force and effect and enforceable against it in accordance with their respective terms and shall not be discharged, diminished, limited or otherwise affected in any respect. Each Credit Party represents and warrants to the Administrative Agent, the Fronting Bank and the Lenders that as of the Amendment Effective Date it has no knowledge of any claims, counterclaims, offsets, or defenses to or with respect to its obligations under the Credit Documents, or if such Credit Party has any such claims, counterclaims, offsets or defenses to the Credit Documents or any transaction related to the Credit Documents, the same are hereby waived, relinquished and released in consideration of the execution of this Amendment. The amendments contained herein shall not, in any manner, be construed to constitute payment of, or

impair, limit, cancel or extinguish, or constitute a novation in respect of, the Obligations of the Credit Parties evidenced by or arising under the Credit Agreement and the other Credit Documents. This acknowledgement and confirmation by the Credit Parties is made and delivered to induce the Administrative Agent, the Fronting Bank and the Lenders to enter into this Amendment, and the Credit Parties acknowledge that the Administrative Agent, the Fronting Bank and the Lenders would not enter into this Amendment in the absence of the acknowledgement and confirmation contained herein.

ARTICLE VI

MISCELLANEOUS

6.1 Governing Law. This Amendment shall be governed by and construed and enforced in accordance with the laws of the State of New York (including Sections 5-1401 and 5-1402 of the New York General Obligations Law, but excluding all other choice of law and conflicts of law rules).

6.2 Credit Document. As used in the Credit Agreement, “hereinafter,” “hereto,” “hereof,” and words of similar import shall, unless the context otherwise requires, mean the Credit Agreement after amendment by this Amendment. Any reference to the Credit Agreement or any of the other Credit Documents herein or in any such documents shall refer to the Credit Agreement and Credit Documents as amended hereby. This Amendment is limited to the matters expressly set forth herein, and shall not constitute or be deemed to constitute an amendment, modification or waiver of any provision of the Credit Agreement except as expressly set forth herein. This Amendment shall constitute a Credit Document under the terms of the Credit Agreement.

6.3 Severability. To the extent any provision of this Amendment is prohibited by or invalid under the applicable law of any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity and only in any such jurisdiction, without prohibiting or invalidating such provision in any other jurisdiction or the remaining provisions of this Amendment in any jurisdiction.

6.4 Successors and Assigns. This Amendment shall be binding upon, inure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto.

6.5 Construction. The headings of the various sections and subsections of this Amendment have been inserted for convenience only and shall not in any way affect the meaning or construction of any of the provisions hereof.

6.6 Counterparts; Integration. This Amendment may be executed and delivered via facsimile or electronic mail with the same force and effect as if an original were executed and may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures hereto were upon the same instrument. This Amendment constitutes the entire contract among the parties hereto with respect to the subject matter hereof and supersedes any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the date first above written.

PLATINUM UNDERWRITERS HOLDINGS, LTD.

By: /s/ Gareth S. Bahlmann
Name: Gareth S. Bahlmann
Title: Assistant Secretary

PLATINUM UNDERWRITERS BERMUDA, LTD.

By: /s/ Gareth S. Bahlmann
Name: Gareth S. Bahlmann
Title: Assistant Secretary

PLATINUM UNDERWRITERS REINSURANCE, INC.

By: /s/ Gareth S. Bahlmann
Name: Gareth S. Bahlmann
Title: Assistant Secretary

PLATINUM UNDERWRITERS FINANCE, INC.

By: /s/ Gareth S. Bahlmann
Name: Gareth S. Bahlmann
Title: Assistant Secretary

SIGNATURE PAGE TO
CONSENT AND AMENDMENT TO CREDIT AGREEMENT

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, as Fronting Bank and as a Lender

By: /s/ Karen Hanke
Name: Karen Hanke
Title: Managing Director

SIGNATURE PAGE TO
CONSENT AND AMENDMENT TO CREDIT AGREEMENT

U.S. BANK NATIONAL ASSOCIATION, as
Syndication Agent and as a Lender

By: /s/ Inna Kotsubey

Name: Inna Kotsubey

Title: Vice President

SIGNATURE PAGE TO
CONSENT AND AMENDMENT TO CREDIT AGREEMENT

ING BANK N.V., as Documentation Agent and as a
Lender

By: /s/ M.E.R. Sharman

Name: M.E.R. Sharman

Title: Managing Director

By: /s/ M.D. Riordan

Name: M.D. Riordan

Title: Managing Director

SIGNATURE PAGE TO
CONSENT AND AMENDMENT TO CREDIT AGREEMENT

NATIONAL AUSTRALIA BANK LIMITED, as Documentation
Agent and as a Lender

By: /s/ Helen Hsu

Name: Helen Hsu

Title: Director

SIGNATURE PAGE TO
CONSENT AND AMENDMENT TO CREDIT AGREEMENT

Exhibit A

RenRe Holdings Guaranty

[see attached]

Schedule 1.1(a)

Commitments and Notice Addresses

Commitments

<u>Lender</u>	<u>Commitment</u>
Wells Fargo Bank, National Association	\$ 22,500,000.00
U.S. Bank National Association	\$ 22,500,000.00
ING Bank N.V.	\$ 22,500,000.00
National Australia Bank Limited	\$ 22,500,000.00
State Street Bank and Trust Company	\$ 10,000,000.00
Total	<u>\$ 100,000,000.00</u>

Notice Addresses for Credit Parties¹

Platinum Underwriters Holdings, Ltd.

Address:

Renaissance House
12 Crow Lane
Pembroke, HM-19
Bermuda

Attention:

Chief Financial Officer
General Counsel
Fax: (441) 295-4513

Platinum Underwriters Bermuda, Ltd.

Address:

Renaissance House
12 Crow Lane
Pembroke, HM-19
Bermuda

Attention:

Chief Financial Officer
Fax: (441) 295-4513

¹ Platinum Underwriters Finance, Inc. is the agent to receive, accept and acknowledge for and on behalf Platinum Underwriters Bermuda, Ltd. and Platinum Underwriters Holdings, Ltd. and in respect of their respective properties, service of any and all legal process, summons, notices and documents which may be served in any action or proceeding arising under or as a result of the Credit Agreement or any other Credit Documents.

Platinum Underwriters Reinsurance, Inc.

Address:

140 Broadway
Suite 4200
New York, NY 10005
USA

Attention:

Chief Financial Officer
General Counsel
Fax: (212) 238-9626

Platinum Underwriters Finance, Inc.

Address:

140 Broadway
Suite 4200
New York, NY 10005
USA

Attention:

Chief Financial Officer
General Counsel
Fax: (212) 238-9466

- Each notice given to a Credit Party shall also be given concurrently to RenRe Holdings at the address set forth in the RenRe Holdings Guaranty.

Notice Addresses for Administrative Agent/Wells Fargo as Fronting Bank

Administrative Agent's Office

(for payments and requests for Credit Extensions):

Wells Fargo Bank, National Association, as Administrative Agent
1525 W. W.T. Harris Blvd.
Building 1B1 East, MAC D1109-019
Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone: (704) 590-2706
Facsimile: (704) 590-2782

with a copy to:

Wells Fargo Bank, National Association, as Administrative Agent
One Wells Fargo Center, 14th Floor, MAC D1053-144
301 South College Street
Charlotte, North Carolina 28202
Attention: Karen Hanke
Telephone: (704) 374-3061
Facsimile: (704) 715-1486

Instructions for wire transfers to the Administrative Agent:

Wells Fargo Bank, National Association
ABA Routing No. 121000248
Charlotte, North Carolina
Account Number: 01459670001944
Account Name: Agency Services Clearing Account
Ref: Platinum Underwriters Holdings, Ltd.
Attn: Financial Cash Controls

Other Notices as Administrative Agent:

Wells Fargo Bank, National Association, as Administrative Agent
One Wells Fargo Center, 14th Floor, MAC D1053-144
301 South College Street
Charlotte, North Carolina 28202
Attention: Karen Hanke
Telephone: (704) 374-3061
Facsimile: (704) 715-1486

Fronting Bank

Wells Fargo Bank, National Association, as Fronting Bank
One Wells Fargo Center, 14th Floor, MAC D1053-144
301 South College Street
Charlotte, North Carolina 28202
Attention: Karen Hanke
Telephone: (704) 374-3061
Facsimile: (704) 715-1486

GUARANTY

This GUARANTY (this "Guaranty"), dated as of March 2, 2015, is made by RENAISSANCERE HOLDINGS LTD., a Bermuda exempted company ("Guarantor"), in favor of the Guaranteed Parties (as hereinafter defined). Capitalized terms used herein without definition shall have the meanings given to them in the Credit Agreement (as defined below).

RECITALS

WHEREAS, Platinum Holdings, the Subsidiary Credit Parties, the Lenders and the Administrative Agent are parties to a Third Amended and Restated Credit Agreement, dated as of April 9, 2014 (as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its provisions, the "Credit Agreement"), pursuant to which the Lenders have made available to the Credit Parties a revolving credit facility.

WHEREAS, Platinum Holdings has entered into an Agreement and Plan of Merger (the "Merger Agreement"), dated as of November 23, 2014, with Guarantor, and Port Holdings Ltd., a Bermuda exempted company and a wholly owned subsidiary of Guarantor ("Port Holdings"), pursuant to which Platinum Holdings will merge with Port Holdings, with Platinum Holdings being the surviving entity and becoming a wholly owned subsidiary of Guarantor (the "Merger").

WHEREAS, pursuant to a Consent and Amendment to Credit Agreement, dated as of the date hereof, between Platinum Holdings, the Subsidiary Credit Parties, the Administrative Agent and the Required Lenders (the "Amendment"), the Required Lenders have agreed to (i) consent to the Merger and waive any noncompliance with Section 8.1 and Section 9.1(m) of the Credit Agreement that would result from the Merger, and (ii) make certain amendments to the Credit Agreement on the condition that Guarantor shall have agreed, by executing and delivering this Guaranty, to guarantee to the Guaranteed Parties the payment in full of the Guaranteed Obligations (as hereinafter defined) and to comply with certain covenants contained in the Credit Agreement, dated as of May 17, 2012, between Guarantor, the lenders party thereto (the "RenRe Lenders") and Wells Fargo Bank, National Association, as administrative agent (as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its provisions, the "RenRe Holdings Credit Agreement").

WHEREAS, upon consummation of the Merger, Guarantor will own all of the issued and outstanding equity interests of Platinum Holdings and will obtain benefits as a result of the terms of, and the continued extension of credit to the Credit Parties under, the Credit Agreement, which benefits are hereby acknowledged, and, accordingly, Guarantor desires to execute and deliver this Guaranty. The execution of this Guaranty is a condition precedent to the effectiveness of the amendments to the Credit Agreement made under the Amendment.

STATEMENT OF AGREEMENT

NOW, THEREFORE, Guarantor hereby agrees as follows:

1. Guaranty.

(a) Guarantor hereby irrevocably, absolutely and unconditionally:

(i) guarantees to the Lenders, the Fronting Bank and the Administrative Agent (collectively, the "Guaranteed Parties") the full and prompt payment, at any time and from time to time as and when due (whether at the stated maturity, by acceleration or otherwise), of all Obligations of the Credit Parties under the Credit Agreement and the other Credit Documents (collectively, the "Guaranteed Obligations"); and

(ii) agrees to pay the reasonable fees and expenses of counsel to, and reimburse upon demand all reasonable costs and expenses incurred or paid by, (y) any Guaranteed Party in connection with any suit, action or proceeding to enforce or protect any rights of the Guaranteed Parties hereunder and (z) the Administrative Agent in connection with any amendment, modification or waiver hereof or consent pursuant hereto, and to indemnify and hold each Guaranteed Party and its directors, officers, employees, agents and Affiliates harmless from and against any and all claims, losses, damages, obligations, liabilities, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) of any kind or nature whatsoever, whether direct, indirect or consequential, that may at any time be imposed on, incurred by or asserted against any such indemnified party as a result of, arising from or in any way relating to this Guaranty or the collection or enforcement of the Guaranteed Obligations; provided, however, that no indemnified party shall have the right to be indemnified hereunder for any such claims, losses, costs and expenses (x) to the extent determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such indemnified party or (y) that result from a claim by Guarantor or any Credit Party against an indemnified party for breach in bad faith of such indemnified party's obligations hereunder or under any other Credit Document if Guarantor or such Credit Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(b) Notwithstanding the provisions of subsection (a) above and notwithstanding any other provisions contained herein or in any other Credit Document, no provision of this Guaranty shall require or permit the collection from Guarantor of interest in excess of the maximum rate or amount that Guarantor may be required or permitted to pay pursuant to applicable law.

(c) The guaranty of Guarantor set forth in this Section is a guaranty of payment as a primary obligor, and not a guaranty of collection.

2. Guaranty Unconditional. The obligations of Guarantor under this Guaranty shall, to the maximum extent permitted by applicable law, be unconditional, absolute and irrevocable and, without limiting the generality of the foregoing, shall, to the maximum extent permitted by applicable law, not be released, discharged or otherwise affected by:

(i) any extension, renewal, settlement, compromise, waiver or release (including with respect to any Collateral) in respect of any obligation of any other obligor under any of the Credit Documents, by operation of law or otherwise;

(ii) any modification or amendment of, or supplement to, any of the Credit Documents;

(iii) any release, non-perfection or invalidity of any direct or indirect security (including the Collateral) for any obligation of any other obligor under any of the Credit Documents;

(iv) any change in the corporate existence, structure or ownership of any obligor, or any proceeding under any Debtor Relief Law affecting any other obligor or its assets or any resulting release or discharge of any obligation of any other obligor contained in any of the Credit Documents;

(v) the existence of any claim, setoff or other rights which any obligor may have at any time against any other obligor, the Administrative Agent, any Fronting Bank, any Lender or any other corporation or person, whether in connection with any of the Credit Documents or any unrelated transactions; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;

(vi) any invalidity or unenforceability relating to or against any other obligor for any reason of any of the Credit Documents, or any provision of applicable law or regulation purporting to prohibit the payment by any other obligor of principal, interest or any other amount payable under any of the Credit Documents;

(vii) any law, regulation or order of any jurisdiction, or any other event, affecting any term of any obligation or the Lenders' rights with respect thereto; or

(viii) any other circumstance that might otherwise constitute a legal or equitable discharge of, or a defense, set-off or counterclaim available to, any Credit Party, Guarantor or a surety or guarantor generally, other than the occurrence of all of the following: (1) the payment in full in cash of the Guaranteed Obligations (other than contingent and indemnification obligations not then due and payable), (2) the termination of the Commitments under the Credit Agreement, and (3) the termination or expiration of all Letters of Credit (unless the outstanding Letters of Credit have been Cash Collateralized in accordance with Section 3.9(a) of the Credit Agreement, without giving effect to subpart (z) thereof, and the Administrative Agent shall be satisfied that all periods during which such Cash Collateral (or any portion thereof) could be avoided, voided or otherwise invalidated under all Debtor Relief Laws applicable thereto have expired without the presentment or filing of any petition, the entry or issuance of any show-cause order or any other initiation of any proceeding or case, in each case under such Debtor Relief Laws) (the events in clauses (1), (2) and (3) above, collectively, the "Termination Requirements").

3. Waiver by Guarantor. Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and any notice not provided for herein, as well as any requirement that at any time any action be taken by any corporation or person against any other obligor, any other corporation or person or any Collateral. To the fullest extent permitted by applicable law, Guarantor shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Guaranty, any other Credit Document or any agreement or instrument contemplated hereby or the transactions

contemplated hereby or thereby. Guarantor warrants and agrees that each waiver set forth in this **Section 3** is made with full knowledge of its significance and consequences, and such waivers shall be effective to the maximum extent permitted by law.

4. Subrogation. Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against any Credit Party, or any other guarantor that arise from the existence, payment, performance or enforcement of Guarantor's obligations under or in respect of this Guaranty, including any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Lender against any Credit Party or any other guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to take or receive from any Credit Party or any other guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim, remedy or right, unless and until the Termination Requirements have been satisfied. If any amount shall be paid to Guarantor in violation of the immediately preceding sentence at any time prior to the satisfaction of the Termination Requirements, such amount shall be received and held in trust for the benefit of the Lenders, shall be segregated from other property and funds of Guarantor and shall forthwith be paid or delivered to the Administrative Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to all amounts payable under this Guaranty, whether matured or unmatured, in accordance with the terms of the Credit Documents, or to be held as collateral for any amounts payable under this Guaranty thereafter arising. If (i) Guarantor shall make payment to any Lender of all or any amounts payable under this Guaranty, and (ii) the Termination Requirements shall have been satisfied, the Lenders will, at Guarantor's request and expense, execute and deliver to Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to Guarantor of an interest in the obligations resulting from such payment made by Guarantor pursuant to this Guaranty.

5. Representations and Warranties. Guarantor hereby represents and warrants to the Guaranteed Parties as follows:

5.1 Corporate Organization and Power. Guarantor (i) is duly organized, validly existing and (to the extent applicable) in good standing under the laws of the jurisdiction of its incorporation, (ii) has the full corporate power and authority to execute, deliver and perform this Guaranty, and to own and hold its property and to engage in its business as presently conducted, and (iii) is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the nature of its business or the ownership of its properties requires it to be so qualified, except where the failure to be so qualified, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on Guarantor and its subsidiaries taken as a whole.

5.2 Authorization; Enforceability. Guarantor has taken all necessary corporate action to execute, deliver and perform this Guaranty and has validly executed and delivered this Guaranty. This Guaranty constitutes the legal, valid and binding obligation of Guarantor, enforceable against it in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, fraudulent transfer, moratorium or other similar laws affecting creditors' rights generally or by general equitable principles regardless of whether enforceability is considered in a proceeding in equity or at law.

5.3 No Violation. The execution, delivery and performance by Guarantor of this Guaranty, and compliance by it with the terms hereof, do not and will not (i) violate any provision of its articles of incorporation or formation, its bylaws or other applicable formation or organizational documents, (ii) contravene any other Requirement of Law applicable to it, (iii) conflict with, result in a breach of, or result in the creation of any Lien under, or require any payment to be made under, or constitute (with notice, lapse of time or both) a default under any material indenture, agreement or other instrument to which it is a party, by which it or any of its properties are bound or to which it is subject, other than, in the case of clauses (ii) and (iii), such contraventions, conflicts, breaches, Liens, payments and defaults that would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on Guarantor and its subsidiaries taken as a whole.

5.4 Governmental and Third-Party Authorization. No consent, approval, authorization or other action by, notice to, or registration or filing with, any Governmental Authority or other third-party Person is or will be required as a condition to or otherwise in connection with the due execution, delivery and performance by Guarantor of this Guaranty or the legality, validity or enforceability hereof.

5.5 Financial Statements. Guarantor has delivered to the Guaranteed Parties copies of (a) the three most recent quarterly unaudited consolidated financial statements required to be delivered by Guarantor under Section 6.1(a)(i) of the RenRe Holdings Credit Agreement as in effect on the date hereof and (b) the most recent audited consolidated financial statements required to be delivered by Guarantor under Section 6.1(a)(ii) of the RenRe Holdings Credit Agreement as in effect on the date hereof (collectively, the "Financial Statements"). Such Financial Statements present fairly, in all material respects, in conformity with GAAP (except as disclosed therein and, in the case of interim financial statements, for the absence of footnote disclosures) the consolidated financial position and consolidated results of operations of Guarantor and its subsidiaries at such dates for the periods then ended, subject, in the case of quarterly financial statements, to normal year-end audit adjustments.

5.6 Covenant Compliance Certificates. Guarantor has delivered to the Guaranteed Parties copies of the compliance certificates required under Section 6.1(f) of the RenRe Holdings Credit Agreement as in effect on the date hereof, demonstrating compliance with the financial covenants set forth in **Section 6.2** with respect to the dates and periods covered by the Financial Statements.

6. Covenants. Until the termination of the Commitments, the termination, expiration or Cash Collateralization (in accordance with Section 3.9(a) of the Credit Agreement, without giving effect to subpart (z) thereof; provided, that, so long as any Letter of Credit remains outstanding, Guarantor shall continue to comply with **Section 6.1**) of all Letters of Credit and the payment in full in cash of all Guaranteed Obligations (other than contingent and indemnification obligations not then due and payable), Guarantor agrees that it will:

6.1 Financial Statement Reporting. Furnish to the Administrative Agent the

information required to be delivered to the RenRe Lenders and at such times as are required under Sections 6.1(a)(i) and 6.1(a)(ii) of the RenRe Holdings Credit Agreement as in effect on the date hereof (and without regard to any amendment, supplement, modification or termination thereof occurring after the date of this Guaranty), with such Sections and all relevant defined terms being deemed incorporated by reference into this Guaranty.

6.2 Financial Covenants. Comply with the financial covenants contained in Sections 7.1 and 7.2(a) of the RenRe Holdings Credit Agreement as in effect on the date hereof (and without regard to any amendment, supplement, modification or termination thereof occurring after the date of this Guaranty), with such Sections and all relevant defined terms being deemed incorporated by reference into this Guaranty.

6.3 Compliance Certificates. Furnish to the Administrative Agent, concurrently with the delivery to the Administrative Agent of the quarterly and annual financial statements under **Section 6.1**, copies of the compliance certificates required under Section 6.1(f) of the RenRe Holdings Credit Agreement as in effect on the date hereof (and without regard to any amendment, supplement, modification or termination thereof occurring after the date of this Guaranty), demonstrating compliance with the financial covenants set forth in **Section 6.2** with respect to the dates and periods covered by the applicable financial statements.

7. Financial Condition of Credit Parties. Guarantor represents that it has knowledge of the Credit Parties' financial condition and affairs and that it has adequate means to obtain from the Credit Parties on an ongoing basis information relating thereto and to the Credit Parties' ability to pay and perform the Guaranteed Obligations. Guarantor agrees that the Guaranteed Parties shall have no obligation to investigate the financial condition or affairs of the Credit Parties for the benefit of Guarantor nor to advise Guarantor of any fact respecting, or any change in, the financial condition or affairs of the Credit Parties that might become known to any Guaranteed Party at any time, whether or not such Guaranteed Party knows or believes or has reason to know or believe that any such fact or change is unknown to Guarantor, or might (or does) materially increase the risk of Guarantor as guarantor, or might (or would) affect the willingness of Guarantor to continue as a guarantor of the Guaranteed Obligations.

8. Payments: Application: Set-Off

(a) Guarantor agrees that, upon the failure of any Credit Party to pay any Guaranteed Obligations when and as the same shall become due (whether at the stated maturity, by acceleration or otherwise), and without limitation of any other right or remedy that any Guaranteed Party may have at law, in equity or otherwise against Guarantor, Guarantor will, subject to the provisions of **Section 1(b)**, forthwith pay or cause to be paid to the Administrative Agent, for the benefit of the Guaranteed Parties, an amount equal to the amount of the Guaranteed Obligations then due and owing as aforesaid.

(b) All payments made by Guarantor hereunder will be made in Dollars to the Administrative Agent, without set-off, counterclaim or other defense and, in accordance with the Credit Agreement, free and clear of and without deduction for any Taxes in the same manner and to the same extent required of the Credit Parties under Section 2.16 of the Credit Agreement, Guarantor hereby agreeing to comply with and be bound by the provisions of Section 2.16 of the Credit Agreement in respect of all payments made by it hereunder.

(c) All payments made hereunder shall be applied in accordance with the provisions of Section 2.11(e) of the Credit Agreement.

(d) In the event that the proceeds of any such sale, disposition or realization are insufficient to pay all amounts to which the Guaranteed Parties are legally entitled, Guarantor shall be liable for the deficiency, together with interest thereon at the highest rate specified in any applicable Credit Document for interest on overdue principal or such other rate as shall be fixed by applicable law, together with the costs of collection and all other fees, costs and expenses payable hereunder.

(e) Upon and at any time after the occurrence and during the continuance of any Event of Default, each Guaranteed Party and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Guaranteed Party or any such Affiliate to or for the credit or the account of Guarantor against any and all of the obligations of Guarantor now or hereafter existing under this Guaranty or any other Credit Document to such Guaranteed Party, irrespective of whether or not such Guaranteed Party shall have made any demand under this Guaranty or any other Credit Document and although such obligations of Guarantor may be contingent or unmatured or are owed to a branch or office of such Guaranteed Party different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Guaranteed Party and their respective Affiliates under this subsection are in addition to other rights and remedies (including other rights of setoff) that such Guaranteed Parties or their respective Affiliates may have. Each Guaranteed Party agrees to notify the Credit Parties and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

9. No Waiver. The rights and remedies of the Guaranteed Parties expressly set forth in this Guaranty and the other Credit Documents are cumulative and in addition to, and not exclusive of, all other rights and remedies available at law, in equity or otherwise. No failure or delay on the part of any Guaranteed Party in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or be construed to be a waiver of any Default or Event of Default. No course of dealing between Guarantor and the Guaranteed Parties or their agents or employees shall be effective to amend, modify or discharge any provision of this Guaranty or any other Credit Document or to constitute a waiver of any Default or Event of Default. No notice to or demand upon Guarantor in any case shall entitle Guarantor or any other guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of any Guaranteed Party to exercise any right or remedy or take any other or further action in any circumstances without notice or demand.

10. Enforcement. The Guaranteed Parties agree that, except as provided in **Section 8(e)**, this Guaranty may be enforced only by the Administrative Agent, acting upon the instructions or with the consent of the Required Lenders as provided for in the Credit Agreement, and that no Guaranteed Party shall have any right individually to enforce or seek to enforce this Guaranty or to realize upon any Collateral or other security given to secure the payment and performance of Guarantor's obligations hereunder. The obligations of Guarantor hereunder are independent of the Guaranteed Obligations, and a separate action or actions may be brought against Guarantor whether or not action is brought against any Credit Party or any other guarantor and whether or not any Credit Party or any other guarantor is joined in any such action. If acceleration of the time for payment of any amount payable by any Credit Party under any of the Credit Documents is stayed upon the insolvency, bankruptcy or reorganization of such Credit Party, all such amounts otherwise subject to acceleration under the terms of the Credit Agreement shall nonetheless be payable by Guarantor under this Guaranty forthwith on demand by the Administrative Agent made at the request of the Required Lenders. Guarantor agrees that to the extent all or part of any payment of the Guaranteed Obligations made by any Person is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid by or on behalf of any Guaranteed Party to a trustee, receiver or any other party under any Insolvency Laws (the amount of any such payment, a "Reclaimed Amount"), then, to the extent of such Reclaimed Amount, this Guaranty shall continue in full force and effect or be revived and reinstated, as the case may be, as to the Guaranteed Obligations intended to be satisfied as if such payment had not been received; and Guarantor acknowledges that the term "Guaranteed Obligations" includes all Reclaimed Amounts that may arise from time to time.

11. Amendments, Waivers, etc. No amendment, modification, waiver, discharge or termination of, or consent to any departure by Guarantor from, any provision of this Guaranty, shall be effective unless in a writing signed by the Administrative Agent and such of the Lenders as may be required under the provisions of the Credit Agreement to concur in the action then being taken, and then the same shall be effective only in the specific instance and for the specific purpose for which given.

12. Addition and Release of Other Guarantors. Guarantor agrees that its obligations hereunder shall not be discharged, limited or otherwise affected by the addition or release of any guarantor, or by reason of the Administrative Agent's actions in effecting the same, in each case without the necessity of giving notice to or obtaining the consent of any other guarantor.

13. Continuing Guaranty; Term; Successors and Assigns; Assignment; Survival. This Guaranty is a continuing guaranty and covers all of the Guaranteed Obligations as the same may arise and be outstanding at any time and from time to time from and after the date hereof, and shall (i) remain in full force and effect until satisfaction of all of the Termination Requirements (provided that the provisions of **Sections 1(a)(ii)** and **4** shall survive any termination of this Guaranty), (ii) be binding upon and enforceable against Guarantor and its successors and assigns (provided, however, that Guarantor may not sell, assign or transfer any of its rights, interests, duties or obligations hereunder without the prior written consent of the Lenders) and (iii) inure to the benefit of and be enforceable by each Guaranteed Party and its successors and assigns. Without limiting the generality of clause (iii) above, any Guaranteed Party may, in accordance with the provisions of the Credit Agreement, assign all or a portion of the Guaranteed Obligations held by it (including by the sale of participations), whereupon each Person that

becomes the holder of any such Guaranteed Obligations shall (except as may be otherwise agreed between such Guaranteed Party and such Person) have and may exercise all of the rights and benefits in respect thereof granted to such Guaranteed Party under this Guaranty or otherwise. Guarantor hereby irrevocably waives notice of and consents in advance to the assignment as provided above from time to time by any Guaranteed Party of all or any portion of the Guaranteed Obligations held by it and of the corresponding rights and interests of such Guaranteed Party hereunder in connection therewith. All representations, warranties, covenants and agreements herein shall survive the execution and delivery of this Guaranty.

14. Governing Law; Consent to Jurisdiction; Service of Process.

(a) THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAW RULES).

(b) GUARANTOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE BOROUGH OF MANHATTAN, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND GUARANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. GUARANTOR AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT IN ANY COURT REFERRED TO IN THIS SECTION. GUARANTOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(c) Guarantor hereby irrevocably consents to service of process in any action or proceeding in the same manner required for delivery of notices under **Section 15**. Nothing in this Section shall affect the right of any party to serve legal process in any other manner permitted by law or affect the right of any Guaranteed Party to bring any action or proceeding against Guarantor in the courts of any other jurisdiction.

15. Notices. All notices and other communications provided for herein shall be delivered in the manner set forth in Section 11.4 of the Credit Agreement: (a) if to Guarantor, at its address for notices set forth below its signature to this Guaranty, and (b) if to any Guaranteed

Party, at its address for notices set forth in the Credit Agreement; in each case, as such addresses may be changed from time to time pursuant to the Credit Agreement, and with copies to such other Persons as may be specified under the provisions of the Credit Agreement.

16. Severability. To the extent any provision of this Guaranty is prohibited by or invalid under the applicable law of any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity and only in such jurisdiction, without prohibiting or invalidating such provision in any other jurisdiction or the remaining provisions of this Guaranty in any jurisdiction.

17. Construction. The headings of the various sections and subsections of this Guaranty have been inserted for convenience only and shall not in any way affect the meaning or construction of any of the provisions hereof. Unless the context otherwise requires, words in the singular include the plural and words in the plural include the singular.

18. Counterparts; Effectiveness. This Guaranty may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. This Guaranty shall become effective, as to Guarantor, upon the execution and delivery by Guarantor of a counterpart hereof.

19. Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from Guarantor hereunder in the currency expressed to be payable herein (the “specified currency”) into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the specified currency with such other currency at the Administrative Agent’s main Charlotte, North Carolina office on the Business Day preceding that on which final, non-appealable judgment is given. The obligations of Guarantor in respect of any sum due to any Lender or the Administrative Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Administrative Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Administrative Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Administrative Agent, as the case may be, in the specified currency, Guarantor agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Administrative Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Administrative Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 2.14 of the Credit Agreement, such Lender or the Administrative Agent, as the case may be, agrees to remit such excess to Guarantor.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Guaranty to be executed under seal by their duly authorized officers as of the date first above written.

GUARANTOR:

RENAISSANCERE HOLDINGS LTD.

By: /s/ Jeffrey D. Kelly
Name: Jeffrey D. Kelly
Title: Executive Vice President, Chief Operating Officer and
Chief Financial Officer

Address:
Renaissance House
12 Crow Lane
Pembroke, HM 19
Bermuda
Attention: Todd R. Fonner
Fax: (441) 292-9453

Accepted and agreed to:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: /s/ Karen Hanke
Name: Karen Hanke
Title: Managing Director

RenaissanceRe Holdings Ltd. Guaranty

CONSENT AND AMENDMENT TO FACILITY AGREEMENT

This CONSENT AND AMENDMENT TO FACILITY AGREEMENT (this "Consent and Amendment"), dated as of March 2, 2015, is entered into by and among PLATINUM UNDERWRITERS BERMUDA, LTD., a Bermuda company ("Borrower"), PLATINUM UNDERWRITERS HOLDINGS, LTD., a Bermuda company ("Guarantor"), ING BANK, N.V., as a lender, and NATIONAL AUSTRALIA BANK LIMITED, as agent (the "Agent"), security agent, and a lender (together with ING BANK, N.V. the "Lenders").

RECITALS

A. The Borrower, the Guarantor and the Lenders are parties to a Facility Agreement, dated as of July 31, 2012 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Facility Agreement"), pursuant to which the Lenders have made available to the Borrower an uncommitted U.S. Dollar, Australian Dollar and New Zealand Dollar letter of credit facility in the aggregate principal amount of U.S.\$125,000,000 for the issuance of standby letters of credit. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Facility Agreement.

B. The Guarantor has entered into an Agreement and Plan of Merger, dated as of November 23, 2014 (the "Merger Agreement"), with RenaissanceRe Holdings Ltd., a Bermuda exempted company ("RenRe Holdings"), and Port Holdings Ltd., a Bermuda exempted company and a wholly owned subsidiary of RenRe Holdings ("Port Holdings"), pursuant to which the Guarantor will merge with Port Holdings, with the Guarantor being the surviving entity and becoming a wholly owned subsidiary of RenRe Holdings (the "Merger").

C. The consummation of the Merger, expected to be on or about March 2, 2015, will constitute a change of control for purposes of the Facility Agreement.

D. The Borrower and the Guarantor have requested that (i) the Lenders party hereto (the "Majority Banks") consent to the Merger, as required by Clause 20.4 of the Facility Agreement, and (ii) the Facility Agreement be amended to (a) remove certain of the covenants and Events of Default and (b) to make certain other amendments to the Facility Agreement, including adding RenRe Holdings as a Guarantor.

E. The Majority Banks are willing to consent to the Merger and to amend the Facility Agreement on the terms and conditions set forth herein.

STATEMENT OF AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

LIMITED CONSENT

The Majority Banks hereby consent to the Merger and waive any Default or Event of Default that would otherwise result if the Merger were not consummated in compliance with Clause 20.4 of the Facility Agreement; provided, that, the Merger shall be consummated substantially in accordance with the terms of the Merger Agreement in all material respects and without giving effect to any modifications, amendments, consents or waivers of the terms of the Merger Agreement that are material and adverse to the Lenders or the Agent as reasonably determined by the Agent, without the prior consent of the Majority Banks (such consent not to be unreasonably withheld, delayed or conditioned).

ARTICLE II

AMENDMENTS TO FACILITY AGREEMENT

2.1 Amendments to Defined Terms.

- (a) The following defined terms shall be added to Clause 1.1 of the Facility Agreement in appropriate alphabetical order:

“**Amendment Effective Date**” has the meaning set forth in the Consent and Amendment.

“**Consent and Amendment**” means the Consent and Amendment, dated as of March 2, 2015, between the Borrower, the Guarantor and the Lenders.

“**RenRe Holdings**” means RenaissanceRe Holdings Ltd., a Bermuda exempted company.

“**RenRe Holdings Guaranty**” means the Guaranty executed as of the Amendment Effective Date by RenRe Holdings in favor of the Lenders pursuant to the Consent and Amendment.

- (b) The defined term “Finance Document” in Clause 1.1 of the Facility Agreement shall be amended and restated in its entirety as follows:

“**Finance Document**” means this Agreement, any Fee Letter, any Security Document, the Control Agreement, the L/C Fee Rate/Margin Side Letter, the RenRe Holdings Guaranty and any other document designated as such by the Agent and the Guarantor in writing.”

2.2 Deletion of Certain Provisions. Each of Clauses 18.1, 18.2, 18.3, 18.4, 18.5, 19, 20.3, 20.4 and 20.7 of the Facility Agreement shall be deleted in its entirety and replaced with “[Reserved].”

2.3 Amendments to Events of Default. Clause 21 of the Facility Agreement shall be amended as follows:

- (a) Clause 21.1 shall be amended by replacing the phrase “An Obligor” in such Clause with “RenRe Holdings or an Obligor.”
- (b) Clause 21.3(a) shall be amended by replacing the phrase “An Obligor” in such Clause with “RenRe Holdings or an Obligor.”
- (c) Clause 21.4(a) shall be amended by replacing the phrase “an Obligor” in such Clause with “RenRe Holdings or an Obligor” and by replacing the phrase “any Obligor” in such Clause with “RenRe Holdings or any Obligor.”
- (d) Clause 21.6(a) shall be amended by replacing the phrase “a member of the Group” in such Clause with “RenRe Holdings or a member the Group.”
- (e) Clause 21.6(b) shall be amended by replacing the phrase “any member of the Group” in such Clause with “RenRe Holdings or any member of the Group.”
- (f) Clause 21.6(c) shall be amended by replacing the phrase “any member of the Group” in such Clause with “RenRe Holdings or any member of the Group.”
- (g) Clause 21.7(a) shall be amended by replacing the phrase “any member of the Group” in such Clause with “RenRe Holdings or any member of the Group.”
- (h) Clause 21.7(b) shall be amended by replacing phrase “any member of the Group” in the first place it appears in such Clause with “RenRe Holdings or any member of the Group” and by replacing the phrase “an Obligor” in such Clause with “RenRe Holdings or an Obligor.”
- (i) Clause 21.7(c) shall be amended by replacing the phrase “any member of the Group” in such Clause with “RenRe Holdings or any member of the Group.”
- (j) Clause 21.7(d) shall be amended by replacing the phrase “any member of the Group” in the first place it appears in such Clause with “RenRe Holdings or any member of the Group.”
- (k) Clause 21.7(e) shall be amended by replacing the phrase “any member of the Group” in such Clause with “RenRe Holdings or any member of the Group.”
- (l) Clause 21.8 shall be amended by replacing the phrase “any member of the Group” in such Clause with “RenRe Holdings or any member of the Group.”
- (m) Clause 21.9 shall be shall be amended and restated in its entirety as follows:
“The Borrower is not or ceases to be a direct or indirect subsidiary of RenRe Holdings.”

-
- (n) Clause 21.10 shall be amended by replacing the phrase “an Obligor” in such Clause with “RenRe Holdings or an Obligor.”
 - (o) Clause 21.11 shall be amended by replacing the phrase “An Obligor” in such Clause with “RenRe Holdings or an Obligor.”

2.4 Amendments to Notices. Clause 30.3 of the Facility Agreement shall be amended to add a new Clause 30.3(f) as follows:

“(f) All notices to an Obligor shall also be sent to RenRe Holdings at the address set forth in the RenRe Holdings Guaranty.”

ARTICLE III

CONDITIONS OF EFFECTIVENESS

3.1 The limited consent set forth in **Article I** shall become effective as of the date when, and only when, the Agent shall have received an executed counterpart of this Consent and Amendment from the Lenders constituting the Majority Banks under the Facility Agreement and from the Borrower and the Guarantor.

3.2 The amendments set forth in **Article II** hereof shall become effective as of the date (the “Amendment Effective Date”) when, and only when, each of the following conditions precedent shall have been satisfied:

(a) The Agent shall have received an executed counterpart of this Consent and Amendment from the Lenders constituting the Majority Banks under the Facility Agreement and from the Borrower and the Guarantor;

(b) The Merger shall have been consummated substantially simultaneously with the Amendment Effective Date in accordance with the terms of the Merger Agreement in all material respects and without giving effect to any modifications, amendments, consents or waivers of the terms of the Merger Agreement that are material and adverse to the Lenders or the Agent as reasonably determined by the Agent, without the prior consent of the Majority Banks (such consent not to be unreasonably withheld, delayed or conditioned);

(c) The Agent shall have received an executed Guaranty from RenRe Holdings in substantially the form attached hereto as Exhibit A (the “RenRe Holdings Guaranty”);

(d) The Agent shall have received a certificate, signed by an officer of the Guarantor, in form and substance reasonably satisfactory to the Agent, certifying that (i) all representations and warranties of the Borrower and the Guarantor contained in the Facility Agreement and the other Finance Documents (including the representations and warranties set forth in **Article IV** hereof) are true and correct as of the Amendment Effective Date, immediately after giving effect to this Consent and Amendment (except to the extent any such representation or warranty is expressly stated to have been made as of a specific date, in which case such representation or warranty shall be true and correct as of such date), and (ii) no Default or Event of Default has occurred and is continuing as of the Amendment Effective Date, immediately after giving effect to this Consent and Amendment;

(e) All material governmental authorizations and approvals necessary in connection with the consummation of the Merger shall have been obtained and shall remain in effect and shall not impose any restriction or condition materially adverse to the Agent or the Lenders; and no law or regulation shall be applicable that seeks to enjoin, restrain, restrict, set aside or prohibit, or impose materially adverse conditions upon, the consummation of the Merger; and all third-party consents necessary in connection with the consummation of the Merger shall have been obtained and remain in effect (except for any third-party consents that are not material or with respect to which the failure to obtain such consents would not result in a Material Adverse Effect); and

(f) The Borrower and the Guarantor shall have paid all reasonable out-of-pocket costs and expenses of the Lenders in connection with the preparation, negotiation, execution and delivery of this Consent and Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Agent with respect thereto).

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

To induce the Agent and the Lenders to enter into this Consent and Amendment, each of the Borrower and the Guarantor represents and warrants to the Lenders as follows:

4.1 Authorization; Enforceability. Each of the Borrower and the Guarantor has taken all necessary corporate action to execute, deliver and perform this Consent and Amendment and has validly executed and delivered this Consent and Amendment. This Consent and Amendment constitutes the legal, valid and binding obligation of each of the Borrower and the Guarantor, enforceable against it in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, fraudulent transfer, moratorium or other similar laws affecting creditors' rights generally or by general equitable principles regardless of whether enforceability is considered in a proceeding in equity or at law.

4.2 No Violation. The execution, delivery and performance by each of the Borrower and the Guarantor of this Consent and Amendment, and compliance by it with the terms hereof, do not and will not (i) violate any provision of its articles of incorporation or formation, bylaws or other applicable formation or organizational documents, (ii) contravene any other law applicable to it or (iii) conflict with, result in a breach of, or result in the creation of any lien under, or require any payment to be made under, or constitute (with notice, lapse of time or both) a default under any material indenture, agreement or other instrument to which it is a party, by which it or any of its properties are bound or to which it is subject, other than, in the case of clauses (ii) and (iii), such contraventions, conflicts, breaches, liens, payments and defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.3 Governmental and Third-Party Authorization. No consent, approval, authorization or other action by, notice to, or registration or filing with, any governmental

authority or other third-party is or will be required as a condition to or otherwise in connection with the due execution, delivery and performance by the Borrower and the Guarantor of this Consent and Amendment or the legality, validity or enforceability hereof.

ARTICLE V

MISCELLANEOUS

5.1 Governing Law. This Consent and Amendment and any non-contractual obligation arising out of or on connection with it shall be governed by English law.

5.2 Effect; No Waiver. Each of the Borrower and the Guarantor hereby confirms and agrees that, after giving effect to this Consent and Amendment, and except as expressly amended hereby, the Facility Agreement and the other Finance Documents to which it is a party remain in full force and effect and enforceable against it in accordance with their respective terms and neither the Finance Documents nor the rights and remedies of the Lenders thereunder shall be modified, discharged, diminished, limited, or otherwise affected in any other respect.

5.3 Finance Document. As used in the Facility Agreement, “hereinafter,” “hereto,” “hereof,” and words of similar import shall, unless the context otherwise requires, mean the Facility Agreement after amendment by this Consent and Amendment. Any reference to the Facility Agreement or any of the other Finance Documents herein or in any such documents shall refer to the Facility Agreement and Finance Documents as amended hereby. This Consent and Amendment is limited to the matters expressly set forth herein, and shall not constitute or be deemed to constitute an amendment, modification or waiver of any provision of the Facility Agreement or any other Finance Document except as expressly set forth herein. This Consent and Amendment shall constitute a Finance Document under the terms of the Facility Agreement.

5.4 Severability. To the extent any provision of this Consent and Amendment is prohibited by or invalid under the applicable law of any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity and only in any such jurisdiction, without prohibiting or invalidating such provision in any other jurisdiction or the remaining provisions of this Consent and Amendment in any jurisdiction.

5.5 Successors and Assigns. This Consent and Amendment shall be binding upon, inure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto.

5.6 Construction. The headings of the various sections and subsections of this Consent and Amendment have been inserted for convenience only and shall not in any way affect the meaning or construction of any of the provisions hereof.

5.7 Counterparts; Integration. This Consent and Amendment may be executed and delivered via facsimile or electronic mail with the same force and effect as if an original were executed and may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures hereto were upon the same instrument. This Consent and Amendment constitutes the entire contract among the parties hereto with respect to the subject matter hereof and supersedes any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Consent and Amendment to be executed by their duly authorized officers as of the date first above written.

PLATINUM UNDERWRITERS HOLDINGS, LTD.

By: /s/ Jeffrey D. Kelly
Name: Jeffrey D. Kelly
Title: Executive Vice President, Chief Operating Officer and Chief Financial Officer

PLATINUM UNDERWRITERS BERMUDA, LTD.

By: /s/ Mark Wilcox
Name: Mark Wilcox
Title: Senior Vice President and Group Controller

NATIONAL AUSTRALIA BANK LIMITED, as Agent
and a Lender

By: /s/ Bill Seabrook
Name: Bill Seabrook
Title: Director

ING BANK, N.V., as a Lender

By: /s/ M.E.R. Sharman

Name: M.E.R. Sharman

Title: Managing Director

By: /s/ M. Groen

Name: M. Groen

Title: Director

GUARANTY

This GUARANTY (this "Guaranty"), dated as of March 2, 2015, is made by RENAISSANCERE HOLDINGS LTD., a Bermuda exempted company (the "RenRe Guarantor"), in favor of the Guaranteed Parties (as hereinafter defined). Capitalized terms used herein without definition shall have the meanings given to them in the Facility Agreement (as defined below).

RECITALS

WHEREAS, Platinum Underwriters Bermuda, Ltd., as a borrower (the "Borrower"), Platinum Underwriters Holdings, Ltd., as a guarantor (the "Guarantor"), ING BANK, N.V., as a lender and National Australia Bank Limited, as agent (the "Agent"), and a lender (together with ING BANK, N.V. the "Lenders") are parties to a Facility Agreement, dated as of July 31, 2012 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Facility Agreement"), pursuant to which the Lenders have made available to the Borrower an uncommitted U.S. Dollar, Australian Dollar and New Zealand Dollar letter of credit facility in the aggregate principal amount of U.S.\$125,000,000 for the issuance of standby letters of credit.

WHEREAS, the Guarantor has entered into an Agreement and Plan of Merger, dated as of November 23, 2014 (the "Merger Agreement"), with the RenRe Guarantor, and Port Holdings Ltd., a Bermuda exempted company and a wholly owned subsidiary of the RenRe Guarantor ("Port Holdings"), pursuant to which the Guarantor will merge with Port Holdings, with the Guarantor being the surviving entity and becoming a wholly owned subsidiary of the RenRe Guarantor (the "Merger").

WHEREAS, pursuant to a Consent and Amendment to Credit Agreement, dated as of March 2, 2015, between the Borrower, the Guarantor and the Lenders (the "Amendment"), the Lenders have agreed to (i) consent to the Merger and waive any Default or Event of Default that would otherwise result if the Merger were not consummated in compliance with Clause 20.4 of the Facility Agreement, and (ii) make certain amendments to the Facility Agreement on the condition that the RenRe Guarantor shall have agreed, by executing and delivering this Guaranty, to guarantee to the Guaranteed Parties (as hereinafter defined) the payment in full of the Guaranteed Obligations (as hereinafter defined) and to comply with certain covenants contained in the Credit Agreement, dated as of May 17, 2012, by and among the RenRe Guarantor, the lenders party thereto (the "RenRe Lenders") and Wells Fargo Bank, National Association, as administrative agent (as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its provisions, the "RenRe Holdings Credit Agreement").

WHEREAS, upon consummation of the Merger, the RenRe Guarantor will own all of the issued and outstanding equity interests of the Guarantor and will obtain benefits as a result of the terms of, and the continued extension of credit to the Borrower under the Facility Agreement, which benefits are hereby acknowledged, and, accordingly, the RenRe Guarantor desires to execute and deliver this Guaranty. The execution of this Guaranty is a condition precedent to the effectiveness of the amendments to the Facility Agreement made under the Amendment.

STATEMENT OF AGREEMENT

NOW, THEREFORE, the RenRe Guarantor hereby agrees as follows:

1. Guaranty.

(a) The RenRe Guarantor hereby irrevocably, absolutely and unconditionally:

(i) guarantees to the Finance Parties (collectively, the "Guaranteed Parties") the full and prompt payment, at any time and from time to time as and when due (whether at the stated maturity, by acceleration or otherwise), of all obligations of the Borrower and the Guarantor under the Facility Agreement and the other Finance Documents (collectively, the "Guaranteed Obligations"); and

(ii) agrees to pay the reasonable fees and expenses of counsel to, and reimburse upon demand all reasonable costs and expenses incurred or paid by, (y) any Guaranteed Party in connection with any suit, action or proceeding to enforce or protect any rights of the Guaranteed Parties hereunder and (z) the Agent in connection with any amendment, modification or waiver hereof or consent pursuant hereto, and to indemnify and hold each Guaranteed Party and its directors, officers, employees, agents and Affiliates harmless from and against any and all claims, losses, damages, obligations, liabilities, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) that may at any time be imposed on, incurred by or asserted against any such indemnified party as a result of, arising from or in any way relating to this Guaranty or the collection or enforcement of the Guaranteed Obligations; provided, however, that no indemnified party shall have the right to be indemnified hereunder for any such claims, losses, costs and expenses (x) to the extent determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such indemnified party or (y) that result from a claim by the RenRe Guarantor, the Borrower or the Guarantor against an indemnified party for breach in bad faith of such indemnified party's obligations hereunder or under any other Finance Document if the RenRe Guarantor, the Borrower or the Guarantor has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(b) Notwithstanding the provisions of subsection (a) above and notwithstanding any other provisions contained herein or in any other Finance Document, no provision of this Guaranty shall require or permit the collection from the RenRe Guarantor of interest in excess of the maximum rate or amount that the RenRe Guarantor may be required or permitted to pay pursuant to applicable law.

(c) The guaranty of the RenRe Guarantor set forth in this Section is a guaranty of payment as a primary obligor, and not a guaranty of collection.

2. Guaranty Unconditional. The obligations of the RenRe Guarantor under this Guaranty shall, to the maximum extent permitted by applicable law, be unconditional, absolute and irrevocable and, without limiting the generality of the foregoing, shall, to the maximum extent permitted by applicable law, not be released, discharged or otherwise affected by:

(i) any extension, renewal, settlement, compromise, waiver or release (including with respect to any Collateral) in respect of any obligation of any other obligor under any of the Finance Documents, by operation of law or otherwise;

(ii) any modification or amendment of, or supplement to, any of the Finance Documents;

(iii) any release, non-perfection or invalidity of any direct or indirect security (including the Collateral) for any obligation of any other obligor under any of the Finance Documents;

(iv) any change in the corporate existence, structure or ownership of any obligor, or any proceeding under any Debtor relief law affecting any other obligor or its assets or any resulting release or discharge of any obligation of any other obligor contained in any of the Finance Documents;

(v) the existence of any claim, setoff or other rights which any obligor may have at any time against any other obligor, any Finance Party or any other corporation or person, whether in connection with any of the Finance Documents or any unrelated transactions; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;

(vi) any invalidity or unenforceability relating to or against any other obligor for any reason of any of the Finance Documents, or any provision of applicable law or regulation purporting to prohibit the payment by any other obligor of principal, interest or any other amount payable under any of the Finance Documents;

(vii) any law, regulation or order of any jurisdiction, or any other event, affecting any term of any obligation or the Finance Parties' rights with respect thereto; or

(viii) any other circumstance that might otherwise constitute a legal or equitable discharge of, or a defense, set-off or counterclaim available to, the Borrower, the Guarantor, the RenRe Guarantor or a surety or guarantor generally, other than the occurrence of all of the following: (1) the payment in full in cash of the Guaranteed Obligations (other than contingent and indemnification obligations not then due and payable), (2) the cancellation of the Total Stated Amounts and (3) the termination or expiration of all Letters of Credit (unless full Collateral Cover in respect of all outstanding Letters of Credit in the form of Cash denominated in the same currency as such Letter of Credit has been delivered to the Agent) (the events in clauses (1), (2) and (3) above, collectively, the "Termination Requirements").

3. Waiver by RenRe Guarantor. The RenRe Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and any notice not provided for herein, as well

as any requirement that at any time any action be taken by any corporation or person against any other obligor, any other corporation or person or any Collateral. To the fullest extent permitted by applicable law, the RenRe Guarantor shall not assert, and hereby waives, any claim against any indemnified party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Guaranty, any other Finance Document or any agreement or instrument contemplated hereby or the transactions contemplated hereby or thereby. The RenRe Guarantor warrants and agrees that each waiver set forth in this Section 3 is made with full knowledge of its significance and consequences, and such waivers shall be effective to the maximum extent permitted by law.

4. Subrogation. The RenRe Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against the Borrower, the Guarantor or any other guarantor that arise from the existence, payment, performance or enforcement of the RenRe Guarantor's obligations under or in respect of this Guaranty, including any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Finance Party against the Borrower, the Guarantor or any other guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to take or receive from the Borrower, the Guarantor or any other guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim, remedy or right, unless and until the Termination Requirements have been satisfied. If any amount shall be paid to the RenRe Guarantor in violation of the immediately preceding sentence at any time prior to the satisfaction of the Termination Requirements, such amount shall be received and held in trust for the benefit of the Finance Parties, shall be segregated from other property and funds of the RenRe Guarantor and shall forthwith be paid or delivered to the Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to all amounts payable under this Guaranty, whether matured or unmatured, in accordance with the terms of the Finance Documents, or to be held as collateral for any amounts payable under this Guaranty thereafter arising. If (i) the RenRe Guarantor shall make payment to any Finance Party of all or any amounts payable under this Guaranty, and (ii) the Termination Requirements shall have been satisfied, the Finance Parties will, at the RenRe Guarantor's request and expense, execute and deliver to the RenRe Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to the RenRe Guarantor of an interest in the obligations resulting from such payment made by the RenRe Guarantor pursuant to this Guaranty.

5. Representations and Warranties. The RenRe Guarantor hereby represents and warrants to the Guaranteed Parties as follows:

5.1 Corporate Organization and Power. The RenRe Guarantor (i) is duly organized, validly existing and (to the extent applicable) in good standing under the laws of the jurisdiction of its incorporation, (ii) has the full corporate power and authority to execute, deliver and perform this Guaranty, and to own and hold its property and to engage in its business as presently conducted, and (iii) is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the nature of its business or the ownership of its properties requires it to be so qualified, except where the failure to be so qualified, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on the RenRe Guarantor and its subsidiaries taken as a whole.

5.2 Authorization; Enforceability. The RenRe Guarantor has taken all necessary corporate action to execute, deliver and perform this Guaranty and has validly executed and delivered this Guaranty. This Guaranty constitutes the legal, valid and binding obligation of the RenRe Guarantor, enforceable against it in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, fraudulent transfer, moratorium or other similar laws affecting creditors' rights generally or by general equitable principles regardless of whether enforceability is considered in a proceeding in equity or at law.

5.3 No Violation. The execution, delivery and performance by the RenRe Guarantor of this Guaranty, and compliance by it with the terms hereof, do not and will not (i) violate any provision of its articles of incorporation or formation, its bylaws or other applicable formation or organizational documents, (ii) contravene any other law or regulation applicable to it, (iii) conflict with, result in a breach of, or result in the creation of any Security under, or require any payment to be made under, or constitute (with notice, lapse of time or both) a default under any material indenture, agreement or other instrument to which it is a party, by which it or any of its properties are bound or to which it is subject, other than, in the case of clauses (ii) and (iii), such contraventions, conflicts, breaches, Security, payments and defaults that would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the RenRe Guarantor and its subsidiaries taken as a whole.

5.4 Governmental and Third-Party Authorization. No consent, approval, authorization or other action by, notice to, or registration or filing with, any governmental authority or other third-party person is or will be required as a condition to or otherwise in connection with the due execution, delivery and performance by the RenRe Guarantor of this Guaranty or the legality, validity or enforceability hereof.

5.5 Financial Statements. The RenRe Guarantor has delivered to the Guaranteed Parties copies of (a) the three most recent quarterly unaudited consolidated financial statements required to be delivered by the RenRe Guarantor under Section 6.1(a)(i) of the RenRe Holdings Credit Agreement as in effect on the date hereof and (b) the most recent audited consolidated financial statements required to be delivered by the RenRe Guarantor under Section 6.1(a)(ii) of the RenRe Holdings Credit Agreement as in effect on the date hereof (collectively, the "Financial Statements"). Such Financial Statements present fairly, in all material respects, in conformity with GAAP (except as disclosed therein and, in the case of interim financial statements, for the absence of footnote disclosures) the consolidated financial position and consolidated results of operations of the RenRe Guarantor and its subsidiaries at such dates for the periods then ended, subject, in the case of quarterly financial statements, to normal year-end audit adjustments.

5.6 Covenant Compliance Certificates. The RenRe Guarantor has delivered to the Guaranteed Parties copies of the compliance certificates required under Section 6.1(f) of the RenRe Holdings Credit Agreement as in effect on the date hereof, demonstrating compliance with the financial covenants set forth in Section 6.2 with respect to the dates and periods covered by the Financial Statements.

6. Covenants. Until the Termination Requirements have been satisfied, the RenRe Guarantor agrees that it will:

6.1 Financial Statement Reporting. Furnish to the Agent the information required to be delivered to the RenRe Lenders and at such times as are required under Sections 6.1(a)(i) and 6.1(a)(ii) of the RenRe Holdings Credit Agreement as in effect on the date hereof (with such Sections and all relevant defined terms being deemed incorporated by reference into this Guaranty).

6.2 Financial Covenants. Comply with the financial covenants contained in Sections 7.1 and 7.2(a) of the RenRe Holdings Credit Agreement as in effect on the date hereof (with such Sections and all relevant defined terms being deemed incorporated by reference into this Guaranty).

6.3 Compliance Certificates. Furnish to the Agent, concurrently with the delivery to the Agent of the quarterly and annual financial statements under Section 6.1, copies of the compliance certificates required under Section 6.1(f) of the RenRe Holdings Credit Agreement as in effect on the date hereof, demonstrating compliance with the financial covenants set forth in Section 6.2 with respect to the dates and periods covered by the applicable financial statements.

7. Financial Condition of the Borrower and the Guarantor. The RenRe Guarantor represents that it has knowledge of the Borrower's and the Guarantor's financial condition and affairs and that it has adequate means to obtain from the Borrower and the Guarantor on an ongoing basis information relating thereto and to the Borrower's and the Guarantor's ability to pay and perform the Guaranteed Obligations. The RenRe Guarantor agrees that the Guaranteed Parties shall have no obligation to investigate the financial condition or affairs of the Borrower and the Guarantor for the benefit of the RenRe Guarantor nor to advise the RenRe Guarantor of any fact respecting, or any change in, the financial condition or affairs of the Borrower and the RenRe Guarantor that might become known to any Guaranteed Party at any time, whether or not such Guaranteed Party knows or believes or has reason to know or believe that any such fact or change is unknown to the RenRe Guarantor, or might (or does) materially increase the risk of the RenRe Guarantor as guarantor, or might (or would) affect the willingness of the RenRe Guarantor to continue as a guarantor of the Guaranteed Obligations.

8. Payments; Application; Set-Off

(a) The RenRe Guarantor agrees that, upon the failure of the Borrower or the Guarantor to pay any Guaranteed Obligations when and as the same shall become due (whether at the stated maturity, by acceleration or otherwise), and without limitation of any other right or remedy that any Guaranteed Party may have at law, in equity or otherwise against the RenRe Guarantor, the RenRe Guarantor will, subject to the provisions of Section 1(b), within three Business Days pay or cause to be paid to the Agent, for the benefit of the Guaranteed Parties, an amount equal to the amount of the Guaranteed Obligations then due and owing as aforesaid.

(b) Subject to the provisions of Clause 28.8 of the Facility Agreement, all payments made by the RenRe Guarantor hereunder will be made in Dollars to the Agent, without set-off, counterclaim or other defense and, in accordance with the Facility Agreement, free and clear of and without deduction for any Taxes in the same manner and to the same extent required of the Borrower and the Guarantor under Section 11 of the Facility Agreement, the RenRe Guarantor hereby agreeing to comply with and be bound by the provisions of Section 11 of the Facility Agreement in respect of all payments made by it hereunder.

(c) All payments made hereunder shall be applied in accordance with the provisions of Clause 28.5 of the Facility Agreement.

(d) In the event that the proceeds of any such sale, disposition or realization are insufficient to pay all amounts to which the Guaranteed Parties are legally entitled, the RenRe Guarantor shall be liable for the deficiency, together with interest thereon at the highest rate specified in any applicable Finance Document for interest on overdue principal or such other rate as shall be fixed by applicable law, together with the costs of collection and all other fees, costs and expenses payable hereunder.

(e) Upon and at any time after the occurrence and during the continuance of any Event of Default, each Guaranteed Party and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Guaranteed Party or any such Affiliate to or for the credit or the account of the RenRe Guarantor against any and all of the obligations of the RenRe Guarantor now or hereafter existing under this Guaranty or any other Finance Document to such Guaranteed Party, irrespective of whether or not such Guaranteed Party shall have made any demand under this Guaranty or any other Finance Document and although such obligations of the RenRe Guarantor may be contingent or unmatured or are owed to a branch or office of such Guaranteed Party different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Guaranteed Party and their respective Affiliates under this subsection are in addition to other rights and remedies (including other rights of setoff) that such Guaranteed Parties or their respective Affiliates may have. Each Guaranteed Party agrees to notify the Borrower, the Guarantor and the Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

9. No Waiver. The rights and remedies of the Guaranteed Parties expressly set forth in this Guaranty and the other Finance Documents are cumulative and in addition to, and not exclusive of, all other rights and remedies available at law, in equity or otherwise. No failure or delay on the part of any Guaranteed Party in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or be construed to be a waiver of any Default or Event of Default. No course of dealing between the RenRe Guarantor and the Guaranteed Parties or their agents or employees shall be effective to amend, modify or discharge any provision of this Guaranty or any other Finance Document or to constitute a waiver of any Default or Event of Default. No notice to or demand upon the RenRe Guarantor in any case shall entitle the RenRe Guarantor or any other

guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of any Guaranteed Party to exercise any right or remedy or take any other or further action in any circumstances without notice or demand.

10. Enforcement. The Guaranteed Parties agree that, except as provided in Section 8(e), this Guaranty may be enforced only by the Agent, acting upon the instructions or with the consent of the Majority Banks as provided for in the Facility Agreement, and that no Guaranteed Party shall have any right individually to enforce or seek to enforce this Guaranty or to realize upon any Collateral or other security given to secure the payment and performance of the RenRe Guarantor's obligations hereunder. The obligations of the RenRe Guarantor hereunder are independent of the Guaranteed Obligations, and a separate action or actions may be brought against the RenRe Guarantor whether or not action is brought against the Borrower, the Guarantor or any other guarantor and whether or not the Borrower, the Guarantor or any other guarantor is joined in any such action. The RenRe Guarantor irrevocably and unconditionally agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Finance Party within three Business Days of demand against any cost, loss or liability it incurs as a result of the Borrower not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under this Guaranty on the date when it would have been due. The amount payable by the RenRe Guarantor under this indemnity will not exceed the amount it would have had to pay under this Section 10 if the amount claimed had been recoverable on the basis of a guarantee. If any discharge, release or arrangement (whether in respect of the obligations of the RenRe Guarantor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the RenRe Guarantor under this Section 10 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

11. Amendments, Waivers, etc. No amendment, modification, waiver, discharge or termination of, or consent to any departure by the RenRe Guarantor from, any provision of this Guaranty, shall be effective unless in a writing signed by the Agent and such of the Finance Parties as may be required under the provisions of the Facility Agreement to concur in the action then being taken, and then the same shall be effective only in the specific instance and for the specific purpose for which given.

12. Addition and Release of Other Guarantors. The RenRe Guarantor agrees that its obligations hereunder shall not be discharged, limited or otherwise affected by the addition or release of any guarantor, or by reason of the Agent's actions in effecting the same, in each case without the necessity of giving notice to or obtaining the consent of any other guarantor.

13. Continuing Guaranty; Term; Successors and Assigns; Assignment; Survival. This Guaranty is a continuing guaranty and covers all of the Guaranteed Obligations as the same may arise and be outstanding at any time and from time to time from and after the date hereof, and shall (i) remain in full force and effect until satisfaction of all of the Termination Requirements (provided that the provisions of Sections 1(a)(ii) and 4 shall survive any termination of this Guaranty), (ii) be binding upon and enforceable against the RenRe Guarantor and its successors

and assigns (provided, however, that the RenRe Guarantor may not sell, assign or transfer any of its rights, interests, duties or obligations hereunder without the prior written consent of the Finance Parties) and (iii) inure to the benefit of and be enforceable by each Guaranteed Party and its successors and assigns. Without limiting the generality of clause (iii) above, any Guaranteed Party may, in accordance with the provisions of the Facility Agreement, assign all or a portion of the Guaranteed Obligations held by it (including by the sale of participations), whereupon each person that becomes the holder of any such Guaranteed Obligations shall (except as may be otherwise agreed between such Guaranteed Party and such person) have and may exercise all of the rights and benefits in respect thereof granted to such Guaranteed Party under this Guaranty or otherwise. The RenRe Guarantor hereby irrevocably waives notice of and consents in advance to the assignment as provided above from time to time by any Guaranteed Party of all or any portion of the Guaranteed Obligations held by it and of the corresponding rights and interests of such Guaranteed Party hereunder in connection therewith. All representations, warranties, covenants and agreements herein shall survive the execution and delivery of this Guaranty.

14. Governing Law; Consent to Jurisdiction; Service of Process.

(a) THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAW RULES).

(b) THE RENRE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE BOROUGH OF MANHATTAN, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND THE RENRE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. THE RENRE GUARANTOR AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. THE RENRE GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER FINANCE DOCUMENT IN ANY COURT REFERRED TO IN THIS SECTION. THE RENRE GUARANTOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(c) The RenRe Guarantor hereby irrevocably consents to service of process in any action or proceeding in the same manner required for delivery of notices under Section 15.

Nothing in this Section shall affect the right of any party to serve legal process in any other manner permitted by law or affect the right of any Guaranteed Party to bring any action or proceeding against the RenRe Guarantor in the courts of any other jurisdiction.

15. Notices. All notices and other communications provided for herein shall be delivered in the manner set forth in Section 30 of the Facility Agreement: (a) if to the RenRe Guarantor, at its address for notices set forth below its signature to this Guaranty, and (b) if to any Guaranteed Party, at its address for notices set forth in the Facility Agreement; in each case, as such addresses may be changed from time to time pursuant to the Facility Agreement, and with copies to such other persons as may be specified under the provisions of the Facility Agreement.

16. Severability. To the extent any provision of this Guaranty is prohibited by or invalid under the applicable law of any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity and only in such jurisdiction, without prohibiting or invalidating such provision in any other jurisdiction or the remaining provisions of this Guaranty in any jurisdiction.

17. Construction. The headings of the various sections and subsections of this Guaranty have been inserted for convenience only and shall not in any way affect the meaning or construction of any of the provisions hereof. Unless the context otherwise requires, words in the singular include the plural and words in the plural include the singular.

18. Counterparts; Effectiveness. This Guaranty may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. This Guaranty shall become effective, as to the RenRe Guarantor, upon the execution and delivery by the RenRe Guarantor of a counterpart hereof.

19. Judgment Currency. If any sum due from the RenRe Guarantor under this Guaranty (a "Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "First Currency") in which that Sum is payable into another currency (the "Second Currency") for the purpose of either (i) making or filing a claim or proof against the RenRe Guarantor or (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings that the RenRe Guarantor shall as an independent obligation, within three Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum. The RenRe Guarantor waives any right it may have in any jurisdiction to pay any amount under this Guaranty in a currency or currency unit other than that in which it is expressed to be payable.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Guaranty to be executed under seal by their duly authorized officers as of the date first above written.

GUARANTOR:

RENAISSANCERE HOLDINGS LTD.

By: /s/ Jeffrey D. Kelly
Name: Jeffrey D. Kelly
Title: Executive Vice President, Chief Operating Officer and Chief
Financial Officer

Address:
Renaissance House
12 Crow Lane
Pembroke, HM 19
Bermuda
Attention: Todd R. Fonner
Fax: (441) 292-9453

Accepted and agreed to:

NATIONAL AUSTRALIA BANK,
as Agent

By: /s/ Annie Truong
Name: Annie Truong
Title: Associate Director

RenaissanceRe Holdings Ltd. Guaranty

THIRD SUPPLEMENTAL INDENTURE

BY AND AMONG

PLATINUM UNDERWRITERS FINANCE, INC.,

AS ISSUER,

PLATINUM UNDERWRITERS HOLDINGS, LTD.,

AS GUARANTOR,

RENAISSANCERE HOLDINGS LTD.,

AS PARENT GUARANTOR,

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY (AS SUCCESSOR IN
INTEREST TO JPMORGAN CHASE BANK, N.A.),

AS TRUSTEE

DATED AS OF MARCH 3, 2015

PLATINUM UNDERWRITERS FINANCE, INC.
SERIES B 7.50% NOTES DUE JUNE 1, 2017

THIRD SUPPLEMENTAL INDENTURE

This Third Supplemental Indenture, dated as of March 3, 2015 (this “**Third Supplemental Indenture**”), to the Indenture, dated as of May 26, 2005 (the “**Base Indenture**”), by and among Platinum Underwriters Finance, Inc., a corporation duly organized and existing under the laws of the State of Delaware, having its principal office at 2 World Financial Center, 225 Liberty Street, 23rd Floor, New York, New York 10281 (the “**Company**”), Platinum Underwriters Holdings, Ltd., a corporation duly organized and existing under the laws of Bermuda, having its principal office at The Belvedere Building, 69 Pitts Bay Road, Pembroke, HM 08, Bermuda (the “**Guarantor**”), RenaissanceRe Holdings Ltd., a company duly organized and existing under the laws of Bermuda, having its principal office at Renaissance House, 12 Crow Lane, Pembroke, HM 19, Bermuda (the “**Parent Guarantor**”), and The Bank of New York Mellon Trust Company, N.A. (as successor in interest to JPMorgan Chase Bank, N.A.), a national banking association duly organized and existing under the laws of the United States of America, having its principal corporate trust office at 2 North LaSalle ST, STE 1020, Chicago, Illinois 60602, as Trustee (the “**Trustee**”), as supplemented by the First Supplemental Indenture, dated as of May 26, 2005, by and among the Company, the Guarantor and the Trustee and as supplemented by the Second Supplemental Indenture, dated as of November 2, 2005, by and among the Company, the Guarantor and the Trustee (the “**Second Supplemental Indenture**”), is effective upon the execution hereof by the parties hereto.

RECITALS

WHEREAS, the Company and the Guarantor have heretofore executed and delivered to the Trustee the Base Indenture providing for the issuance from time to time of the Company’s notes, debentures or other evidences of its unsecured indebtedness (the “**Securities**”), unlimited as to principal amount;

WHEREAS, the Company and the Guarantor have heretofore executed and delivered to the Trustee the Second Supplemental Indenture providing for the issuance of the Company’s Series B 7.50% Notes due June 1, 2017 (the “**Notes**”);

WHEREAS, the Base Indenture and the Second Supplemental Indenture are incorporated herein by this reference;

WHEREAS, the Base Indenture, as supplemented by the Second Supplemental Indenture, is referred to herein as the “**Indenture**”;

WHEREAS, capitalized terms used herein but not defined herein have the meanings given to such terms in the Indenture;

WHEREAS, pursuant to that certain Agreement and Plan of Merger, dated as of November 23, 2014, by and among the Parent Guarantor, the Guarantor and Port Holdings Ltd., a wholly owned subsidiary of the Parent Guarantor (“**Acquisition Sub**”), Acquisition Sub was merged with and into the Guarantor with the Guarantor continuing as the surviving company (the “**Acquisition**”);

WHEREAS, as a result of the Acquisition, the Company and the Guarantor became wholly owned subsidiaries of the Parent Guarantor;

WHEREAS, Section 10.1 of the Base Indenture authorizes the Company and the Guarantor, without the consent of any Holders of the Securities, to enter into supplemental indentures in order to, among other things, add any additional Guarantees with respect to all or any series of Securities (as specified in such supplemental indenture) and otherwise amend or supplement any of the provisions of the Base Indenture or any supplemental indenture provided such amendment or supplement does not adversely affect the interests of the Holders of any Securities then Outstanding;

WHEREAS, the Parent Guarantor desires to Guarantee all of the outstanding Notes;

WHEREAS, the Trustee has been provided with the documents relating to this Third Supplemental Indenture that are required to be delivered to it as contemplated by Section 10.5 of the Base Indenture; and

WHEREAS, the execution and delivery of this Third Supplemental Indenture have been authorized by each of the Company, the Guarantor and the Parent Guarantor and all conditions necessary to authorize the execution and delivery of this Third Supplemental Indenture and to make it a valid and binding obligation of the Company, the Guarantor and the Parent Guarantor have been done or performed;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company, the Guarantor, the Parent Guarantor and the Trustee mutually covenant and agree as follows:

ARTICLE I

AMENDMENTS

Section 1.1. Addition of Parent Guarantor. The Parent Guarantor, by its execution of this Third Supplemental Indenture, hereby agrees to guarantee, on a joint and several basis with the Guarantor, the payment obligations of the Company under the Notes and the Indenture on the terms and conditions set forth in the Indenture and that certain Guarantee, dated as of the date hereof and delivered to the Trustee.

Section 1.2. Definitions. (a) The definition of the term "Guarantor" set forth in Section 1.1 of the Base Indenture is hereby amended to read in its entirety as follows:

““Guarantor” means (i) the Parent Guarantor and (ii) the Person named as the “Guarantor” in the first paragraph of this instrument and, in the case of each of clauses (i) and (ii), subject to Article 11, its successors and assigns.”

(b) Section 1.1 of the Base Indenture is hereby amended by adding an additional defined term as follows:

““Parent Guarantor” means RenaissanceRe Holdings Ltd., a company duly organized and existing under the laws of Bermuda, having its principal office at Renaissance House, 12 Crow Lane, Pembroke, HM 19, Bermuda, and, subject to ARTICLE 11, its respective successors and assigns.”

ARTICLE II

MISCELLANEOUS PROVISIONS

Section 2.1. Ratification and Incorporation of Indenture. As supplemented hereby, the Indenture is in all respects ratified and confirmed, and the Indenture as supplemented by this Third Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 2.2. Counterparts. This Third Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 2.3. Governing Law. This Third Supplemental Indenture shall be governed by, and construed in accordance with the laws of the State of New York, without regard to conflicts of law principles thereof.

Section 2.4. Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 2.5. Trustee. The Trustee makes no representations as to the validity or sufficiency of this Third Supplemental Indenture. The recitals and statements herein are deemed to be those of the Company, the Guarantor and the Parent Guarantor and not of the Trustee.

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IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed, all as of the day and year first above written.

PLATINUM UNDERWRITERS FINANCE, INC., as Issuer

By: /s/ Stephen H. Weinstein
Name: Stephen H. Weinstein
Title: Senior Vice President, General Counsel and Secretary

PLATINUM UNDERWRITERS HOLDINGS, LTD., as Guarantor

By: /s/ Mark A. Wilcox
Name: Mark A. Wilcox
Title: Senior Vice President, Group Controller and Chief Accounting Officer

RENAISSANCERE HOLDINGS LTD.,
as Parent Guarantor

By: /s/ Mark A. Wilcox
Name: Mark A. Wilcox
Title: Senior Vice President, Chief Accounting Officer and Group Controller

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: /s/ Lawrence M. Kusch
Name: Lawrence M. Kusch
Title: Vice President

[Third Supplemental Indenture]

GUARANTEE

March 3, 2015

For value received, RenaissanceRe Holdings Ltd., a company duly organized and existing under the laws of Bermuda (herein called the “*Parent Guarantor*”, which term includes any successor under the Indenture referred to in the Security upon which this Guarantee is endorsed), on the date hereof hereby absolutely, fully and unconditionally and irrevocably guarantees to the Holder of the Security upon which this Guarantee is endorsed, and to the Trustee on behalf of itself and such Holder, (a) the due and punctual payment of the principal of, premium, if any, interest, if any, and Additional Amounts, if any, on such Security, and the due and punctual payment of any sinking fund payments provided in such Security when and as the same shall become due and payable, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise, (b) the due and punctual payment of interest on overdue principal of and interest on such Security, if any, if lawful, and (c) the due and punctual payment of any and all other payments due to the Holder or the Trustee, all in accordance with the terms of such Security and of the Indenture. In case of the failure of the Company, punctually to make any such payment of principal, premium, if any, interest, if any, or Additional Amounts, if any, the Parent Guarantor hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

The Parent Guarantor hereby agrees that its obligations hereunder are a guaranty of payment and not a guaranty of collection or performance and shall be unconditional and absolute, irrespective of the validity, regularity or enforceability of such Security or the Indenture or any limitation of the Company thereunder or any limitation on the method or terms of payment thereunder which may now or hereafter be caused or imposed in any manner whatsoever, the absence of any action to enforce the same, any waiver or consent by the Holder of such Security or by the Trustee with respect to any provisions thereof or of the Indenture, the obtaining of any judgment against the Company or any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. The Parent Guarantor hereby waives the benefits of division and discussion, diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in such Security and in this Guarantee.

Without limiting the generality of the foregoing, the Parent Guarantor hereby agrees that the obligations of the Parent Guarantor hereunder shall not be released, affected or impaired by assignment or transfer in whole or in part of the Security whether or not made without notice to or the consent of the Parent Guarantor and shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of, including, but not limited to, setoff, counterclaim, recoupment or termination whatsoever, and that such obligations shall not

be released, affected or impaired regardless of whether or not any Holder, including the Holder of the Security, or anyone on behalf of any such Holder shall have instituted any suit, action or proceeding or exhausted its remedies or taken any steps to enforce any rights against the Company or any other person to compel any such performance or observance or to collect all or part of any such amount, either pursuant to the provisions of the Indenture or the Security or at law or in equity, and regardless of any other condition or contingency, or by reason of the invalidity, illegality or unenforceability of the Security or the Indenture or otherwise and that such obligations shall not be discharged or impaired or otherwise affected by the failure of the Trustee or any Holder of such Security to assert any claim or demand or to enforce any remedy under the Indenture or such Security, any other guarantee or any other agreement, by any waiver, amendment, indulgence or modification (whether material or otherwise) of any provision of any thereof, by any default, failure or delay, willful or otherwise, in the performance of any obligations under the Indenture, the Security or this Guarantee, or by the voluntary or involuntary liquidation, sale or other disposition of all or substantially all of the assets of the Company, the Guarantor or the Parent Guarantor, or any receivership, insolvency, bankruptcy, reorganization, or other similar proceedings, affecting the Company or any of its assets, or the release of any property from the lien and security interest created by the Indenture or the Security or of any other security for the Security, or the release or discharge of the Company, the Guarantor or the Parent Guarantor from the performance or observance of any agreement, covenant, term or condition contained in the Indenture or the Security by operation of law, or the merger or consolidation of the Company, the Guarantor or the Parent Guarantor, or any other cause, whether similar or dissimilar to the foregoing, or by any other act or omission that may or might in any manner or to the extent vary the risk or obligations of the Parent Guarantor or that would otherwise operate as a discharge or a surety or guarantor as a matter of law or equity (other than the performance of the obligations contained in such Security and in this Guarantee).

The Holder of the Security upon which this Guarantee is endorsed is entitled to the further benefits relating hereto set forth in the Indenture. No reference herein to the Indenture and no provision of this Guarantee or of the Indenture shall alter or impair the guarantee of the Parent Guarantor, which is absolute and unconditional, of the due and punctual payment of the principal of and interest, or any such other payments, on the Security upon which this Guarantee is endorsed.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the conflicts of laws principles thereof.

All terms used in this Guarantee that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Security upon which this Guarantee is endorsed shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parent Guarantor has caused this Guarantee to be duly executed.

RENAISSANCERE HOLDINGS LTD.

By: /s/ Gareth S. Bahlmann

Name: Gareth S. Bahlmann

Title: Assistant Vice President

[Guarantee]

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Platinum Underwriters Holdings, Ltd.:

We consent to the incorporation by reference in the registration statement (No. 333-189303) on Form S-3ASR of RenaissanceRe Holdings Ltd. of our reports dated February 11, 2015, with respect to the consolidated balance sheets of Platinum Underwriters Holdings, Ltd. and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the years in the three year period ended December 31, 2014, and all related financial statement schedules, and the effectiveness of internal control over financial reporting as of December 31, 2014, which reports appear in the Form 8-K of RenaissanceRe Holdings Ltd. dated March 5, 2015.

/s/ KPMG Audit Limited

Hamilton, Bermuda
March 5, 2015



RenaissanceRe Completes Acquisition of Platinum Underwriters

PEMBROKE, Bermuda, March 2, 2015 — RenaissanceRe Holdings Ltd. (NYSE: RNR) (“RenaissanceRe” or the “Company”) today announced that it has completed its acquisition of Platinum Underwriters Holdings Ltd. (NYSE: PTP) (“Platinum”). The acquisition was originally announced on November 24, 2014.

Kevin J. O’Donnell, President and Chief Executive Officer of RenaissanceRe, commented: “The combination of RenaissanceRe and Platinum marks an important milestone for our company, benefiting our expanded client base by providing additional products and underwriting expertise, two strong underwriting platforms in the United States, and increased scope and market presence. We expect the transaction to be accretive to book value per share and earnings per share, as well as increase the long-term value of our business for shareholders. With the acquisition successfully completed, we are a stronger, broader-reaching RenaissanceRe, offering more underwriting, product and capital solutions to both existing clients and new clients.”

The completion of the acquisition follows the receipt of all necessary regulatory approvals and approval of the transaction by Platinum shareholders, which was obtained at a special general meeting of Platinum shareholders held on February 27, 2015. Effective as of market close today, Platinum shares will cease trading on the New York Stock Exchange.

RenaissanceRe Holdings Ltd. is a global provider of reinsurance and insurance. The Company’s business consists of three reportable segments: (1) Catastrophe Reinsurance, which includes catastrophe reinsurance and certain property catastrophe joint ventures managed by the Company’s ventures unit; (2) Specialty Reinsurance, which includes specialty reinsurance and certain specialty joint ventures managed by the Company’s ventures unit; and (3) Lloyd’s, which includes reinsurance and insurance business written through RenaissanceRe Syndicate 1458.

Cautionary Statement Regarding Forward-Looking Statements

Any forward-looking statements made in this press release reflect RenaissanceRe’s current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous factors that could cause actual results to differ materially from those set forth in or implied by such forward-looking statements, including the following: the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the inability to obtain Platinum’s shareholder approval or the failure to satisfy other conditions to completion of the merger, including receipt of regulatory approvals; risks that the proposed transaction disrupts each company’s current plans and operations; the ability to retain key personnel; the ability to recognize the benefits of the merger; the amount of the costs, fees, expenses and charges related to the merger; the frequency and severity of catastrophic and other events; uncertainties in the companies’ reserving processes; the lowering or loss of any of the financial strength, claims paying or enterprise wide risk management ratings of either company or their respective subsidiaries or joint ventures; risks associated with appropriately modeling, pricing for, and contractually addressing new or potential factors in loss emergence; risks that the companies’ might be bound to policyholder obligations beyond

their underwriting intent; risks due to the companies' reliance on a small and decreasing number of reinsurance brokers and other distribution services; risks relating to operating in a highly competitive environment; risks relating to deteriorating market conditions; the risk that the companies' customers may fail to make premium payments due to them; the risk of failures of the companies' reinsurers, brokers or other counterparties to honor their obligations to the companies; a contention by the Internal Revenue Service that Renaissance Reinsurance Ltd., Platinum Underwriters Bermuda, Ltd. or any of the companies' other Bermuda subsidiaries, is subject to U.S. taxation; other risks relating to potential adverse tax developments; risks relating to adverse legislative developments; risks associated with the companies' investment portfolios; changes in economic conditions or inflation; and other factors affecting future results disclosed in RenaissanceRe's and Platinum's filings with the SEC, including its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

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Investor Contact:
RenaissanceRe Holdings Ltd.
Rohan Pai, 1 (441) 295-4513
Director – Corporate Finance

Media Contact:
Kekst and Company
Peter Hill or Dawn Dover, 1 (212) 521-4800

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

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

We have audited the accompanying consolidated balance sheets of Platinum Underwriters Holdings, Ltd. and subsidiaries (the "Company") as of December 31, 2014 and 2013, and the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2014. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Platinum Underwriters Holdings, Ltd. and subsidiaries as of December 31, 2014 and 2013, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Platinum Underwriters Holdings, Ltd. and subsidiaries' internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control - Integrated Framework (1992)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 11, 2015 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG Audit Limited
Hamilton, Bermuda
February 11, 2015

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2014 and 2013
(\$ in thousands, except share data)

	2014	2013
ASSETS		
Investments:		
Fixed maturity available-for-sale securities at fair value (amortized cost - \$1,677,198 and \$1,799,888, respectively)	\$1,782,485	\$1,857,870
Fixed maturity trading securities at fair value (amortized cost - \$87,743 and \$97,959, respectively)	90,569	103,395
Short-term investments	—	66,679
Total investments	1,873,054	2,027,944
Cash and cash equivalents	1,434,984	1,464,418
Accrued investment income	18,815	20,026
Reinsurance premiums receivable	125,400	138,454
Reinsurance recoverable on unpaid and paid losses and loss adjustment expenses	2,943	1,057
Prepaid reinsurance premiums	1,979	1,032
Funds held by ceding companies	89,581	119,241
Deferred acquisition costs	27,592	31,103
Reinsurance deposit assets	82,937	79,303
Deferred tax assets	17,523	25,141
Other assets	12,281	16,166
Total assets	<u>\$3,687,089</u>	<u>\$3,923,885</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
<u>Liabilities</u>		
Unpaid losses and loss adjustment expenses	\$1,435,698	\$1,671,365
Unearned premiums	111,348	126,300
Debt obligations	250,000	250,000
Commissions payable	50,258	78,791
Other liabilities	101,760	50,722
Total liabilities	<u>\$1,949,064</u>	<u>\$2,177,178</u>
<u>Shareholders' Equity</u>		
Common shares, \$0.01 par value, 200,000,000 shares authorized, 24,840,539 and 28,142,977 shares issued and outstanding, respectively	\$ 248	\$ 281
Additional paid-in capital	2,415	10,711
Accumulated other comprehensive income	92,689	48,084
Retained earnings	1,642,673	1,687,631
Total shareholders' equity	<u>\$1,738,025</u>	<u>\$1,746,707</u>
Total liabilities and shareholders' equity	<u>\$3,687,089</u>	<u>\$3,923,885</u>

See accompanying notes to consolidated financial statements.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
For the years ended December 31, 2014, 2013 and 2012
(\$ in thousands, except per share data)

	2014	2013	2012
Revenue:			
Net premiums earned	\$506,636	\$553,413	\$566,496
Net investment income	69,421	72,046	99,947
Net realized gains on investments	2,762	23,920	88,754
Total other-than-temporary impairments	(991)	(631)	211
Portion of impairment losses recognized in other comprehensive income	151	(1,402)	(3,242)
Net impairment losses on investments	(840)	(2,033)	(3,031)
Other income (expense)	3,180	3,477	(239)
Total revenue	581,159	650,823	751,927
Expenses:			
Net losses and loss adjustment expenses	183,401	167,446	183,660
Net acquisition expenses	113,804	123,767	115,437
Operating expenses	83,309	82,714	80,453
Net foreign currency exchange losses (gains)	(512)	(234)	1,055
Interest expense	19,155	19,125	19,098
Total expenses	399,157	392,818	399,703
Income before income taxes	182,002	258,005	352,224
Income tax expense	17,234	34,727	24,996
Net income	\$164,768	\$223,278	\$327,228
Earnings per common share:			
Basic earnings per common share	\$ 6.28	\$ 7.46	\$ 9.67
Diluted earnings per common share	\$ 6.21	\$ 7.35	\$ 9.60
Shareholder dividends:			
Common shareholder dividends declared	\$ 8,329	\$ 9,434	\$ 10,747
Dividends declared per common share	\$ 0.32	\$ 0.32	\$ 0.32

See accompanying notes to consolidated financial statements.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2014, 2013 and 2012
(\$ in thousands)

	2014	2013	2012
Net income	<u>\$164,768</u>	<u>\$ 223,278</u>	<u>\$327,228</u>
Other comprehensive income (loss) on available-for-sale securities before reclassifications:			
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	(991)	(631)	211
Change in net unrealized gains and losses on all other securities	<u>52,828</u>	<u>(76,152)</u>	<u>77,652</u>
Total change in net unrealized gains and losses	<u>51,837</u>	<u>(76,783)</u>	<u>77,863</u>
Reclassifications to net income on available-for-sale securities:			
Net realized gains on investments	(5,372)	(27,243)	(89,780)
Net impairment losses on investments	840	2,033	3,031
Total reclassifications to net income	<u>(4,532)</u>	<u>(25,210)</u>	<u>(86,749)</u>
Other comprehensive income (loss) before income taxes	47,305	(101,993)	(8,886)
Income tax (expense) benefit	<u>(2,700)</u>	<u>12,387</u>	<u>(59)</u>
Other comprehensive income (loss)	<u>44,605</u>	<u>(89,606)</u>	<u>(8,945)</u>
Comprehensive income	<u>\$209,373</u>	<u>\$ 133,672</u>	<u>\$318,283</u>

See accompanying notes to consolidated financial statements.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the years ended December 31, 2014, 2013 and 2012
(\$ in thousands)

	2014	2013	2012
Common shares:			
Balances at beginning of year	\$ 281	\$ 327	\$ 355
Issuance of common shares	3	8	3
Repurchase of common shares	(36)	(54)	(31)
Balances at end of year	<u>248</u>	<u>281</u>	<u>327</u>
Additional paid-in capital:			
Balances at beginning of year	10,711	209,897	313,730
Issuance of common shares	(2,376)	22,290	3,612
Amortization of share-based compensation	8,331	8,931	8,226
Repurchase of common shares	(14,251)	(230,407)	(115,671)
Balances at end of year	<u>2,415</u>	<u>10,711</u>	<u>209,897</u>
Accumulated other comprehensive income:			
Balances at beginning of year	48,084	137,690	146,635
Other comprehensive income (loss)	44,605	(89,606)	(8,945)
Balances at end of year	<u>92,689</u>	<u>48,084</u>	<u>137,690</u>
Retained earnings:			
Balances at beginning of year	1,687,631	1,546,620	1,230,139
Net income	164,768	223,278	327,228
Repurchase of common shares	(201,397)	(72,833)	—
Common share dividends	(8,329)	(9,434)	(10,747)
Balances at end of year	<u>1,642,673</u>	<u>1,687,631</u>	<u>1,546,620</u>
Total shareholders' equity	<u>\$1,738,025</u>	<u>\$1,746,707</u>	<u>\$1,894,534</u>

See accompanying notes to consolidated financial statements.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2014, 2013 and 2012
(\$ in thousands)

	2014	2013	2012
Operating Activities:			
Net income	\$ 164,768	\$ 223,278	\$ 327,228
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Net realized gains on investments	(2,762)	(23,920)	(88,754)
Net impairment losses on investments	840	2,033	3,031
Net foreign currency exchange losses (gains)	(512)	(234)	1,055
Amortization of share-based compensation	14,445	14,518	10,137
Other amortization and depreciation	10,343	8,761	5,100
Deferred income tax expense	4,917	10,019	8,791
Net fixed maturity trading securities activities	1,136	6,993	13,453
Changes in:			
Accrued investment income	1,013	1,299	8,702
Reinsurance premiums receivable	11,031	(10,300)	30,936
Funds held by ceding companies	28,058	(4,784)	(19,295)
Deferred acquisition costs	3,309	(2,967)	664
Reinsurance deposit assets	(3,634)	(28,610)	(50,693)
Net unpaid and paid losses and loss adjustment expenses	(218,783)	(277,482)	(434,525)
Net unearned premiums	(14,568)	13,708	(1,496)
Commissions payable	(28,031)	13,969	2,105
Other operating assets and liabilities	43,657	(2,843)	18,224
Net cash provided by (used in) operating activities	<u>15,227</u>	<u>(56,562)</u>	<u>(165,337)</u>
Investing Activities:			
Proceeds from sales of:			
Fixed maturity available-for-sale securities	88,629	203,571	747,755
Short-term investments	6,613	11,857	49,447
Proceeds from the maturities or paydowns of:			
Fixed maturity available-for-sale securities	130,506	202,136	280,122
Short-term investments	126,795	259,076	707,756
Acquisitions of:			
Fixed maturity available-for-sale securities	(100,026)	(406,078)	(233,923)
Short-term investments	(66,036)	(165,136)	(331,757)
Acquisitions of furniture, equipment and other assets	—	(6,890)	—
Net cash provided by (used in) investing activities	<u>186,481</u>	<u>98,536</u>	<u>1,219,400</u>
Financing Activities:			
Dividends paid to common shareholders	(8,329)	(9,434)	(10,747)
Repurchase of common shares	(215,684)	(303,294)	(115,702)
Proceeds from share-based compensation, including income tax benefits	1,013	24,376	4,537
Net cash provided by (used in) financing activities	<u>(223,000)</u>	<u>(288,352)</u>	<u>(121,912)</u>
Effect of foreign currency exchange rate changes on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents	(29,434)	(255,977)	927,885
Cash and cash equivalents at beginning of year	1,464,418	1,720,395	792,510
Cash and cash equivalents at end of year	<u>\$1,434,984</u>	<u>\$1,464,418</u>	<u>\$1,720,395</u>
Supplemental disclosures of cash flow information:			
Income taxes paid, net of refunds	\$ 7,782	\$ 24,371	\$ 13,685
Interest paid	\$ 18,750	\$ 18,750	\$ 18,750

See accompanying notes to consolidated financial statements.

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation and Consolidation

Platinum Underwriters Holdings, Ltd. (“Platinum Holdings”) is a holding company domiciled in Bermuda. Through our reinsurance subsidiaries, we provide property and marine, casualty and finite risk reinsurance coverages to a diverse clientele of insurers and select reinsurers on a worldwide basis.

Platinum Holdings and its consolidated subsidiaries (collectively, the “Company”) include Platinum Holdings, Platinum Underwriters Bermuda, Ltd. (“Platinum Bermuda”), Platinum Underwriters Reinsurance, Inc. (“Platinum US”), Platinum Regency Holdings (“Platinum Regency”), Platinum Underwriters Finance, Inc. (“Platinum Finance”) and Platinum Administrative Services, Inc. (“PASI”). The terms “we,” “us,” and “our” refer to the Company, unless the context otherwise indicates.

We operate through our licensed reinsurance subsidiaries, Platinum Bermuda, a Bermuda reinsurance company, and Platinum US, a U.S. reinsurance company. Platinum Regency is an intermediate holding company based in Ireland and a wholly owned subsidiary of Platinum Holdings. Platinum Finance is an intermediate holding company based in the U.S. and a wholly owned subsidiary of Platinum Regency. Platinum Bermuda is a wholly owned subsidiary of Platinum Holdings and Platinum US is a wholly owned subsidiary of Platinum Finance. PASI is a wholly owned subsidiary of Platinum Finance that provides administrative support services to the Company.

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). All material inter-company transactions and accounts have been eliminated in preparing these consolidated financial statements.

The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ materially from these estimates. The major estimates used in the preparation of the Company’s consolidated financial statements, and therefore considered to be critical accounting estimates, include, but are not limited to, premiums written and earned, unpaid losses and loss adjustment expenses (“LAE”), valuation of investments and income taxes. In addition, estimates are used in our risk transfer analysis for assumed and ceded reinsurance transactions. Results of changes in estimates are reflected in results of operations in the period in which the change is made.

Merger Agreement

On November 23, 2014, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with RenaissanceRe Holdings Ltd., a Bermuda exempted company (“RenaissanceRe”), and Port Holdings Ltd., a Bermuda exempted company and wholly owned subsidiary of RenaissanceRe (the “Acquisition Sub”). Subject to the terms and conditions of the Merger Agreement, Acquisition Sub will be merged with and into the Company (the “Merger”), with the Company continuing as the surviving company and as a wholly owned subsidiary of RenaissanceRe.

Pursuant to the terms of the Merger Agreement, upon the closing of the Merger, shareholders of the Company will be entitled to receive, in exchange for each share of common stock they hold at the effective time of the Merger, either stock or cash consideration with a value equal to the sum of (i) an amount of cash equal to \$66.00, (ii) 0.6504 common shares of RenaissanceRe, par value \$1.00 per share, or (iii) 0.2960 RenaissanceRe common shares and an amount of cash equal to \$35.96, in each case less any applicable withholding taxes and without interest, plus cash in lieu of any fractional RenaissanceRe common shares such shareholder would otherwise be entitled to receive. The Merger is subject to the approval of the Company’s shareholders and other customary closing conditions. There can be no assurance that all such closing conditions will be satisfied and there is no assurance that the Merger will occur.

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In addition, on February 10, 2015, Platinum Holdings' board of directors declared, subject to certain conditions, a special dividend of \$10.00 per common share in connection with its pending Merger with RenaissanceRe. The special dividend is payable prior to the effective time of the Merger on the closing date of the Merger to shareholders of record at the close of business on the last business day prior to the closing date. The special dividend is conditioned on the Merger having been approved by the shareholders of the Company at a special meeting of its shareholders on February 27, 2015 (or any adjournment or postponement thereof). Platinum Holdings expects to incur approximately \$22.0 million of expenses in 2015 associated with the Merger.

Significant Accounting Policies

Investments

Investments we own that we may not have the positive intent to hold until maturity are classified as available-for-sale and reported at fair value, with related net unrealized gains or losses excluded from net income or loss, and included in shareholders' equity as a component of accumulated other comprehensive income, net of deferred taxes. Investments we own and have the intent to sell prior to maturity, or securities for which we have elected the fair value option, are classified as trading securities. Trading securities are reported at fair value, with fair value adjustments included in net realized gains on investments and the related deferred income tax included in income tax expense or benefit in the consolidated statements of operations.

Short-term investments are comprised of securities with a maturity of 90 days or greater but one year or less from the date of acquisition. Our U.S. dollar denominated short-term investments are accounted for as available-for-sale. We have elected to account for our non-U.S. dollar denominated short-term investments using the fair value option and they are accounted for as trading.

The fair value of our fixed maturity securities and short-term investments is based on prices generally obtained from index providers, pricing vendors or broker-dealers. Index providers utilize external sources and pricing models to value index-eligible securities across numerous sectors and asset classes. Pricing vendors collect, edit, maintain, evaluate and model data on a large number of securities utilizing primarily market data and observable inputs. Broker-dealers value securities through proprietary trading desks primarily based on observable inputs.

Premiums and discounts on fixed maturity securities are amortized into net investment income over the life or estimated life of the security using the prospective effective yield method. Premiums and discounts on mortgage-backed and asset-backed securities that are amortized into net investment income also consider prepayment assumptions. These assumptions are consistent with the current interest rate and economic environment. The prospective adjustment method is used to adjust the value of mortgage-backed and asset-backed securities. Adjustments to the amortized cost of U.S. Treasury Inflation-Protected Securities resulting from changes in the consumer price index are recognized in net investment income. Realized gains and losses on the sale of securities are determined using the specific identification method.

We routinely review our available-for-sale investments to determine whether unrealized losses represent temporary changes in fair value or are the result of an other-than-temporary impairment ("OTTI"). The process of determining whether a security is other-than-temporarily impaired requires judgment and involves analyzing many factors. These factors include the overall financial condition of the issuer, the length of time and magnitude of an unrealized loss, specific credit events, changes in credit ratings, the collateral structure, the credit support that may be applicable, discussions with our investment managers and other public information.

In addition, we evaluate projected cash flows in order to determine if a credit impairment has occurred. The amount of the credit loss of an impaired debt security is the difference between the amortized cost and the greater of (i) the present value of expected future cash flows and (ii) the fair value of the security. We recognize the portion of OTTI related to a credit loss in net income or loss in the consolidated statements of operations and the portion of OTTI related to all other factors is recognized in accumulated other comprehensive income in the consolidated balance sheets.

We also consider our intent to sell available-for-sale securities and the likelihood that we will be required to sell these securities before an unrealized loss is recovered. Our intent to sell a security is based, in part, on adverse changes in the creditworthiness of a debt issuer, pricing and other market conditions and our anticipated net cash flows. If we determine that we intend to sell a security that is in an unrealized loss position, then the unrealized loss related to such a security, representing the difference between the security's amortized cost and its fair value, is recognized as a net impairment loss in the consolidated statements of operations at the time we determine our intent is to sell.

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Cash and Cash Equivalents

Cash and cash equivalents include demand deposits, time deposits, money market instruments and both U.S. Government and non-U.S. government securities. Cash equivalents are generally carried at amortized cost, which approximates fair value, and are highly liquid investments with a maturity of less than 90 days at the date of acquisition.

Premiums Written and Earned

Assumed reinsurance premiums earned are recognized as revenues in the consolidated statements of operations, net of any ceded premiums for retrocessional coverage purchased. Both assumed and ceded premiums written are earned generally on a basis proportionate with the coverage period. On the consolidated balance sheets, unearned premiums represent premiums written not yet recognized as revenue and prepaid reinsurance premiums represent ceded premiums written not yet earned.

Due to the nature of reinsurance, ceding companies routinely report and remit premiums to us subsequent to the contract coverage period. Consequently, premiums written and receivable include amounts reported by the ceding companies, supplemented by our estimates of premiums that are written but not reported. The estimation of written premiums may be affected by early cancellation, election of contract provisions for cut-off and return of unearned premiums or other contract disruptions. The time lag involved in the process of reporting premiums is shorter than the lag in reporting losses. Premiums are generally reported to us in full within two years from the inception of the contract.

In addition to estimating premiums written, we estimate the earned portion of premiums written. The amounts we recorded on the consolidated balance sheets as estimated premiums receivable and unearned premiums are based on estimated written and earned premiums, respectively, and are subject to judgment and uncertainty. Any adjustments to written and earned premiums, and the related losses and acquisition expenses, are accounted for as changes in estimates and are reflected in the results of operations in the period in which they are made. These adjustments could be material and could significantly impact earnings in the period they are recorded although the potential net impact of changes in premiums earned on our results of operations is reduced by the accrual of losses and acquisition expenses related to such premiums.

Certain of our reinsurance contracts include provisions that adjust premiums and/or reinstate reinsurance coverage limits based upon the loss experience under the contracts. We take these provisions into account when determining our estimates of premiums written and earned. Reinstatement premiums are the premiums charged for the restoration of the reinsurance limit of a reinsurance contract to its full amount, generally coinciding with the payment of losses by the reinsurer. These premiums relate to and are earned over the future coverage period and the remaining exposure from the underlying policies. Any unearned premiums existing at the time of the reinstatement are earned immediately in proportion to the contract loss limits utilized. Additional premiums are premiums that are triggered by losses and are earned immediately. Premiums written and earned include estimates of reinstatement premiums and additional premiums based on reinsurance contract provisions and loss experience and rely on the estimates of unpaid losses and LAE.

We may record an allowance for uncollectible premiums if we believe an allowance is appropriate in light of our historical experience, the general profile of our ceding companies and our ability to contractually offset premiums receivable against losses and LAE and commission amounts payable to the same parties.

Funds Held by Ceding Companies

We write business on a funds held basis. Under these contractual arrangements, the ceding company holds the net funds that would otherwise be remitted to us and generally credits the funds held balance with interest income at a negotiated rate established in the contract. Interest income on funds held by ceding companies is included in net investment income in the consolidated statements of operations.

Deferred Acquisition Costs

Acquisition costs consist primarily of commissions and brokerage expenses that are incremental direct costs related to the successful acquisition of new or renewal contracts and are deferred and amortized over the period that the corresponding premiums are earned. An analysis of the recoverability of deferred acquisition costs is performed by determining if the sum of the future earned premiums and anticipated investment income is greater than the expected future losses and LAE. A premium deficiency is recognized if losses and LAE are expected to exceed the related unearned premiums. Any adjustments are reflected in the results of operations in the period in which they are made. Deferred acquisition costs amortized in 2014, 2013 and 2012 were \$86.4 million, \$92.0 million and \$86.8 million, respectively, and are included in net acquisition expenses in the consolidated statements of operations.

Unpaid Losses and Loss Adjustment Expenses

Unpaid losses and LAE are estimates of future amounts required to pay losses and LAE for claims under our assumed reinsurance contracts that have occurred at or before the balance sheet date. Unpaid losses and LAE are estimated based upon information received from ceding companies regarding our liability for unpaid losses and LAE, adjusted for our estimates of losses and LAE for which ceding company reports have not been received, our historical experience for unreported claims and industry experience for unreported claims. Unpaid losses and LAE include the cost of claims that were reported, but not yet paid, and estimates of the cost of claims incurred but not yet reported. In addition, we estimate our unallocated loss adjustment expense ("ULAE") reserves based on our administrative costs of managing claims.

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

Retrocessional Reinsurance

Reinsurance is the transfer of risk, by contract, from an insurance company to a reinsurer for consideration of premium. Retrocessional reinsurance is reinsurance ceded by a reinsurer to another reinsurer, referred to as a retrocessionaire, to reinsure against all or a portion of its reinsurance written. We buy retrocessional reinsurance, which is insurance for our own account, to reduce liability on individual risks, protect against catastrophic losses and obtain additional underwriting capacity. Premiums written, premiums earned, net losses and LAE, and acquisition expenses in our statements of operations reflect the net effects of assumed and ceded reinsurance transactions.

Estimated amounts recoverable from retrocessionaires on unpaid losses and LAE are determined based on our estimate of assumed ultimate losses and LAE and the terms and conditions of our retrocessional contracts. Reinsurance recoverable on unpaid and paid losses and LAE and prepaid reinsurance premiums are recorded as assets in the consolidated balance sheets.

Reinsurance Deposit Assets and Liabilities and Other Reinsurance Contracts

We elected to record at fair value certain assumed reinsurance contracts which by their terms preclude the use of (re)insurance accounting, including those accounted for as deposits. The deposit method of accounting is used for reinsurance contracts that do not transfer sufficient insurance risk. The analysis of risk transfer involves evaluating significant assumptions relating to the amount and timing of expected cash flows, as well as the interpretation of underlying contract terms. Our reinsurance deposit assets recorded at fair value include terms and conditions that have unique variable investment performance factors.

Interest income or expense related to deposit assets or liabilities is recognized as incurred and is recorded in other income or expense in the consolidated statements of operations. Profit margins are earned over the settlement period of the contractual obligations.

Changes in the fair value of these contracts are recorded in other income or expense in the consolidated statements of operations.

Debt Obligations and Deferred Debt Issuance Costs

Costs incurred in issuing debt are capitalized and amortized over the life of the debt. The amortization of these costs is included in interest expense in the consolidated statements of operations.

Income Taxes

We provide for income taxes for our operations in income tax paying jurisdictions. Our provision relies on estimates and interpretations of currently enacted tax laws. We recognize deferred tax assets and liabilities based on the temporary differences between the financial statement carrying amounts and the tax bases of assets and liabilities. Such temporary differences are primarily due to tax basis discounts on unpaid losses and LAE and unearned premiums, deferred acquisition costs and investments. A valuation allowance against deferred tax assets is recorded if it is more likely than not that all, or some portion, of the benefits related to deferred tax assets will not be realized. Any adjustments to deferred income taxes are accounted for as changes in estimates and are reflected in the results of operations in the period in which they are made. Any adjustments could be material and could significantly impact earnings in the period they are recorded.

Share-Based Compensation

We recognize share-based compensation expense for service, performance, and market-based restricted share units, restricted shares, and share options. Service awards granted under the share incentive plan typically vest annually in equal amounts over a period of four years. Performance and market-based awards granted under the share incentive plan typically vest at the end of a three year period.

The majority of our share-based compensation awards are accounted for as equity awards and are settled in common shares. These awards are recorded in additional paid-in capital on the consolidated balance sheets. The fair value of these awards is measured at the grant date and expensed over the service or performance period. A forfeiture rate assumption is included in the determination of the share-based compensation expense.

The share-based compensation awards that are settled in cash are accounted for as liability awards and are recorded in other liabilities on the consolidated balance sheets. The fair value of these awards is measured at the grant date and re-measured at the end of each reporting period based on the market price of our common shares. The current fair value is expensed over the remaining service or performance period with changes in the fair value recorded in our statements of operations.

Share-based compensation expense generally is reversible if the service condition is not met. Share-based compensation expense related to performance-based awards is reversible if there is a decline in either the performance factors or the market price of our common shares. Share-based compensation expense related to market-based awards is not reversible if the market conditions are not met.

Foreign Currency Exchange Gains and Losses

Our reporting and functional currency, and that of our reinsurance subsidiaries, is U.S. dollars. Transactions conducted in currencies other than our reporting currency are re-measured into U.S. dollars and the resulting foreign exchange gains and losses are included in net foreign currency exchange gains or losses in the consolidated statements of operations. Foreign currency exchange gains and losses related to securities classified as trading securities are also included in net foreign currency exchange gains and losses in the consolidated statements of operations.

Earnings Per Common Share

Basic earnings per common share is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflects the basic earnings per common share calculation components adjusted for the dilutive effect of the conversion of share options, restricted shares and restricted share units.

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2. Investments

Fixed Maturity Available-for-sale Securities

Our fixed maturity available-for-sale securities are U.S. dollar denominated securities. The following table sets forth our fixed maturity available-for-sale securities as of December 31, 2014 and 2013 (\$ in thousands):

	Amortized Cost	Included in Accumulated Other Comprehensive Income		Fair Value	Non-credit portion of OTTI(1)
		Gross Unrealized Gains	Gross Unrealized Losses		
December 31, 2014:					
U.S. Government	\$ 49,386	\$ 99	\$ —	\$ 49,485	\$ —
U.S. Government agencies	87,533	1,931	137	89,327	—
Municipal bonds	1,116,672	90,392	715	1,206,349	—
Non-U.S. governments	24,998	84	—	25,082	—
Corporate bonds	204,210	8,121	2,242	210,089	458
Commercial mortgage-backed securities	55,747	3,356	223	58,880	—
Residential mortgage-backed securities	122,475	2,217	295	124,397	87
Asset-backed securities	16,177	2,808	109	18,876	—
Total fixed maturity available-for-sale securities	<u>\$1,677,198</u>	<u>\$109,008</u>	<u>\$ 3,721</u>	<u>\$1,782,485</u>	<u>\$ 545</u>
December 31, 2013:					
U.S. Government	\$ 4,561	\$ 204	\$ —	\$ 4,765	\$ —
U.S. Government agencies	51,847	—	725	51,122	—
Municipal bonds	1,220,869	54,333	5,955	1,269,247	—
Non-U.S. governments	39,973	541	—	40,514	—
Corporate bonds	224,095	6,704	3,564	227,235	—
Commercial mortgage-backed securities	72,641	4,982	132	77,491	—
Residential mortgage-backed securities	169,699	1,335	1,069	169,965	331
Asset-backed securities	16,203	1,657	329	17,531	305
Total fixed maturity available-for-sale securities	<u>\$1,799,888</u>	<u>\$ 69,756</u>	<u>\$ 11,774</u>	<u>\$1,857,870</u>	<u>\$ 636</u>

- (1) The non-credit portion of OTTI represents the amount of unrealized losses on impaired securities that were not recorded in the consolidated statements of operations as of the reporting date. These unrealized losses are included in gross unrealized losses as of December 31, 2014 and 2013.

Fixed Maturity Trading Securities

Our fixed maturity trading securities are non-U.S. dollar denominated securities that, along with our non-U.S. dollar short-term trading investments and non-U.S. dollar cash and cash equivalents, are generally held for the purposes of hedging our net non-U.S. dollar denominated reinsurance liabilities. Our fixed maturity trading securities were all non-U.S. governments and the fair value was \$90.6 million and \$103.4 million as of December 31, 2014 and 2013, respectively.

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Maturities

The following table sets forth the amortized cost and fair value of our fixed maturity available-for-sale and trading securities by stated maturity as of December 31, 2014 (\$ in thousands):

	Amortized Cost	Fair Value
Due in one year or less	\$ 170,160	\$ 172,017
Due from one to five years	416,440	434,277
Due from five to ten years	598,084	631,367
Due in ten or more years	385,858	433,240
Mortgage-backed and asset-backed securities	194,399	202,153
Total	<u>\$1,764,941</u>	<u>\$1,873,054</u>

The actual maturities of our fixed maturity available-for-sale and trading securities could differ from stated maturities due to call or prepayment provisions.

Short-term Investments

We held no short-term investments as of December 31, 2014. As of December 31, 2013, short-term investments of \$66.7 million consisted of non-U.S. dollar denominated securities issued by non-U.S. governments. The fair value adjustments on short-term investments recognized as trading under the fair value option contributed no significant gains or losses on investments for the years ended December 31, 2014, 2013 and 2012.

For the year ended December 31, 2014, we had purchases of \$66.0 million, proceeds from maturities of \$126.8 million and proceeds from sales of \$6.6 million from non-U.S. dollar denominated short-term investments accounted for as trading in accordance with the fair value option that were included in investing activities on the statements of cash flows. For the year ended December 31, 2013, we had purchases of \$165.1 million, proceeds from maturities of \$209.9 million and proceeds from sales of \$11.9 million from non-U.S. dollar denominated short-term investments accounted for as trading in accordance with the fair value option that were included in investing activities on the statements of cash flows. For the year ended December 31, 2012, we had purchases of \$269.3 million, proceeds from maturities of \$286.8 million and proceeds from sales of \$49.4 million from non-U.S. dollar denominated short-term investments accounted for as trading in accordance with the fair value option that were included in investing activities on the statements of cash flows.

Other-Than-Temporary Impairments

We analyze the creditworthiness of our available-for-sale securities by reviewing various performance metrics of the issuer. We determined that none of our government bonds, government agencies or municipal bonds were other-than-temporarily impaired for the years ended December 31, 2014, 2013 and 2012.

The following table sets forth the net impairment losses on investments for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Corporate bonds	\$454	\$ —	\$ —
Commercial mortgage-backed securities	—	—	30
Non-agency residential mortgage-backed securities	385	1,439	2,896
Sub-prime asset-backed securities	1	594	105
Net impairment losses on investments	<u>\$840</u>	<u>\$2,033</u>	<u>\$3,031</u>

For the year ended December 31, 2014, we recorded other-than-temporary impairment losses on corporate bonds of \$0.5 million related to one security rated below investment grade that is subject to a high degree of credit risk. Residential mortgage-backed securities (“RMBS”) include U.S. Government agency RMBS and non-agency RMBS. Asset-backed securities (“ABS”) include securities with underlying sub-prime mortgages as collateral. We determined that none of our U.S. Government agency RMBS were other-than-temporarily impaired for the years ended December 31, 2014, 2013 and 2012. We analyze our non-agency RMBS and sub-prime ABS on a periodic

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basis using default loss models based on the performance of the underlying loans. Performance metrics include delinquencies, defaults, foreclosures, prepayment speeds and cumulative losses incurred. The expected losses for a mortgage pool are compared with the current level of credit support, which generally represents the point at which our security would experience losses. We evaluate projected cash flows as well as other factors in order to determine if a credit impairment has occurred. As of December 31, 2014, the single largest unrealized loss within our RMBS portfolio was \$0.1 million related to a non-agency RMBS security with an amortized cost of \$4.0 million. As of December 31, 2014, there were no sub-prime ABS in an unrealized loss position.

The following table sets forth a summary of the cumulative credit losses recognized on our fixed maturity available-for-sale securities for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Balance, beginning of year	\$31,603	\$ 40,219	\$ 61,841
Credit losses on securities not previously impaired	454	—	42
Additional credit losses on securities previously impaired	386	2,033	2,989
Reduction for paydowns and securities sold	(5,372)	(10,012)	(23,766)
Reduction for increases in cash flows expected to be collected	(1,168)	(637)	(887)
Balance, end of year	<u>\$25,903</u>	<u>\$ 31,603</u>	<u>\$ 40,219</u>

For the year ended December 31, 2014, total cumulative credit losses decreased primarily due to principal paydowns. As of December 31, 2014, total cumulative credit losses were related to corporate bonds, non-agency RMBS and sub-prime ABS. The cumulative credit losses we recorded on non-agency RMBS and sub-prime ABS of \$25.5 million were on fifteen securities issued from 2004 to 2007. As of December 31, 2014, 16.0% of the mortgages backing these securities were 90 days or more past due and 9.4% of the mortgages had incurred cumulative losses. For these securities, the expected losses for the underlying mortgages were greater than the remaining average credit support of 2.7%.

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Gross Unrealized Losses

The following table sets forth our gross unrealized losses on securities classified as fixed maturity available-for-sale aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position as of December 31, 2014 and 2013 (\$ in thousands):

	2014		2013	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
<u>Less than twelve months:</u>				
U.S. Government agencies	\$ 14,472	\$ 137	\$ 41,122	\$ 725
Municipal bonds	—	—	247,873	5,955
Corporate bonds	32,017	1,296	90,789	3,486
Commercial mortgage-backed securities	—	—	2,938	1
Residential mortgage-backed securities	1,912	23	35,910	172
Asset-backed securities	13,491	109	13,576	24
Total	\$ 61,892	\$ 1,565	\$432,208	\$ 10,363
<u>Twelve months or more:</u>				
U.S. Government agencies	\$ —	\$ —	\$ —	\$ —
Municipal bonds	42,247	715	—	—
Corporate bonds	14,121	946	920	78
Commercial mortgage-backed securities	4,528	223	4,624	131
Residential mortgage-backed securities	6,738	272	10,587	897
Asset-backed securities	—	—	699	305
Total	\$ 67,634	\$ 2,156	\$ 16,830	\$ 1,411
<u>Total unrealized losses:</u>				
U.S. Government agencies	\$ 14,472	\$ 137	\$ 41,122	\$ 725
Municipal bonds	42,247	715	247,873	5,955
Corporate bonds	46,138	2,242	91,709	3,564
Commercial mortgage-backed securities	4,528	223	7,562	132
Residential mortgage-backed securities	8,650	295	46,497	1,069
Asset-backed securities	13,491	109	14,275	329
Total	\$129,526	\$ 3,721	\$449,038	\$ 11,774

We believe that the gross unrealized losses in our fixed maturity available-for-sale securities portfolio of \$3.7 million represent temporary declines in fair value. We believe that the unrealized losses are not necessarily predictive of ultimate performance and that the provisions we have made for net impairment losses are adequate. However, economic conditions may deteriorate more than expected and may adversely affect the expected cash flows of our securities, which in turn may lead to impairment losses being recorded in future periods. Conversely, economic conditions may improve more than expected and favorably increase the expected cash flows of our impaired securities, which would be earned through net investment income over the remaining life of the security.

Net Investment Income

The following table sets forth our net investment income for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Fixed maturity securities	\$66,749	\$68,455	\$ 94,307
Short-term investments and cash and cash equivalents	2,794	4,419	7,319
Funds held by ceding companies	3,538	3,190	2,648
Subtotal	73,081	76,064	104,274
Investment expenses	(3,660)	(4,018)	(4,327)
Net investment income	\$69,421	\$72,046	\$ 99,947

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Net Realized Gains on Investments

The following table sets forth our net realized gains on investments for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Gross realized gains on the sale of investments	\$ 5,372	\$27,258	\$90,100
Gross realized losses on the sale of investments	—	(15)	(3)
Net realized gains on the sale of investments	5,372	27,243	90,097
Fair value adjustments on trading securities	(2,610)	(3,323)	(1,343)
Net realized gains on investments	<u>\$ 2,762</u>	<u>\$23,920</u>	<u>\$88,754</u>

Restricted Investments

Certain of our investments are restricted to support our reinsurance operations. As of December 31, 2014, investments of \$5.7 million were pledged to U.S. regulatory authorities and investments of \$55.9 million and cash and cash equivalents of \$13.0 million were pledged to collateralize obligations under various reinsurance contracts. We also utilize letters of credit under our credit facilities. See Note 6 for a description of our cash and cash equivalents held in trust to secure those letters of credit.

3. Fair Value Measurements

The accounting guidance related to fair value measurements addresses the recognition and disclosure of fair value measurements where those measurements are either required or permitted by the guidance. The fair values of our financial assets and liabilities addressed by this guidance are determined primarily through the use of observable inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from external independent sources. Unobservable inputs reflect management's assumptions about what market participants' assumptions would be in pricing the asset or liability based on the best information available. We classify our financial assets and liabilities in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement. This classification requires judgment in assessing the market and pricing methodologies for a particular security. The fair value hierarchy is comprised of the following three levels:

- Level 1: Valuations are based on unadjusted quoted prices in active markets for identical financial assets or liabilities;
- Level 2: Valuations are based on prices obtained from index providers, independent pricing vendors or broker-dealers using observable inputs for financial assets and liabilities; and
- Level 3: Valuations are based on unobservable inputs for assets and liabilities where there is little or no market activity. Unadjusted third party pricing sources or management's assumptions and internal valuation models may be used to determine the fair value of financial assets or liabilities.

Level 1, 2 and 3 Financial Assets Carried at Fair Value

The fair values of our fixed maturity securities, short-term investments and cash and cash equivalents are based on prices primarily obtained from index providers, pricing vendors, or broker-dealers using observable inputs. The fair value measurements of all of our securities were based on unadjusted prices provided by third party pricing sources. We validate the prices we obtain from third party pricing sources by performing price comparisons against multiple pricing sources, if available, periodically back-testing sales to the previously reported fair value, performing an in-depth review of specific securities when evaluating stale prices and large price movements, as well as performing other validation procedures. We also continuously monitor market data that relates to our investment portfolio and review pricing documentation that describes the methodologies used by various pricing sources. If we determine that a price appears unreasonable, we investigate and assess whether the price should be adjusted. The fair value measurements of our reinsurance deposit assets were based upon our internal valuation model which utilizes certain characteristics of both the market and income valuation approaches. Our fixed maturity securities, short-term investments, cash and cash equivalents and reinsurance deposit assets are classified in the fair value hierarchy as follows:

U.S. Government

Level 1 - The fair values of U.S. Government securities were based on quoted prices in active markets for identical assets.

U.S. Government agencies

Level 2 - The fair values of U.S. Government agencies were based on observable inputs that may include the spread above the risk-free yield curve, reported trades and broker-dealer quotes.

Municipal bonds

Level 2 - The fair values of municipal bonds were determined based on observable inputs that may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, benchmark securities, bids, credit risks and economic indicators.

Non-U.S. governments

Level 1 or 2 - The fair values of non-U.S. government securities classified as Level 1 were based on quoted prices in active markets for identical assets. Non-U.S. government securities classified as Level 2 were based on observable inputs that may include the spread above the risk-free yield curve, reported trades and broker-dealer quotes. Our non-U.S. government bond portfolio consisted of securities issued by governments, provinces, agencies and supranationals.

Corporate bonds

Level 2 - The fair values of corporate bonds were determined based on observable inputs that may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, benchmark securities, bids, credit risks and industry and economic indicators.

Commercial mortgage-backed securities

Level 2 - The fair values of CMBS classified as Level 2 were determined based on observable inputs that may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, bids, security cash flows and structures, delinquencies, loss severities and default rates.

Residential mortgage-backed securities

Level 2 or 3 - Our RMBS portfolio was comprised of securities issued by U.S. Government agencies and by non-agency institutions. The fair values of RMBS classified as Level 2 were determined based on observable inputs that may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, bids, loan level information, security cash flows and structures, prepayment speeds, delinquencies, loss severities and default rates. Non-agency RMBS classified as Level 3 used unobservable inputs that may include the probability of default, loss severity in the event of default and prepayment speeds.

Asset-backed securities

Level 2 or 3 - The fair values of ABS classified as Level 2 were determined based on observable inputs that may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, bids, security cash flows and structures, type of collateral, prepayment speeds, delinquencies, loss severities and default rates. Sub-prime ABS classified as Level 3 used unobservable inputs that may include the probability of default, loss severity in the event of default and prepayment speeds.

Short-term investments

Level 1 or 2 - The fair values of short-term investments classified as Level 1 were based on quoted prices in active markets for identical assets. The fair values of short-term investments classified as Level 2 were determined based on observable inputs that may include the risk-free yield curve, reported trades and broker-dealer quotes.

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Cash and cash equivalents

Level 1 or 2 - The fair values of cash and cash equivalents classified as Level 1 were determined based on quoted prices in active markets for identical assets. The fair values of cash and cash equivalents classified as Level 2 were determined based on observable inputs that may include the risk-free yield curve, reported trades and broker-dealer quotes. Cash and cash equivalents include demand deposits, time deposits, money market instruments and both U.S. Government and non-U.S. government securities.

Reinsurance deposit assets and other reinsurance contracts

Level 3 - The fair value of reinsurance deposit assets and other reinsurance contracts carried at fair value are determined by management primarily using unobservable inputs through the application of our own assumptions and internal valuation model. The significant unobservable inputs may include the expected net cash flows related to the contract, including the expected premium, acquisition expenses and losses, contract period and the relevant discount rate used to present value the net cash flows. See further discussion below on reinsurance deposit assets.

Fair Value Levels

The following table presents the fair value hierarchy for those financial assets measured at fair value on a recurring basis by the Company as of December 31, 2014 and 2013 (\$ in thousands):

	Total	Fair Value Measurement Using:		
		Level 1	Level 2	Level 3
December 31, 2014:				
Investments:				
U.S. Government	\$ 49,485	\$ 49,485	\$ —	\$ —
U.S. Government agencies	89,327	—	89,327	—
Municipal bonds	1,206,349	—	1,206,349	—
Non-U.S. governments	115,651	49,888	65,763	—
Corporate bonds	210,089	—	210,089	—
Commercial mortgage-backed securities	58,880	—	58,880	—
Residential mortgage-backed securities	124,397	—	124,397	—
Asset-backed securities	18,876	—	15,404	3,472
Total investments	1,873,054	99,373	1,770,209	3,472
Cash and cash equivalents	1,434,984	1,417,431	17,553	—
Reinsurance deposit assets	82,937	—	—	82,937
Total	\$3,390,975	\$1,516,804	\$1,787,762	\$86,409
December 31, 2013:				
Investments:				
U.S. Government	\$ 4,765	\$ 4,765	\$ —	\$ —
U.S. Government agencies	51,122	—	51,122	—
Municipal bonds	1,269,247	—	1,269,247	—
Non-U.S. governments	143,909	54,980	88,929	—
Corporate bonds	227,235	—	227,235	—
Commercial mortgage-backed securities	77,491	—	77,491	—
Residential mortgage-backed securities	169,965	—	169,372	593
Asset-backed securities	17,531	—	15,304	2,227
Short-term investments	66,679	8,933	57,746	—
Total investments	2,027,944	68,678	1,956,446	2,820
Cash and cash equivalents	1,464,418	1,464,418	—	—
Reinsurance deposit assets	79,303	—	—	79,303
Total	\$3,571,665	\$1,533,096	\$1,956,446	\$82,123

Cash and cash equivalents included demand deposits and time deposits totaling \$98.1 million as of December 31, 2014 and totaling \$120.7 million as of December 31, 2013.

Transfers of assets into or out of Level 3 are recorded at their fair values as of the end of each reporting period, consistent with the date of the determination of fair value. There were no transfers between Levels 1 and 2 during the years ended December 31, 2014 and 2013. The transfers into and out of Level 3 were based on the level of evidence available to corroborate significant inputs with market observable information.

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Changes in Level 3 Financial Assets

The following table reconciles the beginning and ending balance for our Level 3 financial assets measured at fair value on a recurring basis for the years ended December 31, 2014 and 2013 (\$ in thousands):

	Year Ended December 31, 2014				Total
	Commercial mortgage-backed securities	Residential mortgage-backed securities	Asset-backed securities	Reinsurance deposit assets	
Balance, beginning of year	\$ —	\$ 593	\$ 2,227	\$ 79,303	\$ 82,123
Sales, maturities and paydowns	—	(3,207)	(236)	—	(3,443)
Total increase (decrease) in fair value included in net income	—	—	—	3,634	3,634
Total net unrealized gains (losses) included in other comprehensive income (loss)	148	2,899	1,942	—	4,989
Transfers into Level 3	3,768	4,704	3,630	—	12,102
Transfers out of Level 3	(3,916)	(4,989)	(4,091)	—	(12,996)
Balance, end of year	\$ —	\$ —	\$ 3,472	\$ 82,937	\$ 86,409
Total increase (decrease) in fair value of the financial assets included in earnings for the year	\$ —	\$ —	\$ —	\$ 3,634	\$ 3,634

	Year Ended December 31, 2013				Total
	Commercial mortgage-backed securities	Residential mortgage-backed securities	Asset-backed securities	Reinsurance deposit assets	
Balance, beginning of year	\$ 524	\$ 5,374	\$ 1,036	\$ 50,693	\$ 57,627
Purchases	—	—	—	25,000	25,000
Sales, maturities and paydowns	—	(448)	(29)	—	(477)
Total increase (decrease) in fair value included in net income	—	—	—	3,610	3,610
Total net unrealized gains (losses) included in other comprehensive income (loss)	487	799	(4)	—	1,282
Transfers into Level 3	—	4,091	3,984	—	8,075
Transfers out of Level 3	(1,011)	(9,223)	(2,760)	—	(12,994)
Balance, end of year	\$ —	\$ 593	\$ 2,227	\$ 79,303	\$ 82,123
Total increase (decrease) in fair value of the financial assets included in earnings for the year	\$ —	\$ —	\$ —	\$ 3,610	\$ 3,610

Quantitative Information of Level 3 Fair Value Measurements

The fair value measurements of our CMBS, non-agency RMBS and sub-prime ABS classified as Level 3 were based on unadjusted third party pricing sources.

The fair value measurements of our reinsurance deposit assets used significant unobservable inputs through the application of our own assumptions and internal valuation model and were classified as Level 3. The most significant unobservable inputs used in our internal valuation model are the estimated contract period remaining, credit spread above the risk-free rate and net losses and LAE ceded. The credit spread above the risk-free rate is determined by reviewing the credit spreads of fixed income securities through observable market data, as well as considering illiquidity and the structure of these contracts. The fair value of the reinsurance deposit assets may increase or decrease due to changes in the estimated contract period remaining, the credit spread and net losses and LAE ceded. Generally, a decrease in the credit spread or a decrease in net losses and LAE ceded would result in an increase in the fair value of the reinsurance deposit assets. Conversely, an increase in the credit spread or an increase in net losses and LAE ceded would result in a decrease in the fair value of the reinsurance deposit assets.

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The following table sets forth the weighted average of the significant unobservable quantitative information used for the fair value measurement of our reinsurance deposit assets as of December 31, 2014 and December 31, 2013:

	December 31, 2014	December 31, 2013
Estimated contract period remaining	834 days	1,193 days
Credit spread above the risk-free rate	1.46%	1.58%
Net losses and LAE ceded inception-to-date	\$ —	\$ —

Other Financial Assets and Liabilities Not Carried at Fair Value

Accounting guidance requires note disclosure of the fair value of other financial assets and liabilities not carried at fair value, excluding balances related to insurance contracts.

The debt obligations on our consolidated balance sheets were recorded at cost with a carrying value of \$250.0 million as of December 31, 2014 and 2013, and had a fair value of \$278.6 million and \$271.5 million as of December 31, 2014 and 2013, respectively. The fair value measurements were based on observable inputs and therefore would be considered to be Level 2.

Our remaining assets and liabilities were generally carried at cost or amortized cost, which approximates fair value as of December 31, 2014 and 2013. The fair value measurements were based on observable inputs and therefore would be considered to be Level 1 or Level 2.

4. Unpaid Losses and Loss Adjustment Expenses

The following table sets forth the changes in our liability for unpaid losses and LAE for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Net unpaid losses and LAE as of January 1,	\$1,670,171	\$1,957,685	\$2,385,659
Net incurred losses and LAE related to:			
Current year	311,491	328,136	395,661
Prior years	(128,090)	(160,690)	(212,001)
Net incurred losses and LAE	183,401	167,446	183,660
Net paid losses and LAE related to:			
Current year	75,511	58,958	95,808
Prior years	326,673	386,408	524,423
Net paid losses and LAE	402,184	445,366	620,231
Net effects of foreign currency exchange rate changes	(18,500)	(9,594)	8,597
Net unpaid losses and LAE as of December 31,	1,432,888	1,670,171	1,957,685
Reinsurance recoverable on unpaid losses and LAE	2,810	1,194	3,597
Gross unpaid losses and LAE as of December 31,	\$1,435,698	\$1,671,365	\$1,961,282

We report changes in estimates of prior years' unpaid losses and LAE, referred to as net favorable or unfavorable loss development, in our consolidated statements of operations in the period in which we make the change.

The following table sets forth the components of net incurred losses and LAE related to prior years for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Net favorable loss development	\$(127,633)	\$(183,293)	\$(235,543)
Increase (decrease) in losses attributable to changes in premium estimates	(457)	22,603	23,542
Net incurred losses and LAE - prior years	\$(128,090)	\$(160,690)	\$(212,001)

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Net favorable loss development was primarily attributable to a level of cumulative losses reported by our ceding companies that was lower than expected and that, in our judgment, resulted in sufficient credibility in the loss experience to change our previously selected loss ratios. Prior years' incurred losses and LAE included losses associated with changes in premium estimates and the patterns of their earnings. The effect on net income from the increase or decrease in losses attributable to changes in premium estimates, after considering corresponding changes in premium estimates and acquisition expenses, was not significant.

The following table sets forth the net favorable loss development by operating segment for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Property and Marine	\$ (27,382)	\$ (71,269)	\$ (45,664)
Casualty	(97,795)	(103,165)	(182,014)
Finite Risk	(2,456)	(8,859)	(7,865)
Net favorable loss development	<u>\$(127,633)</u>	<u>\$(183,293)</u>	<u>\$(235,543)</u>

The Property and Marine segment net favorable loss development included net favorable loss development related to major catastrophe events of \$14.1 million, \$41.1 million and \$12.7 million for the years ended December 31, 2014, 2013 and 2012, respectively. For the years ended December 31, 2014, 2013 and 2012, the net favorable loss development related to major catastrophe events resulted primarily from events that occurred during 2010 through 2013. Property and marine net favorable loss development, excluding major catastrophes, for the years ended December 31, 2014, 2013 and 2012 was primarily attributable to the property per risk and catastrophe excess-of-loss (non-major events) classes.

The Casualty segment net favorable loss development included \$82.8 million, \$98.2 million and \$165.8 million attributable to the long-tailed casualty classes for years ended December 31, 2014, 2013 and 2012, respectively. The majority of the long-tailed casualty net favorable loss development for the years ended December 31, 2014 and 2013 was attributable to the 2011 and prior underwriting years of the claims made, umbrella and international casualty classes. The majority of the long-tailed casualty net favorable loss development for the year ended December 31, 2012 was attributable to the 2009 and prior underwriting years of the claims made, umbrella, casualty occurrence and international casualty classes.

The Finite Risk segment net favorable loss development was offset by additional profit commissions of \$1.9 million, \$7.1 million and \$8.1 million for the years ended December 31, 2014, 2013 and 2012, respectively.

The net favorable loss development for the years ended December 31, 2014, 2013 and 2012 was primarily attributable to a level of cumulative losses reported by our ceding companies that was lower than expected and that, in our judgment, resulted in sufficient credibility in the loss experience to change our previously selected loss ratios and reduce estimated ultimate losses.

As many of the reinsurance coverages we offer will likely involve claims that may not ultimately be settled for many years after they are incurred, subjective judgments as to ultimate exposure to losses are an integral and necessary component of the process of estimating unpaid losses and LAE. With respect to reinsurers, the inherent uncertainties of estimating unpaid losses and LAE are further exacerbated by the significant amount of time that often elapses between the occurrence of an insured loss, the reporting of that loss to the primary insurer and then to the reinsurer, and the primary insurer's payment of that loss to the insured and subsequent payment by the reinsurer to the primary insurer. Unpaid losses and LAE are reviewed quarterly using a variety of statistical and actuarial techniques to analyze current claim costs, frequency and severity data and prevailing economic, social and legal factors. Unpaid losses and LAE established in prior years are evaluated as loss experience develops and new information becomes available. Adjustments to previously estimated unpaid losses and LAE are reflected in financial results in the periods in which they are made. Unpaid losses and LAE represent our best estimate of the costs of claims incurred, and it is possible that our ultimate liability may differ materially from such estimates.

5. Retrocessional Reinsurance

During 2014, 2013 and 2012, our retrocessional reinsurance was primarily purchased by Platinum Bermuda which entered into various industry loss warranty reinsurance agreements that provided retrocessional coverage for catastrophic events in North America, Europe and Japan.

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The following table sets forth the effects of retrocessional reinsurance on premiums, losses and LAE for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
<u>Assumed:</u>			
Premiums written	\$509,127	\$579,761	\$569,724
Premium earned	522,747	567,682	576,920
Losses and LAE	185,024	164,565	183,376
<u>Ceded:</u>			
Premiums written	(17,059)	(12,640)	(4,724)
Premium earned	(16,111)	(14,269)	(10,424)
Losses and LAE	(1,623)	2,881	284
<u>Net:</u>			
Premiums written	492,068	567,121	565,000
Premium earned	506,636	553,413	566,496
Losses and LAE	\$183,401	\$167,446	\$183,660

We remain liable for ceded losses and LAE to the extent that our retrocessionaires do not meet their obligations under these agreements. The failure of retrocessionaires to meet their obligations would result in losses to us. Therefore, we consider the financial strength of retrocessionaires when determining whether to purchase retrocessional coverage from them and routinely monitor the financial performance and rating status of all material retrocessionaires. We generally obtain retrocessional coverage from companies rated "A-" or better by A.M. Best Company, Inc. ("A.M. Best") unless the retrocessionaire's obligations are collateralized. We believe our retrocessionaires are able to meet, and will meet, all of their obligations under the agreements as of December 31, 2014. We have recorded no provisions for unrecoverable reinsurance as of December 31, 2014 and 2013.

6. Debt Obligations and Credit Facilities

Debt Obligations

As of December 31, 2014, Platinum Finance had outstanding debt obligations consisting of an aggregate principal amount of \$250.0 million of Series B 7.5% Notes due June 1, 2017, fully and unconditionally guaranteed by Platinum Holdings. Interest is payable on the debt obligations on each of June 1 and December 1. Platinum Finance may redeem the debt obligations, at its option, at any time in whole, or from time to time in part, prior to maturity, subject to a "make-whole" provision.

Credit Facilities

Syndicated Credit Facility

On April 9, 2014, we entered into an amended and restated credit facility with various financial institutions (the "Syndicated Credit Facility"). The Syndicated Credit Facility is a four-year, \$300.0 million secured senior credit facility available for letters of credit ("LOC"), with a sublimit of \$100.0 million for revolving borrowings. LOC and borrowings under the Syndicated Credit Facility are available for the working capital, liquidity and general corporate requirements of Platinum Holdings, Platinum Finance and our reinsurance subsidiaries. The Syndicated Credit Facility contains customary representations, warranties and covenants. Platinum Holdings and Platinum Finance have unconditionally guaranteed the obligations of each Platinum entity under the Syndicated Credit Facility.

Other Letter of Credit Facilities

We have an LOC facility with a financial institution in the aggregate amount of \$100.0 million available for the issuance of LOC to support reinsurance obligations of our reinsurance subsidiaries. We also have the ability to request an uncommitted LOC facility of up to \$150.0 million subject to agreement with the lender.

Platinum Bermuda has an uncommitted LOC facility of \$125.0 million available for the issuance of LOC to support reinsurance obligations of Platinum Bermuda. There was \$10.9 million committed under this facility as of December 31, 2014. Platinum Holdings has unconditionally guaranteed the obligations of Platinum Bermuda under this facility.

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We had no revolving borrowings under the Syndicated Credit Facility during the years ended December 31, 2014 and 2013. The following table summarizes the outstanding LOC as of December 31, 2014 (\$ in thousands):

	Credit Capacity	Letters of Credit Issued(1)	Credit Capacity Remaining
Syndicated Credit Facility	\$300,000	\$ 85,509	\$214,491
Other LOC Facilities	375,000	27,757	347,243
Total	\$675,000	\$113,266	\$561,734

(1) Cash and cash equivalents of \$131.3 million were held to collateralize LOC issued as of December 31, 2014.

The credit capacity of \$675.0 million consists of \$410.9 million of committed capacity and \$264.1 million of uncommitted capacity. The Company also has the ability to increase the Syndicated Credit Facility and other LOC facilities by up to \$175.0 million subject to agreement with the lenders. We are in compliance with all of the covenants under our credit facilities.

7. Income Taxes

We provide for income tax expense or benefit based upon pre-tax income reported in the consolidated financial statements and the provisions of currently enacted tax laws. Platinum Holdings and Platinum Bermuda are incorporated under the laws of Bermuda and are subject to Bermuda law with respect to taxation. Under current Bermuda law, Platinum Holdings and Platinum Bermuda are not taxed on any Bermuda income or capital gains and they have received an assurance from the Bermuda Minister of Finance that if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to Platinum Holdings or Platinum Bermuda or any of their respective operations, shares, debentures or other obligations until March 31, 2035.

Platinum Holdings has subsidiaries based in the United States and Ireland that are subject to the tax laws thereof. The operations of Platinum US, Platinum Finance and PASI are subject to U.S. federal income taxes generally at a rate of 35%. Any of our non-U.S. subsidiaries could become subject to U.S. federal income tax only to the extent that they derive (i) U.S. source income that is subject to U.S. withholding tax or (ii) income from activity that is deemed to be the conduct of a trade or business within the U.S. We do not consider our non-U.S. subsidiaries to be engaged in a trade or business within the U.S. and, therefore, do not believe that our non-U.S. subsidiaries are subject to U.S. federal income tax. However, there is little legal precedent as to what constitutes being engaged in a trade or business within the U.S. and, thus, there exists the possibility that the U.S. Internal Revenue Service could assert claims that our non-U.S. subsidiaries are engaged in a trade or business in the U.S. and attempt to assess taxes that are not provided for.

Dividends or other distributions from Platinum Finance, our intermediate holding company based in the U.S., to Platinum Regency, its Irish parent, are subject to U.S. withholding tax.

The consolidated federal income tax returns of our U.S.-based subsidiaries for 2010 and subsequent calendar years remain subject to examination. The U.S. Internal Revenue Service recently commenced an examination of the 2011 consolidated federal income tax return.

Under current Irish law, Platinum Regency is taxed at a 25% corporate income tax rate on non-trading income and a 12.5% corporate income tax rate on trading income. Subject to meeting certain requirements, there is no withholding tax on dividends distributed from Platinum Regency to Platinum Holdings. The tax returns that remain open for Platinum Regency are for calendar years 2010 and later.

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The following table presents our income before income taxes by jurisdiction for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Bermuda	\$123,371	\$151,289	\$272,163
United States	58,851	106,869	80,322
Ireland and other	(220)	(153)	(261)
Income before income taxes	<u>\$182,002</u>	<u>\$258,005</u>	<u>\$352,224</u>

The following table presents our current and deferred income taxes for the years ended years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Current tax expense	\$12,317	\$24,708	\$16,205
Deferred tax expense	4,917	10,019	8,791
Income tax expense	<u>\$17,234</u>	<u>\$34,727</u>	<u>\$24,996</u>

The following table presents a reconciliation of expected income taxes, computed by applying the tax rate of 0% under Bermuda law to income before income taxes, to income tax expense for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Expected income tax expense at 0%	\$ —	\$ —	\$ —
Foreign taxes at local expected rates:			
United States	20,598	37,404	28,113
Ireland and other	(55)	(38)	(60)
Tax exempt investment income	(5,248)	(4,745)	(4,470)
U.S. state taxes, net of U.S. federal tax benefit	459	455	355
Prior year adjustment	—	—	(305)
Non-deductible expenses and other	1,480	1,651	1,363
Income tax expense	<u>\$17,234</u>	<u>\$34,727</u>	<u>\$24,996</u>

The following table presents the tax effects of temporary differences that give rise to the deferred tax assets and deferred tax liabilities as of December 31, 2014 and 2013 (\$ in thousands):

	2014	2013
<u>Deferred tax assets:</u>		
Unpaid losses and LAE	\$29,598	\$34,365
Unearned premiums	6,340	7,136
Temporary differences in recognition of expenses	3,210	3,178
Total deferred tax assets	<u>\$39,148</u>	<u>\$44,679</u>
<u>Deferred tax liabilities:</u>		
Deferred acquisition costs	\$ 8,579	\$ 9,333
Unrealized gains on investments	12,598	9,898
Other	448	307
Total deferred tax liabilities	<u>21,625</u>	<u>19,538</u>
Net deferred tax assets	<u>\$17,523</u>	<u>\$25,141</u>

The deferred tax assets and liabilities as of December 31, 2014 and 2013 were all related to U.S. income tax. To evaluate the recoverability of the deferred tax assets, we consider the timing of the reversal of deferred income and expense items as well as the likelihood that we will generate sufficient taxable income to realize the future tax benefits. We believe that it is more likely than not we will generate sufficient taxable income and realize the future tax benefits in order to recover the deferred assets and, accordingly, no valuation allowance was established as of December 31, 2014 and 2013.

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8. Shareholders' Equity

Common Shares

Platinum Holdings is authorized to issue up to 200,000,000 common shares, \$0.01 par value. The following table reconciles the beginning and ending balance of common shares issued and outstanding for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands):

	2014	2013	2012
Shares issued and outstanding, beginning of year	28,143	32,722	35,526
Options exercised	12	685	170
Restricted shares issued ⁽¹⁾	41	(13)	(5)
Restricted share units issued	204	109	120
Shares repurchased	(3,559)	(5,360)	(3,089)
Shares issued and outstanding, end of year	<u>24,841</u>	<u>28,143</u>	<u>32,722</u>

(1) Restricted shares issued are net of forfeitures and cancellations.

Preferred Shares

Platinum Holdings is authorized to issue up to 25,000,000 preferred shares, \$0.01 par value. There were no preferred shares outstanding for the years ended December 31, 2014, 2013 and 2012.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income in the consolidated balance sheets relates to unrealized gains and losses on available-for-sale securities, net of deferred taxes.

The following table reconciles the beginning and ending balances for accumulated other comprehensive income for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014		
	Pre-tax	Tax	Net of tax
Balance, beginning of year	\$ 57,982	\$ (9,898)	\$48,084
Other comprehensive income (loss) on available-for-sale securities before reclassifications:			
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	(991)	1	(990)
Change in net unrealized gains and losses on all other securities	52,828	(3,571)	49,257
Total change in net unrealized gains and losses	<u>51,837</u>	<u>(3,570)</u>	<u>48,267</u>
Reclassifications to net income on available-for-sale securities:			
Net realized gains on investments	(5,372)	871	(4,501)
Net impairment losses on investments	840	(1)	839
Total reclassifications to net income	<u>(4,532)</u>	<u>870</u>	<u>(3,662)</u>
Other comprehensive income (loss)	47,305	(2,700)	44,605
Balance, end of year	<u>\$105,287</u>	<u>\$(12,598)</u>	<u>\$92,689</u>

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	2013		
	Pre-tax	Tax	Net of tax
Balance, beginning of year	\$ 159,975	\$(22,285)	\$137,690
Other comprehensive income (loss) on available-for-sale securities before reclassifications:			
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	(631)	11	(620)
Change in net unrealized gains and losses on all other securities	(76,152)	8,734	(67,418)
Total change in net unrealized gains and losses	(76,783)	8,745	(68,038)
Reclassifications to net income on available-for-sale securities:			
Net realized gains on investments	(27,243)	3,675	(23,568)
Net impairment losses on investments	2,033	(33)	2,000
Total reclassifications to net income	(25,210)	3,642	(21,568)
Other comprehensive income (loss)	(101,993)	12,387	(89,606)
Balance, end of year	\$ 57,982	\$ (9,898)	\$ 48,084

	2012		
	Pre-tax	Tax	Net of tax
Balance, beginning of year	\$168,861	\$(22,226)	\$146,635
Other comprehensive income (loss) on available-for-sale securities before reclassifications:			
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	211	99	310
Change in net unrealized gains and losses on all other securities	77,652	(5,508)	72,144
Total change in net unrealized gains and losses	77,863	(5,409)	72,454
Reclassifications to net income on available-for-sale securities:			
Net realized gains on investments	(89,780)	5,652	(84,128)
Net impairment losses on investments	3,031	(302)	2,729
Total reclassifications to net income	(86,749)	5,350	(81,399)
Other comprehensive income (loss)	(8,886)	(59)	(8,945)
Balance, end of year	\$159,975	\$(22,285)	\$137,690

The following table sets forth the amounts reclassified out of accumulated other comprehensive income and the location of those amounts in the consolidated statements of operations for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Revenue:			
Net realized gains on investments	\$(5,372)	\$(27,243)	\$(89,780)
Net impairment losses on investments	840	2,033	3,031
Income tax expense	\$ 870	\$ 3,642	\$ 5,350

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
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Share Repurchases

Our Board of Directors has authorized the repurchase of our common shares through a share repurchase program. Since the program was established, our Board of Directors has approved increases in the repurchase program from time to time, most recently on April 22, 2014, to result in authority as of such date to repurchase up to a total of \$250.0 million of our common shares. The following table summarizes our repurchases of common shares for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands, except per share data):

Year	Shares Repurchased	Weighted Average Cost per Share (1)	Aggregate Amount Paid
2014	3,558,690	\$ 60.61	\$215,684
2013	5,360,266	56.58	303,294
2012	3,088,589	\$ 37.46	\$115,702

(1) Including commissions.

The shares we repurchased were canceled. As of December 31, 2014, we had \$110.1 million remaining under the share repurchase program.

9. Statutory Regulations and Dividend Restrictions

Statutory Regulations

Group Supervision of the Company

The Bermuda Monetary Authority is the group supervisor of the Company. The laws and regulations of Bermuda require that the Company maintain a minimum amount of group statutory capital and surplus based on the enhanced capital requirement. As of December 31, 2014, the Company's enhanced capital requirement is 60% of the amount calculated using the group standardized risk-based capital model of the Bermuda Monetary Authority. The Company is also subject to an early-warning level based on 120% of the enhanced capital requirement which may trigger additional reporting requirements or other enhanced oversight. As of December 31, 2014, the amount of group statutory capital and surplus maintained by the Company satisfied these regulatory requirements.

Statutory Regulation of Subsidiaries

Our reinsurance subsidiaries, Platinum Bermuda and Platinum US, are required to comply with certain laws and regulations within their jurisdictions. The laws and regulations of Bermuda require that Platinum Bermuda maintain a minimum amount of statutory capital and surplus. For Platinum Bermuda this amount is the enhanced capital requirement based on the standardized risk-based capital model of the Bermuda Monetary Authority. Platinum Bermuda is also subject to an early-warning level based on 120% of the enhanced capital requirement which may trigger additional reporting requirements or other enhanced oversight. The laws and regulations in the United States establish minimum capital adequacy levels and grant regulators the authority to take specific actions based on the level of impairment. For Platinum US this amount is the Company Action Level based on the risk-based capital model of the National Association of Insurance Commissioners and represents the first level at which regulatory action is triggered.

Our reinsurance subsidiaries file financial statements prepared in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities in the jurisdictions in which they operate. The common adjustments from U.S. GAAP financial statements to statutory basis financial statements include eliminating deferred acquisition costs, prepaid assets and fixed assets and presenting reinsurance assets and liabilities net of retrocessional reinsurance. Also, in the United States, bonds are generally recorded at amortized cost and deferred income tax is charged directly to equity. In preparing our statutory basis financial statements, we have used statutory accounting practices that are prescribed by the relevant regulatory authorities. Furthermore, the Bermuda Monetary Authority has permitted the use of deposit accounting for our reinsurance deposit assets, which aligns with U.S. GAAP, and has no effect on Platinum Bermuda's statutory capital and surplus. Platinum Bermuda has also received approval from the Bermuda Monetary Authority to reduce the standard risk-based capital factor applicable to the reinsurance deposit assets. The Maryland Insurance Administration recently commenced an examination of the statutory basis financial statements of Platinum US as of December 31, 2013.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
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The following table sets forth the actual statutory capital and surplus for our reinsurance subsidiaries and the corresponding minimum capital adequacy levels noted above as of December 31, 2014 and 2013 (\$ in thousands):

	2014	2013
<u>Actual statutory capital and surplus:</u>		
Platinum Bermuda	\$981,136	\$1,057,281
Platinum US	\$531,368	\$ 549,242
<u>Required statutory capital and surplus:</u>		
Platinum Bermuda	\$248,758	\$ 327,221
Platinum US	\$242,670	\$ 258,528

Total statutory net income of our reinsurance subsidiaries was \$209.0 million, \$264.0 million, and \$364.3 million for the years ended December 31, 2014, 2013 and 2012.

Dividend Restrictions

Platinum Holdings and its subsidiaries are subject to certain legal and regulatory restrictions in their respective jurisdictions of domicile. The legal restrictions generally include the requirement to maintain positive net assets and to be able to pay liabilities as they become due. Regulatory restrictions on dividends are described below.

Dividend Restrictions on Platinum Holdings

Platinum Holdings receives dividends and other distributions from its subsidiaries as a source of liquidity and to fund the payment of dividends to its shareholders. Distributions to Platinum Holdings from its subsidiaries may be restricted as described below. Pursuant to the terms of the Merger Agreement, Platinum Holdings is prohibited from declaring and paying any dividend or making other distributions on its share capital, other than dividends or distributions paid by a wholly owned subsidiary to it or its subsidiaries and quarterly cash dividends in the ordinary course of business on Platinum Holdings' common shares with record and payment dates consistent with past practice, in an amount not to exceed \$0.08 per share per quarter. There are no other significant restrictions on retained earnings available for the payment of dividends by Platinum Holdings to its shareholders.

On February 10, 2015, Platinum Holdings' board of directors declared, subject to certain conditions, a quarterly dividend of \$0.08 per common share. The quarterly dividend would be payable on March 31, 2015 to shareholders of record on March 2, 2015 and is conditioned on the Merger not having been consummated on or prior to March 31, 2015.

In addition, on February 10, 2015, Platinum Holdings' board of directors declared, subject to certain conditions, a special dividend of \$10.00 per common share in connection with its pending Merger by RenaissanceRe. The special dividend would be payable prior to the effective time of the Merger on the closing date of the Merger to shareholders of record at the close of business on the last business day prior to the closing date. The special dividend is conditioned on the Merger having been approved by the shareholders of the Company at a special meeting of its shareholders on February 27, 2015 (or any adjournment or postponement thereof). The Merger is subject to the approval of shareholders of Platinum and the satisfaction of customary closing conditions. There can be no assurance that all such closing conditions will be satisfied and thus there is no assurance that the Merger will occur.

Dividend Restrictions on Subsidiaries

The laws and regulations of Bermuda and the United States include certain restrictions on the amount of statutory capital and surplus that are available for the payment of dividends by Platinum Bermuda and Platinum US to their respective parent companies, Platinum Holdings and Platinum Finance.

For 2015, Platinum Bermuda is generally restricted from declaring and paying dividends of more than 25% of its statutory capital and surplus as of December 31, 2014 unless an affidavit is filed with the Bermuda Monetary Authority stating it will continue to meet its capital and liquidity requirements. During 2015, the maximum amount available for the payment of dividends by Platinum Bermuda without filing an affidavit is \$245.3 million. On January 14, 2015, Platinum Bermuda paid a dividend of \$240.0 million to Platinum Holdings.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
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Platinum US is required to notify its regulator, the Maryland Insurance Administration, 10 days prior to the payment of an ordinary dividend and 30 days prior to the payment of an extraordinary dividend. During 2014, Platinum US utilized its ordinary dividend capacity and paid an extraordinary dividend. In 2015, Platinum US will have an ordinary dividend capacity of \$27.2 million.

During the year ended December 31, 2014, dividends of \$339.0 million were paid by the reinsurance subsidiaries of Platinum Holdings, of which \$264.0 million was paid by Platinum Bermuda to Platinum Holdings and \$75.0 million was paid by Platinum US to Platinum Finance.

There are no regulatory restrictions on retained earnings available for the payment of dividends by Platinum Finance to Platinum Regency or by Platinum Regency to Platinum Holdings. Irish law prohibits Platinum Regency from declaring a dividend to its shareholders unless it has "profits available for distribution". The determination of whether a company has profits available for distribution is based on its accumulated profits, not previously distributed or capitalized, less its accumulated realized losses, not previously used as a reduction from capital.

10. Operating Segment Information

We have organized our worldwide reinsurance business into three operating segments: Property and Marine, Casualty and Finite Risk. We believe that underwriting income or loss and related underwriting ratios allow for a more complete understanding of the profitability of our reinsurance operations and operating segments. These measures are considered to be non-GAAP. These non-GAAP measures may be defined or calculated differently by other companies. These measures are used to monitor our results and should not be viewed as a substitute for those determined in accordance with U.S. GAAP.

Underwriting income or loss consists of net premiums earned less net losses and LAE and net underwriting expenses. Net underwriting expenses include net acquisition expenses and operating costs related to underwriting. Underwriting income or loss excludes revenues and expenses related to net investment income, net realized gains or losses on investments, net impairment losses on investments, corporate expenses not allocated to underwriting segments, net foreign currency exchange gains or losses, interest expense and other income and expense.

Underwriting ratios are calculated for net losses and LAE, net acquisition expense and other underwriting expense. The ratios are calculated by dividing the related expense by net premiums earned. The combined ratio is the sum of the net losses and LAE, net acquisition expense and other underwriting expense ratios.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
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The following table summarizes underwriting income or loss and related underwriting ratios for the three operating segments, together with a reconciliation of segment underwriting income (loss) to the U.S. GAAP measure of income before income taxes for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014			Total
	Property and Marine	Casualty	Finite Risk	
Net premiums written	\$207,867	\$259,809	\$24,392	\$492,068
Net premiums earned	211,640	267,224	27,772	506,636
Net losses and loss adjustment expenses	69,779	95,080	18,542	183,401
Net acquisition expenses	40,074	66,404	7,326	113,804
Other underwriting expenses	31,087	22,022	1,310	54,419
Segment underwriting income (loss)	\$ 70,700	\$ 83,718	\$ 594	155,012
Net investment income				69,421
Net realized gains on investments				2,762
Net impairment losses on investments				(840)
Other income (expense)				3,180
Corporate expenses not allocated to segments				(28,890)
Net foreign currency exchange (losses) gains				512
Interest expense				(19,155)
Income before income taxes				\$182,002
Underwriting ratios:				
Net loss and loss adjustment expense	33.0%	35.6%	66.8%	36.2%
Net acquisition expense	18.9%	24.8%	26.4%	22.5%
Other underwriting expense	14.7%	8.2%	4.7%	10.7%
Combined	66.6%	68.6%	97.9%	69.4%

	2013			Total
	Property and Marine	Casualty	Finite Risk	
Net premiums written	\$229,507	\$295,668	\$41,946	\$567,121
Net premiums earned	222,010	297,888	33,515	553,413
Net losses and loss adjustment expenses	34,421	115,888	17,137	167,446
Net acquisition expenses	38,342	71,648	13,777	123,767
Other underwriting expenses	30,898	23,149	1,439	55,486
Segment underwriting income (loss)	\$118,349	\$ 87,203	\$ 1,162	206,714
Net investment income				72,046
Net realized gains on investments				23,920
Net impairment losses on investments				(2,033)
Other income (expense)				3,477
Corporate expenses not allocated to segments				(27,228)
Net foreign currency exchange (losses) gains				234
Interest expense				(19,125)
Income before income taxes				\$258,005
Underwriting ratios:				
Net loss and loss adjustment expense	15.5%	38.9%	51.1%	30.3%
Net acquisition expense	17.3%	24.1%	41.1%	22.4%
Other underwriting expense	13.9%	7.8%	4.3%	10.0%
Combined	46.7%	70.8%	96.5%	62.7%

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
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	2012			Total
	Property and Marine	Casualty	Finite Risk	
Net premiums written	\$256,182	\$287,112	\$21,706	\$565,000
Net premiums earned	253,604	294,122	18,770	566,496
Net losses and loss adjustment expenses	132,580	43,763	7,317	183,660
Net acquisition expenses	34,342	68,987	12,108	115,437
Other underwriting expenses	31,140	22,937	1,105	55,182
Segment underwriting income (loss)	\$ 55,542	\$158,435	\$ (1,760)	212,217
Net investment income				99,947
Net realized gains on investments				88,754
Net impairment losses on investments				(3,031)
Other income (expense)				(239)
Corporate expenses not allocated to segments				(25,271)
Net foreign currency exchange (losses) gains				(1,055)
Interest expense				(19,098)
Income (loss) before income taxes				\$352,224
Underwriting ratios:				
Net loss and loss adjustment expense	52.3%	14.9%	39.0%	32.4%
Net acquisition expense	13.5%	23.5%	64.5%	20.4%
Other underwriting expense	12.3%	7.8%	5.9%	9.7%
Combined	78.1%	46.2%	109.4%	62.5%

The following table presents our net premiums written for the years ended December 31, 2014, 2013 and 2012 by geographic location of the ceding company (\$ in thousands):

	2014	2013	2012
United States	\$386,743	\$444,110	\$441,762
International	105,325	123,011	123,238
Total	\$492,068	\$567,121	\$565,000

11. Share Incentive Compensation and Defined Contribution Retirement Plans

Share Incentive Compensation

We have a share incentive plan under which our employees and directors may be granted options, restricted shares, restricted share units, share appreciation rights, or other rights to acquire shares. Upon effectiveness, our Amended and Restated 2010 Share Incentive Plan (the "Plan") had an aggregate of 3,572,977 common shares available and reserved for issuance, which was comprised of 3,100,000 common shares as set forth in the Plan, plus authorized and unissued shares that remained available under a previous share incentive plan.

The following table provides the total share-based compensation expense recognized during the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Restricted share units:			
Service-based awards	\$ 4,420	\$ 4,198	\$ 3,974
Performance-based awards	6,299	6,264	2,810
Market-based awards	3,369	3,173	1,617
Restricted shares	357	883	1,666
Share options	—	—	70
Share based compensation expense	14,445	14,518	10,137
Tax benefit	(2,562)	(2,560)	(1,829)
Share based compensation expense, net of taxes	\$11,883	\$11,958	\$ 8,308

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As of December 31, 2014, there was \$17.3 million of total unrecognized compensation cost related to restricted share units and restricted shares. This included \$6.6 million for service-based awards, \$0.1 million for equity-classified performance-based awards, \$5.8 million for liability-classified performance-based awards, \$2.6 million for market-based awards, and \$2.2 million for restricted share awards that will be recognized over a weighted average period of 1.0 years, 0.5 years, 0.9 years, 1.0 years, and 1.6 years, respectively. There was no unrecognized compensation cost related to share options.

(i) Restricted Share Units

Service-Based Awards

Service-based restricted share units generally vest annually over a four year period. Service-based restricted share units granted to non-employee directors vest after one year.

The following table sets forth information regarding these awards as of and for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands, except per share weighted average grant date fair value):

	As of and for the Years Ended					
	December 31, 2014		December 31, 2013		December 31, 2012	
	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value
Outstanding - beginning of year	235	\$ 42.96	263	\$ 37.36	280	\$ 37.17
Granted	76	56.25	82	51.60	128	36.02
Vested	(100)	42.28	(110)	35.96	(126)	35.46
Forfeited	—	—	—	—	(19)	38.09
Outstanding - end of year	211	\$ 48.09	235	\$ 42.96	263	\$ 37.36

The grant date fair value of these awards is based on the grant date share price multiplied by the number of share units granted. The fair value at the grant date was \$4.3 million, \$4.2 million and \$4.6 million in 2014, 2013 and 2012, respectively.

Performance-Based Awards

Performance-based awards of restricted share units made pursuant to the executive incentive plan may be settled in shares or cash. The executive incentive plan utilizes shares reserved under the Plan for share-settled awards. Performance-based awards generally vest on the third anniversary of the grant date and are based on either the average annual return on equity over three years or the average change in adjusted fully converted book value per share ("Average Change in Adjusted FCBVPS") over three years.

For awards granted prior to July 2014, the performance adjustment is calculated based on the average annual return on equity over three years. For awards granted in 2012 and later, an average return on equity between 4% and 15% or more results in a settlement of 25% to 150% of the initial award. In addition, there is a minimum payout of 8.33% of the share units granted for each year of the three-year performance period that the average return on equity is 4% or more.

For awards granted in July 2014, the performance adjustment is calculated based on the Average Change in Adjusted FCBVPS over three years. An Average Change in Adjusted FCBVPS between 4.3% and 8.6% results in a settlement of 40% to 100%. An Average Change in Adjusted FCBVPS between 8.6% and 12.9% or more results in a settlement of 100% to 150%.

For the years ended December 31, 2014, 2013 and 2012, our executives earned 130,709 share units for certain of the 2012 grants, 24,873 share units for certain of the 2012 and all of the 2011 grants, and 19,761 share units for certain of the 2012 and all of the 2010 grants, respectively. These share units vested subsequent to their respective year end.

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a) Equity-Classified Awards:

Restricted share units under our executive incentive plan that are settled in common shares are classified as equity awards. The following table sets forth information regarding these awards for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands, except per share weighted average grant date fair value):

	As of and for the Years Ended					
	December 31, 2014		December 31, 2013		December 31, 2012	
	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value
Outstanding - beginning of year	32	\$ 39.79	43	\$ 36.13	19	\$ 28.65
Granted	—	—	6	51.17	31	35.95
Vested	(13)	36.65	(18)	36.30	(20)	28.65
Forfeited	—	—	—	—	—	—
Performance adjustment	(1)	45.44	1	44.00	13	35.87
Outstanding - end of year	18	\$ 41.42	32	\$ 39.79	43	\$ 36.13

The grant date fair value of these awards is based on the grant date share price multiplied by the number of share units granted. The grant date fair value was \$0.3 million and \$1.1 million in 2013 and 2012, respectively. There were no equity-classified restricted share units granted under our executive incentive plan in 2014.

During 2012, we granted additional executive incentive plan awards, to be settled in shares, 50% of which vested in 2013 and 50% of which vested in 2014, based on our performance during 2012 and 2013, respectively. A return on equity of 4% or more in each year resulted in full settlement of the grants.

b) Liability-Classified Awards:

Restricted share units under our executive incentive plan that are settled in cash are classified as liability awards. The following table sets forth information regarding these awards as of and for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands, except per share weighted average grant date fair value):

	As of and for the Years Ended					
	December 31, 2014		December 31, 2013		December 31, 2012	
	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value
Outstanding - beginning of year	220	\$ 42.27	125	\$ 35.95	—	\$ —
Granted	81	56.95	65	51.60	83	35.95
Vested	(12)	43.67	—	—	—	—
Forfeited	—	—	—	—	—	—
Performance adjustment	(34)	52.04	30	48.30	42	35.95
Outstanding - end of year	255	\$ 45.60	220	\$ 42.27	125	\$ 35.95

The grant date fair value of these awards is based on the grant date share price multiplied by the number of share units granted. The grant date fair value was \$4.6 million, \$3.3 million and \$3.0 million in 2014, 2013 and 2012, respectively.

In addition to the performance conditions, the fair value of liability-classified awards is adjusted at the end of each reporting date by multiplying the closing share price at the reporting date by the number of share units outstanding.

Market-Based Awards

In 2012 and 2013, we issued market share units, a form of restricted share units, to executives under the Plan. Market share units generally have a three-year vesting period and the actual number of common shares that each participant will receive upon vesting of the awards is based on a market-based multiplier. These awards will be settled in common shares and are equity-classified.

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The following table sets forth information regarding these awards as of and for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands, except per share weighted average grant date fair value):

	As of and for the Year Ended					
	December 31, 2014		December 31, 2013		December 31, 2012	
	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value	Restricted Share Units	Weighted Average Grant Date Fair Value
Outstanding - beginning of year	319	\$ 45.64	223	\$ 41.93	—	\$ —
Granted	—	—	57	61.58	173	41.93
Vested	(134)	40.43	—	—	—	—
Forfeited	—	—	—	—	—	—
Market adjustment	13	61.58	39	44.12	50	41.93
Outstanding - end of year	<u>198</u>	<u>\$ 50.22</u>	<u>319</u>	<u>\$ 45.64</u>	<u>223</u>	<u>\$ 41.93</u>

The grant date fair value of these awards was \$3.5 million and \$7.2 million in 2013 and 2012, respectively. Share-based compensation expense for these awards is recognized over the vesting period based on the grant date fair value of the awards and the number of share units granted, regardless of whether the market conditions are satisfied or not, provided the service conditions are satisfied.

The grant date fair value of market share units is based on a Monte Carlo simulated fair value per share unit at the grant date multiplied by the number of share units granted. The Monte Carlo simulation used the following weighted average assumptions for awards granted during the years ended December 31, 2013 and 2012:

	2013	2012
Dividend yield	0.6%	0.9%
Risk free interest rate	0.6%	0.3%
Expected volatility - historical	23.4%	24.9%
Initial average share price	\$57.19	\$35.17
Weighted average grant fair value	\$61.58	\$41.93

The market adjustment reflects the change during the year in the market-based multiplier for each grant. The market-based multiplier equals our average closing share price for the 20 trading days preceding the reporting date divided by the average closing share price for the last 20 trading days of the quarter preceding the grant date (the "initial average share price").

The following table sets forth information regarding the market-based multipliers for the 2013 and 2012 grant years for these awards for the years ended December 31, 2014, 2013 and 2012:

	Grant Year	
	2013	2012
Multiplier - initial	100%	100%
Change in multiplier - 2012	—	29%
Change in multiplier - 2013	6%	21%
Change in multiplier - 2014	23%	—
Multiplier - reporting date	<u>129%</u>	<u>150%</u>

Upon vesting, the number of market share units granted will be multiplied by the market-based multiplier equal to our average share price for the 20 trading days ending on the last day of the quarter preceding the vesting date divided by the initial average share price to determine the number of common shares to be paid out. The maximum number of common shares payable at settlement is 150% of the share units granted and no share units will be paid out if the market-based multiplier is less than 50%.

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(ii) Restricted Shares

Restricted shares vest annually over a three-year period.

The following table sets forth information regarding these awards as of and for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands, except per share weighted average grant date fair value):

	As of and for the Years Ended					
	December 31, 2014		December 31, 2013		December 31, 2012	
	Restricted Shares	Weighted Average Grant Date Fair Value	Restricted Shares	Weighted Average Grant Date Fair Value	Restricted Shares	Weighted Average Grant Date Fair Value
Outstanding - beginning of year	—	\$ —	73	\$ 36.50	146	\$ 36.50
Granted	41	61.83	—	—	—	—
Vested	—	—	(73)	36.50	(73)	36.50
Forfeited	—	—	—	—	—	—
Outstanding - end of year	41	\$ 61.83	—	\$ —	73	\$ 36.50

The grant date fair value of restricted shares is based on the grant date share price multiplied by the number of shares granted. The fair value at the grant date was \$2.6 million in 2014. There were no restricted shares granted in 2013 or 2012.

(iii) Share options

There have been no share options granted since 2008. Option awards generally vest over a three or four year period and expire ten years from the date of grant.

The following table sets forth information regarding these awards as of and for the years ended December 31, 2014, 2013 and 2012 (amounts in thousands, except weighted average exercise prices):

	As of and for the Years Ended					
	December 31, 2014		December 31, 2013		December 31, 2012	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding - beginning of year	148	\$ 33.81	833	\$ 33.25	1,030	\$ 31.90
Granted	—	—	—	—	—	—
Exercised	(12)	33.23	(685)	33.13	(170)	26.67
Forfeited	—	—	—	—	(27)	23.47
Outstanding - end of year	136	33.86	148	33.81	833	33.25
Options exercisable at year end	136	\$ 33.86	148	\$ 33.81	833	\$ 33.25

All outstanding options are exercisable and the weighted average remaining contractual term was 2.7 years as of December 31, 2014.

The following table presents the intrinsic and fair values of the options exercised and vested during the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

	2014	2013	2012
Intrinsic value of options exercised(1)	\$384	\$15,922	\$2,511
Fair value of options exercised(2)	112	5,948	1,331
Fair value of options vested(2)	\$—	\$ —	\$ 488

(1) Represents the difference between the market value and exercise price on the date of exercise.

(2) Based on the Black-Scholes option pricing model.

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Defined Contribution Retirement Plans

The Company's employees are eligible for retirement benefits through defined contribution retirement plans. The Company and employees contribute an amount equal to a specified percentage of each employee's salary. Expenses related to the defined contribution plans were \$2.3 million, \$2.3 million and \$2.0 million for the years ended December 31, 2014, 2013 and 2012, respectively.

12. Earnings Per Common Share

The following is a reconciliation of the basic and diluted earnings per common share computations for the years ended December 31, 2014, 2013 and 2012 (\$ and amounts in thousands, except per share data):

	2014	2013	2012
Earnings			
<u>Basic and Diluted</u>			
Net income attributable to common shareholders	\$164,768	\$223,278	\$327,228
Portion allocated to participating common shareholders ⁽¹⁾	(107)	(293)	(1,076)
Net income allocated to common shareholders	<u>\$164,661</u>	<u>\$222,985</u>	<u>\$326,152</u>
Common Shares			
<u>Basic</u>			
Weighted average common shares outstanding	<u>26,207</u>	<u>29,909</u>	<u>33,714</u>
<u>Diluted</u>			
Weighted average common shares outstanding	26,207	29,909	33,714
Effect of dilutive securities:			
Common share options	54	150	171
Restricted share units	<u>263</u>	<u>275</u>	<u>96</u>
Adjusted weighted average common shares outstanding	<u>26,524</u>	<u>30,334</u>	<u>33,981</u>
Earnings Per Common Share			
Basic earnings per common share	\$ 6.28	\$ 7.46	\$ 9.67
Diluted earnings per common share	<u>\$ 6.21</u>	<u>\$ 7.35</u>	<u>\$ 9.60</u>

- (1) Represents earnings attributable to holders of unvested restricted shares issued under the Company's share incentive plans that are considered to be participating securities.

13. Commitments and Contingencies

Lease Commitments

The following table presents our future minimum annual lease commitments under various non-cancelable operating leases for our facilities (\$ in thousands):

<u>Years Ending December 31,</u>	
2015	\$ 2,589
2016	2,452
2017	2,455
2018	2,421
2019	2,423
Thereafter	<u>8,916</u>
Total	<u>\$21,256</u>

Operating lease expense was \$2.4 million, \$3.7 million and \$2.7 million for the years ended December 31, 2014, 2013 and 2012, respectively.

Employment Agreements

The Company has entered into employment agreements with certain employees. These agreements provide for annual compensation in the form of salary, benefits, annual incentive payments, share-based awards, the reimbursement of certain expenses, as well as certain severance provisions.

Other Operating Agreements

The Company has entered into service agreements and other contracts that provide for business and information technology support and service, investment accounting services and other costs related to doing business. Future payments under these contracts amount to \$1.3 million, \$1.2 million and \$1.2 million in 2015, 2016 and 2017 and thereafter, respectively.

Brokers

The Company writes business through direct relationships with reinsurance brokers. Based on in-force premiums written as of December 31, 2014, the brokers we derived the largest portion of our business (with the approximate percentage of business derived from each of such brokers and its affiliates) were Aon Benfield for 28%, Marsh & McLennan Companies for 25%, Willis Group Holdings for 16% and Jardine Lloyd Thompson Group plc for 13%. The loss of business relationships with any of these brokers could have a material adverse effect on our business.

Concentrations of Credit Risk

The areas where significant concentration of credit risk may exist principally include investments, cash and cash equivalents, amounts due from investment brokers from the sales of securities, reinsurance premiums receivable, reinsurance recoverable, funds held by ceding companies and reinsurance deposit assets. Also, certain of our assets are pledged to collateralize obligations under various reinsurance contracts and are held by ceding companies. The Company limits the amount of credit exposure to any one counterparty and none of the Company's counterparty credit exposures, excluding U.S. Government instruments, exceeded 10% of shareholders' equity as of December 31, 2014. In addition, credit risk exists should any of our brokers be unable to fulfill their contractual obligations with respect to the payments of reinsurance balances owed to and by the Company.

Litigation

In the normal course of business, we may become involved in various claims and legal proceedings. We are not currently aware of any pending or threatened material litigation or arbitration other than in the ordinary course of our reinsurance business. Estimated losses related to claims arising in the normal course of our reinsurance business, including the anticipated outcome of any pending arbitration or litigation, are included in unpaid losses and LAE in our consolidated balance sheets.

On January 16, 2015, Platinum Holdings' board of directors received a letter from counsel to a purported shareholder of Platinum Holdings, alleging certain breaches of fiduciary duties by the board members in connection with the negotiation and approval of the Merger Agreement, demanding that Platinum Holdings' board of directors take certain actions and reserving the right to commence legal action against Platinum Holdings and its board of directors. In addition, several law firms have issued press releases announcing "investigations of the Merger" raising similar allegations and referencing similar potential litigation. Any such lawsuit would be expected to seek, among other things, injunctive relief to enjoin the defendants from completing the Merger on the agreed-upon terms.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. Quarterly Financial Data (Unaudited)

The following quarterly financial information for each of the three months ended March 31, June 30, September 30 and December 31, 2014 and 2013 is unaudited. However, in the opinion of management, all necessary adjustments have been made (consisting of normal recurring adjustments) to present fairly the results of operations for such periods (\$ and amounts in thousands, except per share data):

	Three Months Ended			
	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Net premiums earned	\$ 126,075	\$ 129,463	\$124,825	\$126,273
Net investment income	16,561	17,523	17,645	17,692
Net realized gains (losses) on investments	764	3,109	(596)	(515)
Net losses and LAE	39,849	66,178	50,865	26,509
Net acquisition expenses	30,413	28,042	27,848	27,501
Operating expenses	24,985	18,607	21,434	18,283
Net income	\$ 35,728	\$ 29,125	\$ 36,180	\$ 63,735
Earnings per common share:				
Basic	\$ 1.44	\$ 1.13	\$ 1.36	\$ 2.30
Diluted	\$ 1.42	\$ 1.12	\$ 1.34	\$ 2.27
Average common shares outstanding:				
Basic	24,793	25,731	26,577	27,765
Diluted	25,090	26,002	26,928	28,109

	Three Months Ended			
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Net premiums earned	\$ 148,267	\$ 135,360	\$142,933	\$126,853
Net investment income	17,936	17,758	17,808	18,544
Net realized gains (losses) on investments	(778)	(306)	11,686	13,318
Net losses and LAE	46,639	44,142	62,667	13,998
Net acquisition expenses	32,560	30,675	30,313	30,219
Operating expenses	23,019	20,672	19,718	19,305
Net income	\$ 48,623	\$ 38,285	\$ 49,854	\$ 86,516
Earnings per common share:				
Basic	\$ 1.73	\$ 1.34	\$ 1.63	\$ 2.67
Diluted	\$ 1.71	\$ 1.32	\$ 1.61	\$ 2.63
Average common shares outstanding:				
Basic	28,097	28,655	30,571	32,373
Diluted	28,492	29,065	30,970	32,838

15. Condensed Consolidating Financial Information

As described in Note 6, Platinum Holdings fully and unconditionally guarantees the outstanding \$250.0 million of debt obligations issued by its 100%-owned subsidiary Platinum Finance.

The following tables present the condensed consolidating financial information for Platinum Holdings, Platinum Finance and the non-guarantor subsidiaries of Platinum Holdings as of December 31, 2014 and 2013 and for the years ended December 31, 2014, 2013 and 2012 (\$ in thousands):

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Balance Sheet
December 31, 2014**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries ⁽¹⁾	Consolidating Adjustments	Consolidated
ASSETS					
Total investments	\$ —	\$ 45,085	\$ 1,827,969	\$ —	\$1,873,054
Investment in subsidiaries	1,627,917	595,769	638,426	(2,862,112)	—
Cash and cash equivalents	113,773	248,130	1,073,081	—	1,434,984
Reinsurance assets	—	—	247,495	—	247,495
Inter-company receivables	11,246	—	435	(11,681)	—
Other assets	2,253	1,158	128,145	—	131,556
Total assets	<u>\$1,755,189</u>	<u>\$890,142</u>	<u>\$ 3,915,551</u>	<u>\$(2,873,793)</u>	<u>\$3,687,089</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Liabilities					
Reinsurance liabilities	\$ —	\$ —	\$ 1,597,304	\$ —	\$1,597,304
Debt obligations	—	250,000	—	—	250,000
Inter-company payables	—	31	11,650	(11,681)	—
Other liabilities	17,164	1,685	82,911	—	101,760
Total liabilities	<u>\$ 17,164</u>	<u>\$251,716</u>	<u>\$ 1,691,865</u>	<u>\$ (11,681)</u>	<u>\$1,949,064</u>
Shareholders' Equity					
Common shares	\$ 248	\$ —	\$ 8,000	\$ (8,000)	\$ 248
Additional paid-in capital	2,415	216,038	2,025,646	(2,241,684)	2,415
Accumulated other comprehensive income	92,689	23,398	116,085	(139,483)	92,689
Retained earnings	1,642,673	398,990	73,955	(472,945)	1,642,673
Total shareholders' equity	<u>\$1,738,025</u>	<u>\$638,426</u>	<u>\$ 2,223,686</u>	<u>\$(2,862,112)</u>	<u>\$1,738,025</u>
Total liabilities and shareholders' equity	<u>\$1,755,189</u>	<u>\$890,142</u>	<u>\$ 3,915,551</u>	<u>\$(2,873,793)</u>	<u>\$3,687,089</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Balance Sheet
December 31, 2013**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries ⁽¹⁾	Consolidating Adjustments	Consolidated
ASSETS					
Total investments	\$ —	\$ 114	\$ 2,027,830	\$ —	\$2,027,944
Investment in subsidiaries	1,658,425	610,679	591,175	(2,860,279)	—
Cash and cash equivalents	88,402	230,818	1,145,198	—	1,464,418
Reinsurance assets	—	—	290,887	—	290,887
Inter-company receivables	9,739	—	351	(10,090)	—
Other assets	2,135	1,290	137,211	—	140,636
Total assets	<u>\$1,758,701</u>	<u>\$842,901</u>	<u>\$ 4,192,652</u>	<u>\$(2,870,369)</u>	<u>\$3,923,885</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
<u>Liabilities</u>					
Reinsurance liabilities	\$ —	\$ —	\$ 1,876,456	\$ —	\$1,876,456
Debt obligations	—	250,000	—	—	250,000
Inter-company payables	—	39	10,051	(10,090)	—
Other liabilities	11,994	1,687	37,041	—	50,722
Total liabilities	<u>\$ 11,994</u>	<u>\$251,726</u>	<u>\$ 1,923,548</u>	<u>\$ (10,090)</u>	<u>\$2,177,178</u>
<u>Shareholders' Equity</u>					
Common shares	\$ 281	\$ —	\$ 8,000	\$ (8,000)	\$ 281
Additional paid-in capital	10,711	215,420	2,024,409	(2,239,829)	10,711
Accumulated other comprehensive income	48,084	18,382	66,463	(84,845)	48,084
Retained earnings	1,687,631	357,373	170,232	(527,605)	1,687,631
Total shareholders' equity	<u>\$1,746,707</u>	<u>\$591,175</u>	<u>\$ 2,269,104</u>	<u>\$(2,860,279)</u>	<u>\$1,746,707</u>
Total liabilities and shareholders' equity	<u>\$1,758,701</u>	<u>\$842,901</u>	<u>\$ 4,192,652</u>	<u>\$(2,870,369)</u>	<u>\$3,923,885</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2014**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries ⁽¹⁾	Consolidating Adjustments	Consolidated
Revenue:					
Net premiums earned	\$ —	\$ —	\$ 506,636	\$ —	\$ 506,636
Net investment income (expense)	34	(186)	69,573	—	69,421
Net realized gains (losses) on investments	—	—	2,762	—	2,762
Net impairment losses on investments	—	—	(840)	—	(840)
Other income (expense)	5,672	—	(2,492)	—	3,180
Total revenue	<u>5,706</u>	<u>(186)</u>	<u>575,639</u>	<u>—</u>	<u>581,159</u>
Expenses:					
Net losses and loss adjustment expenses	—	—	183,401	—	183,401
Net acquisition expenses	—	—	113,804	—	113,804
Operating expenses	29,206	192	53,911	—	83,309
Net foreign currency exchange losses (gains)	—	—	(512)	—	(512)
Interest expense	—	19,155	—	—	19,155
Total expenses	<u>29,206</u>	<u>19,347</u>	<u>350,604</u>	<u>—</u>	<u>399,157</u>
Income (loss) before income taxes	<u>(23,500)</u>	<u>(19,533)</u>	<u>225,035</u>	<u>—</u>	<u>182,002</u>
Income tax expense (benefit)	—	(6,696)	23,930	—	17,234
Income (loss) before equity in earnings of subsidiaries	<u>(23,500)</u>	<u>(12,837)</u>	<u>201,105</u>	<u>—</u>	<u>164,768</u>
Equity in earnings of subsidiaries	188,268	54,455	41,618	(284,341)	—
Net income	<u>\$164,768</u>	<u>\$ 41,618</u>	<u>\$ 242,723</u>	<u>\$ (284,341)</u>	<u>\$ 164,768</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2013**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries ⁽¹⁾	Consolidating Adjustments	Consolidated
Revenue:					
Net premiums earned	\$ —	\$ —	\$ 553,413	\$ —	\$ 553,413
Net investment income (expense)	24	(85)	72,107	—	72,046
Net realized gains (losses) on investments	—	—	23,920	—	23,920
Net impairment losses on investments	—	—	(2,033)	—	(2,033)
Other income (expense)	6,737	4	(3,264)	—	3,477
Total revenue	<u>6,761</u>	<u>(81)</u>	<u>644,143</u>	<u>—</u>	<u>650,823</u>
Expenses:					
Net losses and loss adjustment expenses	—	—	167,446	—	167,446
Net acquisition expenses	—	—	123,767	—	123,767
Operating expenses	26,313	145	56,256	—	82,714
Net foreign currency exchange losses (gains)	—	—	(234)	—	(234)
Interest expense	—	19,125	—	—	19,125
Total expenses	<u>26,313</u>	<u>19,270</u>	<u>347,235</u>	<u>—</u>	<u>392,818</u>
Income (loss) before income taxes	(19,552)	(19,351)	296,908	—	258,005
Income tax expense (benefit)	—	(6,307)	41,034	—	34,727
Income (loss) before equity in earnings of subsidiaries	(19,552)	(13,044)	255,874	—	223,278
Equity in earnings of subsidiaries	242,830	85,185	72,141	(400,156)	—
Net income	<u>\$223,278</u>	<u>\$ 72,141</u>	<u>\$ 328,015</u>	<u>\$ (400,156)</u>	<u>\$ 223,278</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2012**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries ⁽¹⁾	Consolidating Adjustments	Consolidated
Revenue:					
Net premiums earned	\$ —	\$ —	\$ 566,496	\$ —	\$ 566,496
Net investment income (expense)	10	(24)	99,961	—	99,947
Net realized gains (losses) on investments	—	—	88,754	—	88,754
Net impairment losses on investments	—	—	(3,031)	—	(3,031)
Other income (expense)	5,481	3	(5,723)	—	(239)
Total revenue	<u>5,491</u>	<u>(21)</u>	<u>746,457</u>	<u>—</u>	<u>751,927</u>
Expenses:					
Net losses and loss adjustment expenses	—	—	183,660	—	183,660
Net acquisition expenses	—	—	115,437	—	115,437
Operating expenses	24,733	233	55,487	—	80,453
Net foreign currency exchange losses (gains)	—	—	1,055	—	1,055
Interest expense	—	19,098	—	—	19,098
Total expenses	<u>24,733</u>	<u>19,331</u>	<u>355,639</u>	<u>—</u>	<u>399,703</u>
Income (loss) before income taxes	(19,242)	(19,352)	390,818	—	352,224
Income tax expense (benefit)	—	(6,477)	31,473	—	24,996
Income (loss) before equity in earnings of subsidiaries	(19,242)	(12,875)	359,345	—	327,228
Equity in earnings of subsidiaries	346,470	68,165	55,290	(469,925)	—
Net income	<u>\$327,228</u>	<u>\$ 55,290</u>	<u>\$ 414,635</u>	<u>\$ (469,925)</u>	<u>\$ 327,228</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Comprehensive Income
For the Year Ended December 31, 2014**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries(1)	Consolidating Adjustments	Consolidated
Net income	\$164,768	\$41,618	\$ 242,723	\$ (284,341)	\$ 164,768
Other comprehensive income (loss) on available-for-sale securities before reclassifications:					
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	—	—	(991)	—	(991)
Change in net unrealized gains and losses on all other securities	—	(2)	52,830	—	52,828
Total change in net unrealized gains and losses	—	(2)	51,839	—	51,837
Reclassifications to net income on available-for-sale securities:					
Net realized gains on investments	—	—	(5,372)	—	(5,372)
Net impairment losses on investments	—	—	840	—	840
Total reclassifications to net income	—	—	(4,532)	—	(4,532)
Other comprehensive income (loss) before income taxes	—	(2)	47,307	—	47,305
Income tax benefit (expense)	—	1	(2,701)	—	(2,700)
Other comprehensive income (loss)	—	(1)	44,606	—	44,605
Other comprehensive income (loss) due to change in accumulated other comprehensive income (loss) of subsidiaries	44,605	5,017	5,016	(54,638)	—
Comprehensive income	<u>\$209,373</u>	<u>\$46,634</u>	<u>\$ 292,345</u>	<u>\$ (338,979)</u>	<u>\$ 209,373</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Comprehensive Income
For the Year Ended December 31, 2013**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries(1)	Consolidating Adjustments	Consolidated
Net income	\$223,278	\$ 72,141	\$ 328,015	\$ (400,156)	\$ 223,278
Other comprehensive income (loss) on available-for-sale securities before reclassifications:					
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	—	—	(631)	—	(631)
Change in net unrealized gains and losses on all other securities	—	(2)	(76,150)	—	(76,152)
Total change in net unrealized gains and losses	—	(2)	(76,781)	—	(76,783)
Reclassifications to net income on available-for-sale securities:					
Net realized gains on investments	—	—	(27,243)	—	(27,243)
Net impairment losses on investments	—	—	2,033	—	2,033
Total reclassifications to net income	—	—	(25,210)	—	(25,210)
Other comprehensive income (loss) before income taxes	—	(2)	(101,991)	—	(101,993)
Income tax benefit (expense)	—	—	12,387	—	12,387
Other comprehensive income (loss)	—	(2)	(89,604)	—	(89,606)
Other comprehensive income (loss) due to change in accumulated other comprehensive income (loss) of subsidiaries	(89,606)	(23,002)	(23,004)	135,612	—
Comprehensive income	<u>\$133,672</u>	<u>\$ 49,137</u>	<u>\$ 215,407</u>	<u>\$ (264,544)</u>	<u>\$ 133,672</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Comprehensive Income
For the Year Ended December 31, 2012**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries ⁽¹⁾	Consolidating Adjustments	Consolidated
Net income	\$327,228	\$55,290	\$ 414,635	\$ (469,925)	\$ 327,228
Other comprehensive income (loss) on available-for-sale securities before reclassifications:					
Change in net unrealized gains and losses on securities with other-than-temporary impairments recorded	—	—	211	—	211
Change in net unrealized gains and losses on all other securities	—	(6)	77,658	—	77,652
Total change in net unrealized gains and losses	—	(6)	77,869	—	77,863
Reclassifications to net income on available-for-sale securities:					
Net realized gains on investments	—	—	(89,780)	—	(89,780)
Net impairment losses on investments	—	—	3,031	—	3,031
Total reclassifications to net income	—	—	(86,749)	—	(86,749)
Other comprehensive income (loss) before income taxes	—	(6)	(8,880)	—	(8,886)
Income tax benefit (expense)	—	2	(61)	—	(59)
Other comprehensive income (loss)	—	(4)	(8,941)	—	(8,945)
Other comprehensive income (loss) due to change in accumulated other comprehensive income (loss) of subsidiaries	(8,945)	113	109	8,723	—
Comprehensive income	<u>\$318,283</u>	<u>\$55,399</u>	<u>\$ 405,803</u>	<u>\$ (461,202)</u>	<u>\$ 318,283</u>

(1) Amounts represent an aggregation of the non-guarantor subsidiaries and exclude consolidating adjustments.

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2014**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net cash provided by (used in) operating activities	\$ (15,010)	\$ (12,703)	\$ 43,559	\$ (619)	\$ 15,227
Investing Activities:					
Proceeds from sales of:					
Fixed maturity available-for-sale securities	—	—	88,629	—	88,629
Short-term investments	—	—	6,613	—	6,613
Proceeds from the maturities or paydowns of:					
Fixed maturity available-for-sale securities	—	41	130,465	—	130,506
Short-term investments	—	—	126,795	—	126,795
Acquisitions of:					
Fixed maturity available-for-sale securities	—	(45,026)	(55,000)	—	(100,026)
Short-term investments	—	—	(66,036)	—	(66,036)
Dividends from subsidiaries	264,000	75,000	—	(339,000)	—
Net cash provided by (used in) investing activities	<u>264,000</u>	<u>30,015</u>	<u>231,466</u>	<u>(339,000)</u>	<u>186,481</u>
Financing Activities:					
Dividends paid to common shareholders	(8,329)	—	(339,000)	339,000	(8,329)
Repurchase of common shares	(215,684)	—	—	—	(215,684)
Proceeds from share-based compensation, including income tax benefits	394	—	—	619	1,013
Net cash provided by (used in) financing activities	<u>(223,619)</u>	<u>—</u>	<u>(339,000)</u>	<u>339,619</u>	<u>(223,000)</u>
Effect of foreign currency exchange rate changes on cash and cash equivalents	—	—	(8,142)	—	(8,142)
Net increase (decrease) in cash and cash equivalents	25,371	17,312	(72,117)	—	(29,434)
Cash and cash equivalents at beginning of year	88,402	230,818	1,145,198	—	1,464,418
Cash and cash equivalents at end of year	<u>\$ 113,773</u>	<u>\$248,130</u>	<u>\$ 1,073,081</u>	<u>\$ —</u>	<u>\$1,434,984</u>

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2013**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net cash provided by (used in) operating activities	\$ (9,510)	\$ (11,368)	\$ (34,001)	\$ (1,683)	\$ (56,562)
Investing Activities:					
Proceeds from sales of:					
Fixed maturity available-for-sale securities	—	—	203,571	—	203,571
Short-term investments	—	—	11,857	—	11,857
Proceeds from the maturities or paydowns of:					
Fixed maturity available-for-sale securities	—	64	202,072	—	202,136
Short-term investments	—	—	259,076	—	259,076
Acquisitions of:					
Fixed maturity available-for-sale securities	—	—	(406,078)	—	(406,078)
Short-term investments	—	—	(165,136)	—	(165,136)
Dividends from subsidiaries	318,300	90,000	—	(408,300)	—
Acquisitions of furniture, equipment and other assets	(957)	—	(5,933)	—	(6,890)
Net cash provided by (used in) investing activities	<u>317,343</u>	<u>90,064</u>	<u>99,429</u>	<u>(408,300)</u>	<u>98,536</u>
Financing Activities:					
Dividends paid to common shareholders	(9,434)	—	(408,300)	408,300	(9,434)
Repurchase of common shares	(303,294)	—	—	—	(303,294)
Proceeds from share-based compensation, including income tax benefits	22,693	—	—	1,683	24,376
Net cash provided by (used in) financing activities	<u>(290,035)</u>	<u>—</u>	<u>(408,300)</u>	<u>409,983</u>	<u>(288,352)</u>
Effect of foreign currency exchange rate changes on cash and cash equivalents	—	—	(9,599)	—	(9,599)
Net increase (decrease) in cash and cash equivalents	17,798	78,696	(352,471)	—	(255,977)
Cash and cash equivalents at beginning of year	70,604	152,122	1,497,669	—	1,720,395
Cash and cash equivalents at end of year	<u>\$ 88,402</u>	<u>\$230,818</u>	<u>\$ 1,145,198</u>	<u>\$ —</u>	<u>\$1,464,418</u>

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2012**

	Platinum Holdings	Platinum Finance	Non-guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net cash provided by (used in) operating activities	\$ (10,275)	\$ (9,123)	\$ (145,939)	\$ —	\$ (165,337)
Investing Activities:					
Proceeds from the sales of:					
Fixed maturity available-for-sale securities	—	—	747,755	—	747,755
Short-term investments	—	—	49,447	—	49,447
Proceeds from the maturities or paydowns of:					
Fixed maturity available-for-sale securities	—	85	280,037	—	280,122
Short-term investments	—	—	707,756	—	707,756
Acquisitions of:					
Fixed maturity available-for-sale securities	—	—	(233,923)	—	(233,923)
Short-term investments	—	—	(331,757)	—	(331,757)
Dividends from subsidiaries	155,000	52,900	—	(207,900)	—
Net cash provided by (used in) investing activities	<u>155,000</u>	<u>52,985</u>	<u>1,219,315</u>	<u>(207,900)</u>	<u>1,219,400</u>
Financing Activities:					
Dividends paid to common shareholders	(10,747)	—	(207,900)	207,900	(10,747)
Repurchase of common shares	(115,702)	—	—	—	(115,702)
Proceeds from share-based compensation, including income tax benefits	4,537	—	—	—	4,537
Net cash provided by (used in) financing activities	<u>(121,912)</u>	<u>—</u>	<u>(207,900)</u>	<u>207,900</u>	<u>(121,912)</u>
Effect of foreign currency exchange rate changes on cash and cash equivalents	—	—	(4,266)	—	(4,266)
Net increase (decrease) in cash and cash equivalents	22,813	43,862	861,210	—	927,885
Cash and cash equivalents at beginning of year	47,791	108,260	636,459	—	792,510
Cash and cash equivalents at end of year	<u>\$ 70,604</u>	<u>\$152,122</u>	<u>\$ 1,497,669</u>	<u>\$ —</u>	<u>\$1,720,395</u>

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
INDEX TO SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS

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Schedules other than those listed above are omitted for the reason that they are not applicable or the information is provided elsewhere in the consolidated financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

Under date of February 11, 2015, we reported on the consolidated balance sheets of Platinum Underwriters Holdings, Ltd. and subsidiaries (the "Company") as of December 31, 2014 and 2013, and the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2014, as contained in the annual report on Form 10-K for the year 2014. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedules as listed in the accompanying index. These financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement schedules based on our audits.

In our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG Audit Limited
Hamilton, Bermuda
February 11, 2015

SCHEDULE I

PLATINUM UNDERWRITERS HOLDINGS, LTD. AND SUBSIDIARIES
 Summary of Investments - Other Than Investments in Related Parties
 As of December 31, 2014
 (\$ in thousands)

	<u>Cost*</u>	<u>Fair Value</u>	<u>Amount at which shown in Balance Sheet</u>
Fixed maturity securities:			
Bonds:			
U.S. Government and government agencies and authorities	\$ 136,919	\$ 138,812	\$ 138,812
States, municipalities and political subdivisions	1,099,214	1,187,918	1,187,918
Non-U.S. governments	112,741	115,651	115,651
Non-U.S. corporate	46,150	47,698	47,698
Public utilities	72,111	75,593	75,593
All other corporate	297,806	307,382	307,382
Total fixed maturity securities	<u>1,764,941</u>	<u>1,873,054</u>	<u>1,873,054</u>
Short-term investments	—	—	—
Total investments	<u>\$1,764,941</u>	<u>\$1,873,054</u>	<u>\$1,873,054</u>

* Original cost of fixed maturities securities is reduced by repayments and other-than-temporary-impairment changes and adjusted for amortization of premiums or accretion of discounts.

See accompanying report of the independent registered public accounting firm.

SCHEDULE II

PLATINUM UNDERWRITERS HOLDINGS, LTD.
 Condensed Financial Information of Registrant
 Condensed Balance Sheets - Parent Company Only
 December 31, 2014 and 2013
 (\$ in thousands, except share data)

	2014	2013
ASSETS		
Investment in subsidiaries	\$1,627,917	\$1,658,425
Cash and cash equivalents	113,773	88,402
Inter-company receivables	11,246	9,739
Other assets	2,253	2,135
Total assets	<u>\$1,755,189</u>	<u>\$1,758,701</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
<u>Liabilities</u>		
Other liabilities	\$ 17,164	\$ 11,994
Total liabilities	<u>\$ 17,164</u>	<u>\$ 11,994</u>
<u>Shareholders' equity</u>		
Common shares, \$0.01 par value, 200,000,000 shares authorized 24,840,539 and 28,142,977 shares issued and outstanding, respectively.	\$ 248	\$ 281
Additional paid-in capital	2,415	10,711
Accumulated other comprehensive income	92,689	48,084
Retained earnings	1,642,673	1,687,631
Total shareholders' equity	<u>\$1,738,025</u>	<u>\$1,746,707</u>
Total liabilities and shareholders' equity	<u>\$1,755,189</u>	<u>\$1,758,701</u>

See accompanying report of the independent registered public accounting firm.

SCHEDULE II, continued

PLATINUM UNDERWRITERS HOLDINGS, LTD.
 Condensed Financial Information of Registrant
 Condensed Statements of Operations - Parent Company Only
 For the years ended December 31, 2014, 2013 and 2012
 (\$ in thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenue:			
Net investment income	\$ 34	\$ 24	\$ 10
Other income (expense)	5,672	6,737	5,481
Total revenue	<u>5,706</u>	<u>6,761</u>	<u>5,491</u>
Expenses:			
Operating expenses	29,206	26,313	24,733
Total expenses	<u>29,206</u>	<u>26,313</u>	<u>24,733</u>
Income (loss) before income taxes	(23,500)	(19,552)	(19,242)
Income tax expense (benefit)	—	—	—
Income (loss) before equity in earnings of subsidiaries	<u>(23,500)</u>	<u>(19,552)</u>	<u>(19,242)</u>
Equity in earnings of subsidiaries	188,268	242,830	346,470
Net income	<u>\$164,768</u>	<u>\$223,278</u>	<u>\$327,228</u>

See accompanying report of the independent registered public accounting firm.

SCHEDULE II, continued

PLATINUM UNDERWRITERS HOLDINGS, LTD.
Condensed Financial Information of Registrant
Condensed Statements of Comprehensive Income - Parent Company Only
For the years ended December 31, 2014, 2013 and 2012
(\$ in thousands)

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net income	\$164,768	\$223,278	\$327,228
Other comprehensive income (loss) due to change in accumulated other comprehensive income (loss) of subsidiaries	44,605	(89,606)	(8,945)
Comprehensive income	<u>\$209,373</u>	<u>\$133,672</u>	<u>\$318,283</u>

See accompanying report of the independent registered public accounting firm.

SCHEDULE II, continued

PLATINUM UNDERWRITERS HOLDINGS, LTD.
 Condensed Financial Information of Registrant
 Condensed Statements of Cash Flows - Parent Company Only
 For the years ended December 31, 2014, 2013 and 2012
 (\$ in thousands)

	2014	2013	2012
Net cash provided by (used in) operating activities	\$ (15,010)	\$ (9,510)	\$ (10,275)
<u>Investing Activities:</u>			
Dividends from subsidiaries	264,000	318,300	155,000
Acquisitions of furniture, equipment and other assets	—	(957)	—
Net cash provided by (used in) investing activities	<u>264,000</u>	<u>317,343</u>	<u>155,000</u>
<u>Financing Activities:</u>			
Dividends paid to common shareholders	(8,329)	(9,434)	(10,747)
Repurchase of common shares	(215,684)	(303,294)	(115,702)
Proceeds from share-based compensation	394	22,693	4,537
Net cash provided by (used in) financing activities	<u>(223,619)</u>	<u>(290,035)</u>	<u>(121,912)</u>
Net increase (decrease) in cash and cash equivalents	25,371	17,798	22,813
Cash and cash equivalents at beginning of year	88,402	70,604	47,791
Cash and cash equivalents at end of year	<u>\$ 113,773</u>	<u>\$ 88,402</u>	<u>\$ 70,604</u>
<u>Supplemental disclosures of cash flow information:</u>			
Income taxes paid, net of refunds	\$ —	\$ —	\$ —
Interest paid	\$ —	\$ —	\$ —

See accompanying report of the independent registered public accounting firm.

SCHEDULE III

PLATINUM UNDERWRITERS HOLDINGS, LTD.
 Supplementary Insurance Information
 (\$ in thousands)

Period	Deferred Policy Acquisition Costs	Net Unpaid Losses and Loss Adjustment Expenses	Net Unearned Premiums	Net Earned Premiums	Net Investment Income(1)	Net Losses and Loss Adjustment Expenses Incurred	Amortization of Deferred Policy Acquisition Costs(2)	Other Operating Expenses(3)	Net Written Premiums
Year ended December 31, 2014:									
Property and Marine	\$ 4,709	\$ 256,061	\$ 19,326	\$211,640		\$ 69,779	\$ 40,074	\$ 31,087	\$207,867
Casualty	20,219	1,105,800	77,085	267,224		95,080	66,404	22,022	259,809
Finite Risk	2,664	71,027	12,958	27,772		18,542	7,326	1,310	24,392
Total	\$ 27,592	\$1,432,888	\$109,369	\$506,636	\$ 69,421	\$183,401	\$ 113,804	\$ 54,419	\$492,068
Year ended December 31, 2013:									
Property and Marine	\$ 6,111	\$ 357,973	\$ 23,553	\$222,010		\$ 34,421	\$ 38,342	\$ 30,898	\$229,507
Casualty	21,817	1,243,961	85,377	297,888		115,888	71,648	23,149	295,668
Finite Risk	3,175	68,237	16,338	33,515		17,137	13,777	1,439	41,946
Total	\$ 31,103	\$1,670,171	\$125,268	\$553,413	\$ 72,046	\$167,446	\$ 123,767	\$ 55,486	\$567,121
Year ended December 31, 2012:									
Property and Marine	\$ 4,216	\$ 557,481	\$ 16,222	\$253,604		\$132,580	\$ 34,342	\$ 31,140	\$256,182
Casualty	22,275	1,336,251	87,171	294,122		43,763	68,987	22,937	287,112
Finite Risk	1,621	63,953	7,906	18,770		7,317	12,108	1,105	21,706
Total	\$ 28,112	\$1,957,685	\$111,299	\$566,496	\$ 99,947	\$183,660	\$ 115,437	\$ 55,182	\$565,000

- (1) The Company does not manage its investments by segment and, accordingly, net investment income is not allocated to each segment.
- (2) Amounts represent the net acquisition expenses in the accompanying Consolidated Statements of Operations and include total deferred acquisition costs amortized of \$86.4 million, \$92.0 million and \$86.8 million for the years ended December 31, 2014, 2013 and 2012, respectively.
- (3) Amounts exclude corporate expenses not allocated to segments of \$28.9 million, \$27.2 million, and \$25.3 million for the years ended December 31, 2014, 2013 and 2012, respectively.

See accompanying report of the independent registered public accounting firm.

SCHEDULE IV

PLATINUM UNDERWRITERS HOLDINGS, LTD.
Reinsurance
(\$ in thousands)

Description	Direct Amount	Ceded to Other Companies	Assumed From Other Companies	Net Amount	Percentage of Amount Assumed to Net
Premiums written:					
<u>Year ended December 31, 2014:</u>					
Property and Marine	\$ —	\$ 12,594	\$220,461	\$207,867	106.1%
Casualty	—	4,465	264,274	259,809	101.7%
Finite Risk	—	—	24,392	24,392	100.0%
Total	<u>\$ —</u>	<u>\$ 17,059</u>	<u>\$509,127</u>	<u>\$492,068</u>	103.5%
<u>Year ended December 31, 2013:</u>					
Property and Marine	\$ —	\$ 10,942	\$240,449	\$229,507	104.8%
Casualty	—	1,698	297,366	295,668	100.6%
Finite Risk	—	—	41,946	41,946	100.0%
Total	<u>\$ —</u>	<u>\$ 12,640</u>	<u>\$579,761</u>	<u>\$567,121</u>	102.2%
<u>Year ended December 31, 2012:</u>					
Property and Marine	\$ —	\$ 4,636	\$260,818	\$256,182	101.8%
Casualty	—	88	287,200	287,112	100.0%
Finite Risk	—	—	21,706	21,706	100.0%
Total	<u>\$ —</u>	<u>\$ 4,724</u>	<u>\$569,724</u>	<u>\$565,000</u>	100.8%

See accompanying report of the independent registered public accounting firm.