



**Alterra Capital Holdings Limited**

**ALTE NASDAQ**

**Insurance - Property / Casualty**

Market Capitalization USD:

**\$2,006.92 mm**

**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: W. Marston Becker**

**Age: 59**

**CEO Since: 2006**

	2009	2010	2011
<b>Base Salary</b>	\$978,300	\$1,065,800	\$1,150,000
<b>Discretionary Bonus</b>	\$1,020,000	\$1,700,000	\$1,250,000
<b>Annual Cash Incentive</b>	\$0	\$0	\$0
<b>Benefits and Perquisites</b>	\$362,161	\$348,646	\$1,033,515
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$2,360,461</b>	<b>\$3,114,446</b>	<b>\$3,433,515</b>
<b>Increase in Post-Retirement Benefits</b>	\$0	\$0	\$0
<b>Stock Option Awards</b>	\$651,081	\$0	\$0
<b>Stock Awards</b>	\$1,608,336	\$4,076,734	\$3,952,988
<b>TOTAL COMPENSATION</b>	<b>\$4,619,878</b>	<b>\$7,191,180</b>	<b>\$7,386,503</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$1,799,376	\$3,889,434	\$2,198,954
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$0	\$0
<b>Value Realized on Vesting of Stock</b>	\$43,320	\$586,226	\$1,707,632
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$43,320</b>	<b>\$586,226</b>	<b>\$1,707,632</b>

**Proxy Date:** 26 Mar 2012

**Annual Meeting Date:** 8 May 2012

**Equity Reserves:** 5.97%

**Stock Option Run Rate:** 0.06%

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## Performance Comparison

■ S&P500 ■ Industry ■ ALTE



## Peer Comparisons (TRBC) = Insurance - Property / Casualty

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
ALTE	Alterra Capital Holdings Limited	\$4,619,878	\$7,191,180	\$7,386,503	\$2,006,920,849
VRSK	Verisk Analytics, Inc.	\$11,636,561	\$7,144,832		\$5,730,593,384
XL	XL Group plc	\$6,212,437	\$10,481,557	\$8,936,065	\$5,599,725,173
ACGL	Arch Capital Group, Ltd.	\$7,675,615	\$9,474,938	\$9,287,412	\$4,353,762,240
CINF	Cincinnati Financial Corporation	\$1,409,796	\$2,314,728	\$1,754,487	\$4,295,637,787
WRB	W. R. Berkley Corporation	\$17,810,079	\$24,633,641		\$4,160,529,887
ERIE	Erie Indemnity Company		\$2,067,297		\$3,900,110,789

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

Allied World Assurance Company, Ltd., Everest Re Group, Ltd., Arch Capital Group Ltd., Montpelier Re Holdings Ltd., Aspen Insurance Holdings Limited, Platinum Underwriters Holdings, Ltd., AXIS Capital Holdings Limited, Transatlantic Holdings, Inc., Endurance Specialty Holdings Ltd., Validus Holdings, Ltd.

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## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Willis T. King	Chairman	67	Male	13	Outside Related
James D. Carev	Member	45	Male	2	Outside Related
Mario P. Torsiello	Member	56	Male	12	Outside Related
Stephan F. Newhouse	Member	64	Male	7	Outside

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