

Greenlight Capital Re, Ltd.
Form PRE 14A
May 20, 2008

Table of Contents

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Proxy Statement

Confidential,

Definitive

Definitive

Additional Materials

Soliciting

Material Pursuant to Section 240.14a-12

GREENLIGHT CAPITAL RE, LTD.

(Name of Registrant As Specified in its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

No fee

required.

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

class of securities to which transaction applies:

(1) Title of each

number of securities to which transaction applies:

(2) Aggregate

other underlying value of transaction computed pursuant to Exchange Act Rule 0-11

(3) Per unit price or

(set forth the amount on which the filing fee is calculated and state how it was determined):

(4)

Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid

previously with preliminary materials:

Check box if

any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount

previously paid:

(2) Form, Schedule

or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

GREENLIGHT CAPITAL RE, LTD.
The Grand Pavilion, 802 West Bay Road
P.O. Box 31110
Grand Cayman, KY1-1205
Cayman Islands

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
To Be Held On July 10, 2008

Notice is hereby given that the Annual General Meeting of Shareholders, or the Meeting, of Greenlight Capital Re, Ltd., or the Company, will be held at the Company's offices at The Grand Pavilion, 802 West Bay Road, Grand Cayman, Cayman Islands on July 10, 2008, at 9:00 a.m., local time, for the following purposes:

1. To consider and vote upon a proposal to elect seven directors of the Company to serve on the Board of Directors until the Annual General Meeting of Shareholders in 2009;
2. To consider and vote upon a proposal to elect seven directors of Greenlight Reinsurance, Ltd., a wholly-owned subsidiary of the Company, or Greenlight Re, to serve on the Board of Directors of Greenlight Re until the Annual General Meeting of Shareholders in 2009, which pursuant to the Company's Third Amended and Restated Memorandum and Articles of Association, is required to be considered by the shareholders of the Company;
3. To consider and vote upon, as a Special Resolution, a proposal to amend Article 11 of the Company's Third Amended and Restated Articles of Association as set forth in Exhibit A to the Proxy Statement;
4. To consider and vote upon a proposal to ratify the appointment of BDO Seidman, LLP, or BDO, as the independent auditors of the Company for the fiscal year ending December 31, 2008; and
5. To consider and vote upon a proposal to ratify the appointment of BDO as the independent auditors of Greenlight Re for the fiscal year ending December 31, 2008, which pursuant to the Company's Third Amended and Restated Memorandum and Articles of Association, is required to be considered by the shareholders of the Company.

Information concerning the matters to be acted upon at the Meeting is set forth in the accompanying Proxy Statement.

Only shareholders of record, as shown by the transfer books of the Company, at the close of business on June 2, 2008 will be entitled to notice of, and to vote at, the Meeting or any adjournments thereof.

PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY IN THE RETURN ENVELOPE FURNISHED FOR THAT PURPOSE, AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING. SIGNING AND RETURNING THE PROXY CARD WILL NOT PROHIBIT YOU FROM ATTENDING THE MEETING. IF YOU LATER DESIRE TO REVOKE YOUR PROXY FOR ANY REASON, YOU MAY DO SO IN THE MANNER DESCRIBED IN THE ATTACHED PROXY STATEMENT. YOUR SHARES WILL BE VOTED WITH THE INSTRUCTIONS CONTAINED IN THE PROXY STATEMENT. IF NO INSTRUCTION IS GIVEN, YOUR SHARES WILL BE VOTED "FOR" ITEMS 1 THROUGH 5 ABOVE. PLEASE NOTE THAT THE PERSON DESIGNATED AS YOUR PROXY NEED NOT BE A SHAREHOLDER. FOR FURTHER INFORMATION CONCERNING THE INDIVIDUALS NOMINATED AS DIRECTORS, THE PROPOSALS BEING VOTED UPON, USE OF THE PROXY AND OTHER RELATED MATTERS, YOU ARE URGED TO READ THE PROXY STATEMENT ON THE FOLLOWING PAGES.

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By Order of the Board of Directors,
Leonard Goldberg

Chief Executive Officer

June 6, 2008

Grand Cayman, Cayman Islands

TABLE OF CONTENTS

	Page
GENERAL INFORMATION	1
VOTING SECURITIES AND VOTE REQUIRED	1
SOLICITATION AND REVOCATION	3
PROPOSAL ONE ELECTION OF DIRECTORS OF THE COMPANY	3
PROPOSAL TWO ELECTION OF DIRECTORS OF GREENLIGHT RE	6
PROPOSAL THREE AMENDMENT TO THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION	7
PROPOSAL FOUR APPOINTMENT OF THE COMPANY'S AUDITOR	7
PROPOSAL FIVE APPOINTMENT OF GREENLIGHT RE'S AUDITOR	8
BOARD OF DIRECTORS MEETINGS AND COMMITTEES	9
Executive Officers	11
Director Compensation	11
COMPENSATION DISCUSSION AND ANALYSIS	14
Summary Compensation Table	18
Potential Payments Upon Termination or Change in Control	23
Audit Committee Report	28
PRINCIPAL SHAREHOLDERS	29
Section 16(A) Beneficial Ownership Reporting Compliance	30
CERTAIN RELATIONSHIPS AND RELATED-PARTY TRANSACTIONS	30
OTHER MATTERS	33
ADDITIONAL INFORMATION	33

Table of Contents

GREENLIGHT CAPITAL RE, LTD.
The Grand Pavilion, 802 West Bay Road
P.O. Box 31110
Grand Cayman, KY1-1205
Cayman Islands

PROXY STATEMENT
ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 10, 2008

GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Greenlight Capital Re, Ltd., or the Company, of proxies for use at the Annual General Meeting of Shareholders of the Company, or the Meeting, to be held at The Grand Pavilion, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands on July 10, 2008 at 9:00 a.m., local time, and at any and all adjournments or postponements thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, including financial statements, is included with this Proxy Statement for informational purposes and not as a means of soliciting your proxy. Additional copies of the Annual Report on Form 10-K may be obtained, without charge, by writing to us at the address above.

This Proxy Statement and the accompanying proxy card and Notice of Annual General Meeting of Shareholders are first being mailed to shareholders on or about June 6, 2008.

Unless otherwise indicated or unless the context otherwise requires, all references in this Proxy Statement to "the Company," "we," "us," "our" and similar expressions are references to Greenlight Capital Re, Ltd. All references to Greenlight Re are references to Greenlight Reinsurance, Ltd. the wholly-owned subsidiary of Greenlight Capital Re, Ltd.

VOTING SECURITIES AND VOTE REQUIRED

As of June 2, 2008, the record date for the determination of persons entitled to receive notice of, and to vote at, the Meeting, the following ordinary shares were issued and outstanding:

29,847,787 Class A ordinary shares, par value \$0.10 per share

• 6,254,949 Class B

ordinary shares, par value \$0.10 per share

The above ordinary shares are our only classes of equity shares outstanding and entitled to vote at the Meeting.

Class A Ordinary Shares

Each Class A ordinary share is entitled to one vote per share. However, except upon unanimous consent of the Board of Directors, no holder shall be permitted to acquire an amount of shares which would cause any person to own (directly, indirectly or constructively under applicable United States tax attribution and constructive ownership rules) 9.9% or more of the total voting power of the total issued and outstanding ordinary shares. Due to the voting

limitations on our Class B ordinary shares described below, each Class A ordinary share will be effectively entitled to more than one vote per share subject to the 9.9% restriction described in this paragraph.

Class B Ordinary Shares

Each Class B ordinary share is entitled to ten votes per share. However, the total voting power of all Class B ordinary shares, as a class, shall not exceed 9.5% of the total voting power of the total issued and outstanding ordinary shares. The voting power of any Class A ordinary shares held by any holder of Class B ordinary shares (whether directly, or indirectly or constructively under applicable United States tax attribution and constructive ownership rules) shall be included for purposes of measuring the total voting power of the Class B ordinary shares.

Table of Contents

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

The attendance of two or more persons representing, in person or by proxy, more than 50% of the issued and outstanding ordinary shares as of June 2, 2008, the record date of the Meeting, is necessary to constitute a quorum at the Meeting. Assuming that a quorum is present, the affirmative vote of the holders of a simple majority of the ordinary shares voted will be required to approve each of the proposals 1, 2, 4 and 5. The affirmative vote of holders of two-thirds of the ordinary shares voted will be required to approve proposal 3.

With regard to any proposal, votes may be cast in favor of or against such proposal or a shareholder may abstain from voting on such proposal. Abstentions will be excluded entirely from the vote and will have no effect except that abstentions and "broker non-votes" will be counted toward determining the presence of a quorum for the transaction of business. Generally, broker non-votes occur when ordinary shares held for a beneficial owner are not voted on a particular proposal because the broker has not received voting instructions from the beneficial owner, and the broker does not have discretionary authority to vote on a particular proposal.

The Board of Directors recommends that the shareholders take the following actions at the Meeting:

1.
Proposal One: to vote FOR the election of the director nominees named herein to the Company's Board of Directors for terms expiring at the Annual General Meeting of Shareholders in 2009.
2. Proposal Two: to
vote FOR the election of the director nominees named herein to serve on the Board of Directors of Greenlight Re until the Annual General Meeting of Shareholders in 2009, which pursuant to the Company's Third Amended and Restated Memorandum and Articles of Association, is required to be considered by the shareholders of the Company.
3. Proposal Three:
To vote FOR amendment to Article 11 of our Third Amended and Restated Articles of Association by Special Resolution as set forth in Exhibit A to the Proxy Statement.
4. Proposal Four: to
vote FOR the ratification of BDO Seidman, LLP, or BDO, an independent registered public accounting firm, as the Company's independent auditor for 2008.
5. Proposal Five: to
vote FOR the ratification of BDO an independent registered public accounting firm, as Greenlight Re's independent auditor for 2008, which pursuant to the Company's Third Amended and Restated Memorandum and Articles of Association, is required to be considered by the shareholders of the Company.

A representative of BDO will attend the Meeting, and will be available to respond to questions and may make a statement if he or she so desires.

2

Table of Contents

SOLICITATION AND REVOCATION

PROXIES IN THE FORM ENCLOSED ARE BEING SOLICITED BY, OR ON BEHALF OF, THE BOARD OF DIRECTORS. THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY HAVE BEEN DESIGNATED AS PROXIES BY THE BOARD OF DIRECTORS. Such persons designated as proxies are officers of the Company. Any shareholder desiring to appoint another person to represent him or her at the Meeting may do so by inserting such person's name in the blank space provided on the accompanying form of proxy and delivering an executed proxy to the Secretary of the Company at the address indicated above before the time of the Meeting. It is the responsibility of the shareholder appointing such other person to represent him or her to inform such person of this appointment.

All ordinary shares represented by properly executed proxies that are returned and not revoked will be voted in accordance with the instructions, if any, given thereon. If no instructions are provided in an executed proxy, it will be voted FOR each of the proposals described herein and set forth on the accompanying form of proxy, and in accordance with the proxy holder's best judgment as to any other business as may properly come before the Meeting. If a shareholder appoints a person other than the persons named in the enclosed form of proxy to represent him or her, such person should vote the shares in respect of which he or she is appointed proxy holder in accordance with the directions of the shareholder appointing him or her.

Proxies must be received by us not less than 24 hours prior to the holding of the Meeting. A shareholder may revoke his or her proxy at any time up to one hour prior to the commencement of the Meeting by filing a written revocation with the Secretary of the Company at our address set forth above, by filing a duly executed proxy bearing a later date or by appearing in person and voting by ballot at the Meeting. A shareholder may vote his or her shares in person even if he or she has returned a proxy.

PROPOSAL ONE
ELECTION OF DIRECTORS OF THE COMPANY

Our Third Amended and Restated Memorandum and Articles of Association, or the Articles, provide that the Board of Directors shall be appointed annually for a term of appointment that shall end at the conclusion of the Annual General Meeting of Shareholders following the one at which they were appointed. Currently, we have seven directors serving on our Board of Directors. The Board of Directors has nominated Alan Brooks, David Einhorn, Leonard Goldberg, Ian Isaacs, Frank Lackner, Bryan Murphy and Joseph Platt to serve as the directors of the Company, to be voted on by all holders of record of ordinary shares as of the Record Date. The Board of Directors has no reason to believe any nominee will not continue to be a candidate or will not be able to serve as a director of the Company if elected. In the event that any nominee is unable to serve as a director, the proxy holders named in the accompanying proxy have advised that they will vote for the election of such substitute or additional nominee(s) as the Board of Directors may propose. The Board of Directors unanimously recommends that you vote FOR the election of each of the nominees.

Each of the director nominees is currently serving as a director of the Company. Unless otherwise directed, the persons named in the proxy intend to vote all proxies FOR the election of the following director nominees.

Table of Contents

Director Nominees

	Name
Age Position Director	
Since Alan Brooks(1)(3) 61 Director 2004 David Einhorn(3) 39 Chairman 2004 Leonard Goldberg(3) 45	
Director, Chief Executive Officer 2005 Ian Isaacs(2)(4) 53 Director 2008 Frank Lackner(1)(3)(4) 39	
Director 2004 Bryan Murphy(1)(2)(3) 62 Director 2008 Joseph Platt(2)(4) 60 Director 2004	
	(1)
Member of Audit Committee (2) Member of Compensation Committee (3) Member of Underwriting Committee (4)	
Member of Nominating and Governance Committee	

The nominees have consented to serve as directors of the Company and Greenlight Re, if elected.

Set forth below is biographical information concerning each nominee for election as a director of the Company.

Alan Brooks has been a director since July 2004. Mr. Brooks was the non-life insurance practice partner at KPMG in the Cayman Islands from 1984 to 1999 and was then engaged as a consultant by KPMG from February 2001 until his retirement in July 2003. During the past 20 years, Mr. Brooks has specialized in providing audit and liquidation services to the offshore insurance industry. Mr. Brooks has been the audit partner to over 150 licensed insurance companies in the Cayman Islands, ranging from companies writing property and casualty, life and credit as well as special purpose vehicles formed to insure catastrophe risks. Mr. Brooks has significant experience in the preparation of financial statements in accordance with United States, United Kingdom, Canadian and International GAAP. Mr. Brooks is also a shareholder and director of Genesis Trust and Corporate Services Ltd., a Cayman Islands-based trust and management company. Prior to qualifying as a Chartered Accountant, Mr. Brooks received a Diploma of Education from the North Buckinghamshire College of Education in 1968. Mr. Brooks has been a Fellow of the Institute of Chartered Accountants of England & Wales since 1979.

David Einhorn has been a director since July 2004 and Chairman of the Board of Directors since August 6, 2004. Mr. Einhorn is president of Greenlight Capital, Inc., which he co-founded in January 1996, and senior managing member of DME Advisors, LP, or DME Advisors. Greenlight Capital, Inc. and DME Advisors are our affiliates. Mr. Einhorn graduated summa cum laude with distinction from Cornell University in 1991 where he earned a B.A. from the College of Arts and Sciences. Mr. Einhorn also serves as a director of BioFuel Energy Corp. (Nasdaq: BIOF).

Leonard Goldberg has served as our Chief Executive Officer and a director since August 2005. Mr. Goldberg has more than 20 years of insurance and reinsurance experience. He worked with the Alea Group, a reinsurance company, from August 2000 to August 2004, including serving as chief executive officer of Alea North America Insurance Company and Alea North America Specialty Insurance Company from March 2002 to August 2004. Prior to working with the Alea Group, Mr. Goldberg served as chief actuary and senior vice president – Financial Products of Custom Risk Solutions, a managing general agency company, from April 1999 to August 2000. From May 1995 to December 1998, Mr. Goldberg provided various actuarial services to Zurich Group, a reinsurance company, including acting as chief actuary of Zurich Re London. Mr. Goldberg received his B.A. in Mathematics from Rutgers University in 1984 and MBA, Finance Concentration, from Rutgers Executive MBA program in 1993 and is a Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries.

Table of Contents

Ian Isaacs has been a director since May 2008 and was a director of the Company from July 2004 until February 2007. Mr. Isaacs previously resigned from the Board of Directors in February 2007 because his then current employer had a policy which prohibits employees from serving on boards of publicly-traded companies. Mr. Isaacs currently serves as a senior partner, director of research at Merlin Securities. Mr. Isaacs served as a senior vice president, Investments, with UBS Financial Services, a subsidiary of UBS AG, a Zurich-based investment bank from November 2000 to March 2008. At UBS Financial Services, Mr. Isaacs conducted market research for institutional investors, including those of our affiliates, and provided investment advice to individual investors. Mr. Isaacs was employed by PaineWebber in the private client group from May 1990, becoming senior vice president of Investments in 1995, until its acquisition by UBS AG in November 2000. Prior to Paine Webber, Mr. Isaacs was employed by Hambrecht and Quist, an investment bank based in San Francisco, where he worked in the private client division from 1985 to 1990. Mr. Isaacs received his Bachelor of Arts from Carleton College in 1977.

Frank Lackner has been a director since July 2004. Mr. Lackner currently acts as a consultant with Lackner Capital Advisory LLC. Mr. Lackner served as managing director of Fox-Pitt Kelton Cochran Caronia Waller, a global specialist investment bank, from May 2007 to September 2007. Mr. Lackner served as a managing director of Torsiello Securities Inc., an investment banking and financial advisory services company to the global insurance and financial services industry, and its predecessor firm from October 2001 until October 2006. From January 1998 to October 2001, Mr. Lackner was a founder and chief executive officer of RiskContinuum, Inc., an online reinsurance trading exchange. During such time, Mr. Lackner also provided consulting services to First International Capital LLC and to other clients in the insurance industry. From September 1993 to December 1997, Mr. Lackner was a vice president of Insurance Partner Advisors, L.P., a private equity investment partnership formed by the Centre Reinsurance Companies, Chase Manhattan Bank and the Robert Bass Group, which made equity investments in insurance, reinsurance and healthcare companies worldwide. From 1992 to 1993, Mr. Lackner was a finite risk reinsurance underwriter at the Centre Reinsurance Companies, where he worked on both corporate development projects and structuring and pricing finite risk insurance and reinsurance products. From 1990 to 1992, Mr. Lackner was an investment banker at Donaldson, Lufkin & Jenrette Securities Corp., where he advised both property/casualty and life insurance companies on strategic acquisitions, divestitures and capital markets-related activities, including initial public offerings, debt offerings and restructurings. Mr. Lackner received his BBA in Banking and Finance from Hofstra University in 1989. Mr. Lackner also serves as a director of American Safety Insurance Holdings, Ltd. (NYSE: ASI).

Bryan Murphy has been a director since May 2008. Mr. Murphy currently serves as a director and vice chairman of Island Heritage Holdings Ltd., a Cayman Islands-based property, liability and automobile insurer. From 1996 to until his retirement in December 2007, Mr. Murphy served Island Heritage as a founding director and chief executive officer. Prior to Island Heritage, Mr. Murphy acted as a consultant to Trident Partnership from 1994 to 1996 and was employed by International Risk Management Group from 1978 to 1994. Mr. Murphy has over 30 years experience in the insurance business and has held senior positions in several countries, including Cayman Islands, Ireland, Ethiopia and Saudi Arabia. Mr. Murphy holds a degree in economics and mathematics from University College, Dublin, Ireland.

Joseph Platt has been a director since July 2004. Currently, Mr. Platt is the general partner at Thorn Partners, LP a family limited partnership. Mr. Platt's career at Johnson and Higgins, a global insurance broker and employee benefits consultant, or J&H, spanned 27 years until the sale of J&H to Marsh & McLennan Companies in March of 1997. Since 1997, Mr. Platt has been an active private investor. At the sale of J&H, Mr. Platt was an owner, director and executive vice president responsible for North America and marketing and sales worldwide. He was head of the operating committee and a member of the executive committee. Mr. Platt received his B.A. from Manhattan College in 1968 and his J.D. from Fordham University Law School in 1971. Mr. Platt also attended Harvard Business School's

Advanced Management Program in 1983. Mr. Platt is on the board of directors of Jones Brown, a private Canadian insurance broker, and serves as an independent director of the BlackRock Open & Liquidity Funds. He is a member of the New York State Bar Association.

5

Table of Contents

Alternate Director

Daniel Roitman. Section 14 of the Articles provide that any director (other than an alternate director) may, by writing, appoint any other director, or any other person willing to act, to be an alternate director and, by writing, may remove from office an alternate director so appointed by him. We anticipate that, if re-elected, Mr. Einhorn will continue to appoint Daniel Roitman as his alternate director. Mr. Roitman is not a director nominee. Mr. Roitman has served as chief operating officer and partner of Greenlight Capital, Inc. since January 2003. From 1996 through 2002, Mr. Roitman worked at Goldman Sachs. Before joining Goldman Sachs, Mr. Roitman was employed as a member of the New York technology practice at Andersen Consulting, now Accenture. Mr. Roitman earned a B.S. with distinction in electrical engineering from Cornell University in 1991 and a M.Eng. in 1992. Mr. Roitman graduated with distinction from the New York University Stern School of Business in 2002, earning an MBA in Finance.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” THE ELECTION OF EACH OF THE NOMINEES ABOVE.

PROPOSAL TWO

ELECTION OF DIRECTORS OF GREENLIGHT RE

Pursuant to the Articles, with respect to any matter required to be submitted to a vote of the shareholders of Greenlight Re, the Company is required to submit a proposal relating to such matters to its own shareholders and vote all the shares of Greenlight Re owned by the Company in accordance with and proportional to such vote of the Company’s shareholders. Accordingly, the shareholders of the Company are being asked to consider this proposal.

Currently, we have seven directors serving on Greenlight Re’s Board of Directors, which is a full Board of Directors. Greenlight Re’s Board of Directors has nominated Alan Brooks, David Einhorn, Leonard Goldberg, Ian Isaacs, Frank Lackner, Bryan Murphy and Joseph Platt to serve as the directors of Greenlight Re, to be voted on by all holders of record of ordinary shares as of the Record Date. The Board of Directors has no reason to believe any nominee will not continue to be a candidate or will not be able to serve as a director of Greenlight Re if elected. In the event that any nominee is unable to serve as a director, the proxy holders named in the accompanying proxy have advised that they will vote for the election of such substitute or additional nominee(s) as the Board of Directors may propose. The Board of Directors unanimously recommends that you vote FOR the election of each of the nominees.

Each of the director nominees is currently serving as a director of Greenlight Re. Unless otherwise directed, the persons named in the proxy intend to vote all proxies FOR the election of the following director nominees.

Table of Contents

Director Nominees

Age	Position	Director	Name
Since 61	Director	2004	David Einhorn(3) 39 Chairman 2004 Leonard Goldberg(3) 45
2005	Director, Chief Executive Officer	2005	Ian Isaacs(2)(4) 53 Director 2008 Frank Lackner(1)(3)(4) 39
2004	Director	2004	Bryan Murphy(1)(2)(3) 62 Director 2008 Joseph Platt(2)(4) 60 Director 2004
			(1)
			Member of Audit Committee (2) Member of Compensation Committee (3) Member of Underwriting Committee (4)
			Member of Nominating and Governance Committee

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” AUTHORIZATION OF THE ELECTION OF GREENLIGHT RE’S NOMINEES ABOVE.

PROPOSAL THREE

AMENDMENT TO THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION

The Board of Directors proposes that our shareholders approve a Special Resolution to delete Article 11 of our Articles in its entirety and replace it with the language provided in Exhibit A such that Article 11 will permit the Company to conduct repurchases of its ordinary shares at its discretion. The purpose of the proposed amendment is to grant greater flexibility to the Company with respect to repurchases. In addition, the proposed amendment clarifies certain provisions. Pursuant to Article 94 of our Articles, the Company may alter or add to the Articles if such alteration or addition is approved by the affirmative vote of holders of two-thirds of the ordinary shares voted.

Article 11, as proposed to be amended and restated as described in this proposal, is attached as Exhibit A to this Proxy Statement. In the case of Exhibit A, the proposed changes to the Articles are reflected in the form of markings which indicate proposed deletions by striking through text that is proposed to be deleted, for example “proposed deletion,” and indicate proposed additions by underlining the text that is proposed to be added, for example “proposed addition.”

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” THE AMENDMENT OF THE THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION.

PROPOSAL FOUR

APPOINTMENT OF THE COMPANY’S AUDITOR

Upon recommendation of the Audit Committee, the Board of Directors proposes that the shareholders ratify the appointment of BDO to serve as the independent auditors of the Company for the 2008 fiscal year until the Company’s Annual General Meeting of Shareholders in 2009. BDO served as the independent auditors of the Company for the 2007 fiscal year. A representative of BDO will attend the Meeting, and will be available to respond to questions and may make a statement if he or she so desires.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” THE APPROVAL OF THE AUDITORS PROPOSAL.

Table of Contents

**PROPOSAL FIVE
APPOINTMENT OF GREENLIGHT RE'S AUDITOR**

Upon recommendation of the Audit Committee, the Board of Directors proposes that the shareholders ratify the appointment of BDO to serve as the independent auditors of Greenlight Re for the 2008 fiscal year until Greenlight Re's Annual General Meeting of Shareholders in 2009. BDO served as the independent auditors of Greenlight Re for the 2007 fiscal year. A representative of BDO will attend the Meeting, and will be available to respond to questions and may make a statement if he or she so desires.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL OF GREENLIGHT RE'S AUDITORS PROPOSAL.

Table of Contents

BOARD OF DIRECTORS MEETINGS AND COMMITTEES

The Board of Directors and its committees held the following number of meetings during the fiscal year ended December 31, 2007:

		Board of Directors	5	Audit Committee	6
Compensation Committee	4	Nominating and Governance Committee	4	Underwriting Committee	5
	24			Total	

Each of our directors attended in person, or by telephone from outside of the United States, at least 75% of the total number of meetings of the Board of Directors and any committee on which he served. It is our policy that directors are expected to attend the Meeting in the absence of a scheduling conflict or other valid reason.

Members of the Audit Committee, Compensation Committee and Nominating and Governance Committee must meet all applicable independence tests of the Nasdaq stock market rules and the applicable rules and regulations promulgated by the Securities and Exchange Commission, or the SEC. The Company's Nominating and Governance Committee and Board of Directors have reviewed the responses of director nominees to a questionnaire asking about their relationships (and those of immediate family members) with the Company and other potential conflicts of interest. Except as noted, the Board of Directors concluded that all of the director nominees listed below are independent in accordance with the director independence standards of the Nasdaq stock market rules and the SEC and that none has a material relationship with the Company that would impair his independence from management or otherwise compromise his ability to act as an independent director. Accordingly, the majority of the Board of Directors is currently and, if all the director nominees are elected, will be comprised of independent directors.

										Director
Independent	Transactions and Material Relationships	Alan Brooks	Yes	None	David Einhorn	No	President of Greenlight Capital, Inc. and senior managing member of DME Advisors	Leonard Goldberg	No	Chief Executive Officer of the Company
Ian Isaacs	Yes	None	Frank Lackner	Yes	None	Bryan Murphy	Yes	None	Joseph Platt	Yes
None	Jerome Simon*	Yes	None							

* Mr.

Simon resigned from the Board of Directors and its committees on May 1, 2008.

Audit Committee

The Audit Committee is currently composed entirely of non-management directors, being Messrs. Brooks (chairman), Lackner and Murphy, each of whom the Board of Directors has determined is independent in accordance with the Nasdaq stock market rules and applicable rules and regulations promulgated under the Securities Exchange Act of 1934, as amended, the Exchange Act. The Audit Committee has general responsibility for the oversight and surveillance of our accounting, reporting and financial control practices. The Audit Committee is governed by a written charter approved by our Board of Directors, which outlines its primary duties and responsibilities and which can be found on our website at www.greenlightre.ky. Mr. Brooks has been designated as an "audit committee financial expert" as defined in Section 407 of the Sarbanes-Oxley Act of 2002.

Table of Contents

Compensation Committee

The Compensation Committee is appointed by the Board of Directors and is currently composed of Messrs. Isaacs (chairman), Murphy and Platt. Prior to May 1, 2008, the Compensation Committee included Mr. Jerome Simon, who resigned on May 1, 2008, and did not include Mr. Isaacs, who was appointed by the Board of Directors on May 1, 2008. All of these members of our Compensation Committee are independent as defined under the Nasdaq stock market rules and applicable SEC rules and regulations. The purpose of our Compensation Committee is to discharge the responsibilities of our Board of Directors relating to compensation of our executive officers. The Compensation Committee is governed by a written charter approved by our Board of Directors, which outlines its primary duties and responsibilities and which can be found on our website at www.greenlightre.ky. Our Compensation Committee, among other things, assists our Board of Directors in ensuring that a proper system of compensation is in place to provide performance-oriented incentives to management and makes recommendations to the Board of Directors with respect to incentive-compensation plans and equity-based plans.

Nominating and Governance Committee

The Nominating and Governance Committee is currently composed of Messrs. Isaacs, Lackner and Platt (chairman). Prior to May 1, 2008, the Nominating and Governance Committee included Mr. Jerome Simon, who resigned on May 1, 2008, and did not include Mr. Isaacs, who was appointed by the Board of Directors on May 1, 2008. The Nominating and Governance Committee makes recommendations to the Board of Directors as to nominations and compensation for the Board of Directors and committee members, as well as structural, governance and procedural matters. The Nominating and Governance Committee also reviews the performance of the Board of Directors and the Company's succession planning. All of these members of our Nominating and Governance Committee are independent as defined under the Nasdaq stock market rules and applicable SEC rules and regulations. The Nominating and Governance Committee is governed by a written charter approved by our Board of Directors, which outlines its primary duties and responsibilities and which can be found on our website at www.greenlightre.ky.

The Nominating and Governance Committee is responsible for reviewing with the Board of Directors, on an annual basis, the requisite skills and characteristics of new directors as well as the composition of the Board of Directors as a whole. When the Board of Directors determines to seek a new member, whether to fill a vacancy or otherwise, the Nominating and Governance Committee generally does not use third-party search firms. The Nominating and Governance Committee considers recommendations from other directors, management and others, including shareholders. In general, the Nominating and Governance Committee looks for directors possessing superior business judgment and integrity who have distinguished themselves in their chosen fields of endeavor and who have knowledge or experience in the areas of insurance, reinsurance, financial services or other aspects of the Company's business, operations or activities.

The Nominating and Governance Committee will consider, for director nominees, persons recommended by shareholders, who may submit recommendations to the Nominating and Governance Committee in care of the Company's Secretary, Greenlight Capital Re, Ltd., The Grand Pavilion, 802 West Bay Road, P.O. Box 31110, Grand Cayman, KY1-1205, Cayman Islands. To be considered by the Nominating and Governance Committee, such recommendations must be accompanied by a description of the qualifications of the proposed candidate and a written statement from the proposed candidate that he or she is willing to be nominated and desires to serve if elected. Nominees for director who are recommended by shareholders to the Nominating and Governance Committee will be evaluated in the same manner as any other nominee for director. Nominations by shareholders may also be made at an Annual General Meeting of Shareholders in the manner set forth under "Shareholder Proposals for Annual General Meeting in 2009."

Underwriting Committee

The Underwriting Committee is composed of Messrs. Brooks, Einhorn, Goldberg, Lackner (chairman) and Murphy. Prior to May 1, 2008, the Underwriting Committee included

10

Table of Contents

Mr. Jerome Simon, who resigned on May 1, 2008, and did not include Mr. Murphy, who was appointed to the Board of Directors on May 1, 2008. The Underwriting Committee, among other things, advises our Board of Directors and management concerning the establishment and review of our underwriting policies and guidelines, oversees our underwriting process and procedures, monitors our underwriting performance and oversees our underwriting risk management exposure. The Underwriting Committee is governed by a written charter approved by our Board of Directors, which outlines its primary duties and responsibilities and which can be found on our website at www.greenlightre.ky.

Executive Officers

Age	Position	Position	Name
45	Director, Chief Executive Officer	2005 Barton Hedges	42 President and Chief Underwriting Officer
47	Chief Financial Officer	2006 Tim Courtis	

* See

biography above under “Director Nominees.”

Barton Hedges has served as President and Chief Underwriting Officer of Greenlight Re since January 2006. Mr. Hedges has more than 20 years experience in the property and casualty insurance and reinsurance industry and is a Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries. Prior to joining Greenlight Re, Mr. Hedges served as president and chief operating officer of Platinum Underwriters Bermuda, Ltd., a property, casualty and finite risk reinsurer from July 2002 until December 2005, where he was responsible for the initial start-up of the company and managed the company’s day-to-day operations. Mr. Hedges previous experience includes serving as executive vice president and chief operating officer of Bermuda-based Scandinavian Re, actuarial consultant at Tillinghast – Towers Perrin, Senior Manager at Deloitte & Touche LLP and actuarial manager at United States Fidelity and Guaranty Company, where he began his career in 1987. Mr. Hedges has a B.A. in Mathematics from Towson State University.

Tim Courtis has served as Chief Financial Officer since May 2006. Mr. Courtis has 19 years experience in the property and casualty reinsurance, captive and insurance industry. Mr. Courtis was president and chief financial officer of European International Reinsurance Company Ltd., a subsidiary of Swiss Re, from August 1994 until April 2006, where he was responsible for the management and financial analysis of Swiss Re’s Barbados-based entities. Prior to joining Swiss Re in 1994, Mr. Courtis worked for Continental Insurance in Barbados and International Risk Management Company in Bermuda where he performed duties as senior account manager to various captive insurance companies. Mr. Courtis is a Canadian Chartered Accountant and has a MBA from York University, Toronto and a Bachelor of Business from Wilfrid Laurier University, Waterloo.

Director Compensation

We currently have five independent directors who receive compensation from us for their services. Under the Articles, our directors may receive such compensation for their services as may be determined by the Board of Directors. Neither Mr. Einhorn nor Mr. Goldberg is eligible for compensation as a member of the Board of Directors. During 2007, we revised our director compensation package. From January 1, 2007 until April 30, 2007, we paid our directors, excluding Messrs. Einhorn and Goldberg, an annual retainer of \$10,000, a per board meeting fee of \$2,000 and a per committee meeting fee of \$1,000. A director who attended a meeting telephonically received one-half of the

scheduled fee. We reimburse directors for usual and customary expenses while on company business.

On February 15, 2007, the Compensation Committee determined that the annual retainer we pay to our directors, excluding Mr. Einhorn and Mr. Goldberg, should be increased from \$10,000 to \$50,000, effective May 1, 2007, payable at the election of the directors either quarterly (for quarters commencing May 1) in arrears, in cash or once in restricted shares, which restricted shares will vest at

11

Table of Contents

the earlier of the date of the one year anniversary of the grant date and the next Annual General Meeting of Shareholders. In addition, the Compensation Committee determined to cease the payment of per meeting fees. Each independent director will also be annually awarded 2,000 restricted shares, which will vest at the earlier of the date of the one year anniversary of the grant date and the next Annual General Meeting of Shareholders. The Compensation Committee also determined that, effective May 2007, the Chairman of the Audit Committee will receive an additional \$20,000 in cash annually, payable quarterly (for quarters commencing May 1) in arrears.

Director Compensation Table

The following table summarizes the compensation paid to our independent directors in 2007.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(1)	Option Awards (\$)(2)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Alan Brooks	22,167	69,811	1,956	—	—	—	93,934
Ian Isaacs(3)	6,000	—	—	—	—	—	6,000
Frank Lackner	42,167	39,615	1,956	—	—	—	83,738
Joseph Platt	8,333	69,811	—	—	—	—	78,144
Jerome Simon(4)	80,100	35,417	22,945	—	—	—	138,462

(1) On December 31, 2007, the aggregate number of Class A ordinary shares held by each director, as a result of stock awards was:

Alan Brooks	9,632	Ian Isaacs	3,333	Frank Lackner	7,000	Joseph Platt	9,632	Jerome Simon	2,000
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All awards were granted under our stock incentive plan. We account for the stock incentive plan under Statement of Financial Accounting Standards No. 123R, "Share-Based Payments," or SFAS No. 123R. The value reported above in the "Stock Awards" column is the amount we expensed during 2007 for each director's stock award.

(2) The aggregate number of option awards held on December 31, 2007 by each of Messrs. Brooks, Lackner and Platt was 2,000. All awards were granted under our stock incentive plan. The full grant date fair value of the options computed in accordance with SFAS No. 123R is \$12,340 per director listed in this table. We account for the stock incentive plan under SFAS No. 123R. The value reported above in the "Option Awards" column is the amount we expensed during 2007 for each director's option award. (3) Mr. Isaacs has been a director since May 1, 2008 and was a director of the Company from 2004 to 2007. He previously resigned from our Board of Directors on February 16, 2007 where upon he forfeited 2,000 unvested options and 1,667 stock awards. (4) Mr. Simon resigned as a director of the Company on May 1, 2008.

Directors' Option Exercises and Stock Vested

On September 20, 2004, we granted restricted stock awards to four directors, Messrs. Platt, Lackner, Isaacs and Brooks, in respect of 5,000 Class A ordinary shares each under our stock incentive plan. The restricted stock awards vested one third on each of September 20, 2005, September 20, 2006 and September 20, 2007, subject to the director's continued service. If the director's service terminates for any reason other than the director's death, disability or upon a change in control prior to the vesting dates, any unvested shares subject to the restricted stock award will be forfeited by the director and cancelled by us. Due to his resignation from our Board of Directors on February 16, 2007, Mr. Isaacs forfeited 1,667 shares of his restricted stock award.

On February 28, 2006, we granted options to four directors, Messrs. Platt, Lackner, Isaacs and Brooks, to acquire 2,000 Class A ordinary shares each with a per share exercise price of \$12.05. Each of the options vests and becomes exercisable with respect to 666 shares on each of February 28, 2007,

Table of Contents

February 28, 2008 and February 28, 2009, subject to the director's continued service with us. Due to his resignation from our Board of Directors on February 16, 2007, Mr. Isaacs forfeited his 2,000 stock options.

The following table summarizes the options exercised and the stock awards that vested during 2007.

Option Awards	Stock Awards	Name	Number of											
Shares			Shares											
Acquired on														
Exercise (#)	Value													
Realized on														
Exercise (\$)	Number of													
Shares														
Acquired on														
Vesting (#)	Value													
Realized on														
Vesting (\$)(1)														
1,667	34,240	Alan Brooks	—	—	1,667	34,240	Ian Isaacs(2)	—	—	—	—	Frank Lackner	—	—
		Joseph Platt	—	—	1,667	34,240								

(1) The value realized on vesting represents the number of stock awards that vested multiplied by the closing price per share on the day prior to the vesting date (September 19, 2007). (2) Mr. Isaacs has been a director since May 1, 2008 and was a director of the Company from 2004 to 2007. He previously resigned from our Board of Directors on February 16, 2007 where upon he forfeited the 1,667 stock awards that would have vested on September 20, 2007.

Shareholder Communication

The Nominating and Governance Committee has adopted a policy for handling shareholder communications to directors. The policy and contact information can be found on our website at www.greenlightre.ky. Shareholders may send written communications to the Board of Directors or any one or more of the individual directors by mail, c/o Secretary, Greenlight Capital Re, Ltd., The Grand Pavilion, 802 West Bay Road, P.O. Box 31110, Grand Cayman, KY1-1205, Cayman Islands or by fax at (345) 745-4576. There is no screening process, other than to confirm that the sender is a shareholder and to filter inappropriate materials and unsolicited materials of a marketing or publication nature. All shareholder communications that are received by the Secretary of the Company for the attention of a director or directors are forwarded to the director or directors.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Policy

In general, we seek to pay salaries and living expenses that are commensurate with the salaries and living expenses paid by other reinsurance companies to executives in similar positions. However, as we are the first global reinsurer in the Cayman Islands, no direct comparisons may be made.

Our performance-driven compensation policy consists of the following three components:

- base salary;
- bonuses; and
- stock incentive plan awards.

We use short-term compensation comprised of base salary and annual cash bonuses and long-term compensation comprised of deferred bonuses, stock options and restricted stock in an effort to align our employees' and executive officers' interests with those of our shareholders with the goal of increasing long-term growth in book value per share. We compensate our current executive officers, Messrs. Goldberg, Hedges and Courtis, or the named executive officers, according to the terms of their employment agreements.

Our Compensation Committee reviews all recommendations made with respect to discretionary compensation and approves all discretionary compensation decisions for all of our employees, including our named executive officers. Each year, our named executive officers provide information and recommendations to the Compensation Committee with respect to individual performance to assist the Compensation Committee with its analysis and evaluation of each employee's compensation. However, while the Compensation Committee considers this information, it is not bound by the named executive officers' recommendations. While the Compensation Committee is generally familiar with the compensation of similarly situated individuals and does consider this information when making compensation decisions, given the nature of our business and compensation, the Compensation Committee has not felt it necessary to utilize the services of a compensation consultant or to do any formal benchmarking.

Base Salary

We use base salary to recognize the experience, skills, knowledge, roles and responsibilities of our employees and executive officers. When establishing the base salaries of our named executive officers, our Compensation Committee considered a number of factors, including:

- the individual's years of underwriting and actuarial experience;
- the functional role of the position;
- the level of the individual's responsibility;
- our ability to replace the individual; and
- the limited number

of well-qualified candidates available in or willing to relocate to the Cayman Islands.

Base salaries, which may include a living allowance, are expected to be reviewed by the Compensation Committee for possible increases at least every three years.

Bonuses

We use bonuses to reward individual and company performance. We expect our bonuses to be highly variable from year to year. Our Compensation Committee determines each named executive officer's target bonus, expressed as a percentage of his base salary.

Mr. Goldberg's employment agreement specifies a target bonus of 100% of base salary. Mr. Hedges' employment agreement specifies a target bonus of 100% of base salary. Mr. Courtis'

14

Table of Contents

employment agreement specifies a target bonus of 50% of base salary. Actual bonuses paid during 2007 with respect to 2006 performance were \$600,000 to Mr. Goldberg, \$520,000 to Mr. Hedges and \$103,333 to Mr. Courtis.

Our Compensation Committee approved a new bonus program, which became effective as of the 2007 year and in which all our employees, including our named executive officers, participate. Under the new bonus program, each employee's target bonus consists of two components: a quantitative component based on return on deployed equity relating to our reinsurance operations and a discretionary component based on a qualitative assessment of each employee's performance. Each employee is assigned a percentage of the portion of his or her bonus that will be determined based upon the quantitative component of his or her bonus. An employee's quantitative bonus percentage may be adjusted annually by the Compensation Committee. The remaining portion of the target bonus is discretionary and determined based on a qualitative assessment of the employee's performance in relation to certain annual performance goals and objectives.

The quantitative portion of an employee's annual bonus is not calculated and paid until two years from the end of the fiscal year in which the business was underwritten. The employee's receipt of the quantitative portion of his or her bonus is therefore deferred for two years so that we can better determine the actual performance of the reinsurance contracts for such underwriting year. An employee must be employed by us on the last day of the applicable fiscal year in order to receive the quantitative component of his or her bonus with respect to such year, but need not be employed by us at the date of payment of the deferred amounts. We note that the Compensation Committee has the discretion to reduce or increase any employee's quantitative component bonus award based on his or her individual performance or other extraordinary factors.

We do not provide financial guidance relative to our return on deployed equity relating to our reinsurance operations; we believe that disclosure of the specific details of our return on deployed equity methodology and the levels required for bonus payments would cause us competitive harm. Moreover, 2007 is the first year in which our Compensation Committee employed this bonus program, and we only commenced our underwriting operations in April 2006. Therefore, we have not reached our first two year deferral period and we cannot assess whether the levels required for payment of quantitative bonuses, or any portion thereof, will be attained, with any degree of certainty. However, we believe that the levels required for quantitative bonus payments to each of our employees are attainable.

The discretionary portion of an employee's annual bonus is determined by taking into account the employee's achievement of individual performance goals established by the employee and management and reviewed and approved by our Chief Executive Officer (in the case of non-management employees) or the Compensation Committee (in the case of management employees). An employee must be employed by us or one of our subsidiaries on the last day of the year in order to receive the discretionary component of his or her bonus for the year.

With respect to the 2007 discretionary bonuses of our named executive officers, the Compensation Committee considered the individual performance of each of our named executive officers taking into account their respective achievements in relation to certain goals and objectives and such other criteria as the Compensation Committee deemed appropriate. The following is a non-exclusive list of factors considered by the Compensation Committee in making 2007 qualitative bonus determinations, none of which were assigned any particular weight and none of which were necessarily applicable to any particular named executive officer:

Expanding new lines of business;

relationships with brokers, agents and managing general agents;

- Developing

regulatory issues and relationships, including with rating agencies;
letters of credit facilities;
of Directors and committee meetings run efficiently and effectively;
public offering process, including any SEC or Nasdaq issues;

- Coordinating
- Managing our
- Ensuring that Board
- Managing the initial

15

Table of Contents

developing staff;

- Recruiting and

managing relationships with outside experts, including financial advisors, attorneys and accountants;

- Developing and
- Developing

expertise in SEC reporting requirements; and

- Producing

underwriting analyses and reports which help the Company track the progress of its business.

As a result of these analyses, the Compensation Committee approved discretionary bonus amounts at 100% of target with respect to 2007 performance, resulting in a \$100,000 qualitative bonus payment to Mr. Goldberg, a \$90,000 qualitative bonus payment to Mr. Hedges and a \$90,000 qualitative bonus payment to Mr. Courtis.

The discretionary bonus amounts were paid on March 7, 2008.

Stock Incentive Plan Awards

In 2004, we adopted a stock incentive plan, which was amended and restated effective as of August 15, 2005, February 14, 2007 and May 4, 2007. We have historically granted stock options to our employees, including our named executive officers, at employment inception that vest ratably over three years. Pursuant to the terms of his employment agreement, Mr. Goldberg also receives annual option grants. In accordance with Mr. Goldberg's employment agreement, on August 15, 2007, our Board of Directors granted Mr. Goldberg options to acquire 50,000 Class A ordinary shares at an exercise price of \$19.60 per share, which was the fair market value of the shares on the grant date.

The Compensation Committee has decided that over the long term, restricted stock will be the preferred form of equity compensation as it better aligns management with long-term shareholder value creation. The Compensation Committee has established the target value of restricted stock grants that each named executive officer may receive. The actual value of restricted stock grants will depend upon each named executive officer's performance, as determined by the Compensation Committee and may be less than or greater than the target value. The restricted stock will be subject to three-year cliff vesting. Unvested restricted shares will be forfeited if a named executive officer terminates employment for any reason (other than death or disability). Currently, we expect long-term compensation, or the deferred portion of our bonus program and stock incentive plan awards, to represent the majority of each named executive officer's compensation.

In order to prevent the backdating of equity awards and to ensure that the timing of awards or the release of material information will not be accelerated or delayed to allow an award recipient to benefit from a more favorable stock price, the Board of Directors and the Compensation Committee adopted a policy with respect to the equity grant practices which delineates specific procedures which must be followed when granting equity awards. We believe this policy will help the integrity of our equity award grant practices.

With respect to the 2006 year, the Compensation Committee approved and we granted awards of 37,000, 33,500 and 19,065 Class A ordinary restricted shares to Messrs. Goldberg, Hedges and Courtis, respectively, under the stock incentive plan. The shares were granted on March 15, 2007 and are restricted and subject to three-year cliff vesting. These stock awards reflect the Compensation Committee's assessment of each individual's successful performance during 2006 with respect to building the Company's underwriting platform and efforts made to prepare the Company for a successful initial public offering.

With respect to the 2007 year, the Compensation Committee approved and we granted awards of 24,935 Class A ordinary restricted shares to each of Messrs. Goldberg, Hedges and Curtis under the stock incentive plan. The shares were granted on March 24, 2008 and are restricted and subject to three-year cliff vesting.

16

Table of Contents

Other

Our named executive officers are currently parties to employment agreements. We do not contemplate amending these agreements, except to the extent necessary to comply with Section 409A of the Internal Revenue Code of 1986, as amended, or the Code. In addition, we intend to continue to maintain our current benefits and perquisites for our executive officers. However, the Compensation Committee may revise, amend or add to these benefit programs at its discretion.

Because we are not a U.S. taxpayer, our compensation program has not been designed to comply with Section 162(m) of the Code.

Ordinary Share Ownership Guidelines

We believe that broad-based share ownership by our employees, including our named executive officers, is the most effective method to deliver superior shareholder returns by increasing the alignment between the interests of our employees and our shareholders. We do not, however, have a formal requirement for share ownership by any group of employees.

Change in Control and Severance

Upon termination of employment or a change in control, the named executive officers may receive accelerated vesting of awards granted under our stock incentive plan and severance payments under their employment agreements.

Under our stock incentive plan, the Compensation Committee generally has the discretion to vest unvested awards upon a change in control as described below under “—The Stock Incentive Plan.” This discretion allows the Compensation Committee to determine at the time of the change in control whether, and the extent to which, additional vesting is warranted. In addition, Mr. Goldberg’s option agreements and each named executive officer’s restricted stock award agreement provide for accelerated vesting upon termination of employment under certain circumstances, including upon a change in control. For more details on these termination provisions, see “Potential Payments upon Termination or Change in Control.”

Upon termination of employment without cause or for good reason, our named executive officers are eligible for severance payments which, depending upon the circumstances surrounding termination, may include:

- a cash payment equal to one year’s annual salary and bonus;
- a pro-rated target bonus for the year of termination; and
- one year of continued health benefits.

The amount of our severance obligations is designed to be competitive with the amounts payable to executives in similar positions at other global reinsurance companies with which we compete for talent. Severance payments are made monthly and are contingent upon the named executive officer’s continued compliance with the restrictive covenants in his employment agreement. Mr. Goldberg’s agreement contains a special provision whereby he may terminate his employment and receive severance benefits in the event of a change in control (as defined under the description of his employment agreement). We agreed to this provision in consideration of the risk Mr. Goldberg took

by joining us in our formation stages and our recognition of his willingness to take the risk and his confidence in both our overall strategy and the strength of our Board of Directors.

Compensation Committee Report

In February 2008, the Compensation Committee reviewed and discussed the compensation discussion and analysis required by Regulation S-K, Item 402(b) promulgated under the Exchange Act, with management. Based on the review and discussions referred to in the preceding sentence, the Compensation Committee recommended to the Board of Directors that the compensation discussion and analysis disclosure be included in this Proxy Statement.

17

Table of Contents

The foregoing report is provided by the following directors, who constitute the Compensation Committee:

The Compensation Committee
Jerome Simon (Chairman)(1)

Alan Brooks

Joseph Platt

The foregoing Compensation Committee Report shall not be incorporated by reference in any previous or future documents filed by the Company with the SEC under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates the Report by reference in any filed document.

(1) Mr.

Simon resigned as a director of the Company on May 1, 2008, but served as a director and Chairman of the Compensation Committee at the time of this Compensation Committee Report.

Summary Compensation Table

The following Summary Compensation Table summarizes the total compensation awarded to our named executive officers in 2007 and 2006.

Principal Position	Name and Year	Salary								
(\$)	Bonus									
(\$)	Stock Awards									
(\$)(3)	Option Awards									
(\$)(4)	Non-Equity Incentive Plan Compensation									
(\$)(5)	Change in Pension Value and Nonqualified Deferred Compensation Earnings									
(\$)	All Other Compensation									
(\$)(6)	Total									
(\$)	Leonard Goldberg, CEO	2007	500,000	100,000 (1)	156,593	1,119,566	—	—	127,317 (7)	
		2006	500,000	600,000	—	1,469,246	—	—	124,268 (7)	2,693,514 Barton
	Hedges, CUO	2007	450,000	90,000 (1)	141,780	405,799	—	—	79,317 (8)	1,166,896
		2006	450,000	570,000 (2)	—	898,264	—	—	76,268 (8)	1,994,532 Tim Curtis, CFO
		2007	291,667	90,000 (1)	80,688	196,037	—	—	79,317 (9)	737,709 2006 166,667 103,333

— 208,712 — — 77,268 (10) 555,980

(1)

Represents the discretionary portion of the named executive officer’s bonus, which was paid on March 7, 2008. (2) Includes a signing bonus of \$50,000, which Mr. Hedges received in accordance with the terms of his employment agreement. (3) All stock awards were granted under our stock incentive plan. We account for the stock incentive plan under SFAS No. 123R. The value reported above under Stock Awards is the amount we expensed during 2007 for each named executive officer’s restricted stock award. (4) All stock options were granted under our stock incentive plan at fair value on the date of grant. The value reported above under Option Awards is the amount we expensed during 2007 and 2006 for each named executive officer’s stock option award. (5) The quantitative portion of each named executive officer’s bonus for 2007 is only an estimate. As discussed in the “Compensation Discussion & Analysis” section of this proxy statement, such quantitative component is calculated and paid two years following the end of the fiscal year in which the business is underwritten (in this case, 2007 is the underwriting year and the quantitative portion of the bonus will be paid in 2010). As of December 31, 2007, we believe that these bonus amounts would equal approximately \$984,000 for Mr. Goldberg, \$885,000 for Mr. Hedges and \$148,000 for Mr. Curtis. We note, however, that the ultimate amount of the quantitative portion of the bonus for each named executive officer may differ materially from the estimate provided herein. (6) The amounts shown in this column include a housing allowance and the amounts we contributed to our defined contribution pension plan on behalf of each named executive officer. (7) Includes a \$120,000 housing allowance and amounts contributed to our defined contribution pension plan on behalf of Mr. Goldberg. (8) Includes a \$72,000 housing allowance and amounts contributed to our defined contribution pension plan on behalf of Mr. Hedges. (9) Includes a \$72,000 housing allowance and amounts contributed to our defined contribution pension plan on behalf of Mr. Curtis. (10) Includes a \$25,000 relocation allowance, a \$48,000 housing allowance and amounts that we contributed to our defined contribution pension plan on behalf of Mr. Curtis.

Table of Contents

Grants of Plan Based Awards

The Compensation Committee, or our Board of Directors acting as the Compensation Committee, granted stock option and restricted stock awards under our stock incentive plan and established target quantitative bonuses (which will be paid in 2010) for our named executive officers in 2007. Set forth in the following table is information regarding stock option and restricted stock awards granted in 2007 as well as 2007 target quantitative bonus amounts.

Estimated Future Payouts
Under Non-Equity Incentive
Plan Awards Estimated Future Payouts
Under Equity Incentive Plan
Awards All other
Stock
Awards:
Number of
Shares of
Stock or
Units
(#) All other
Option
Awards:
Number of
Securities
Underlying
Options
(#)