

VALIDUS HOLDINGS LTD  
Form DEF 14A  
March 14, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No.        )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12  
Validus Holdings, Ltd.  
(Name of Registrant as Specified In Its Charter)

(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.
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  - (1 ) Amount Previously Paid:
  - (2 ) Form, Schedule or Registration Statement No.:
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  - (4 ) Date Filed:



VALIDUS HOLDINGS, LTD.

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NOTICE OF ANNUAL GENERAL MEETING OF HOLDERS OF COMMON SHARES  
TO BE HELD ON APRIL 30, 2014

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29 Richmond Road  
Pembroke, HM 08  
Bermuda

March 14, 2014

TO THE HOLDERS OF COMMON SHARES OF VALIDUS HOLDINGS, LTD.

Notice is hereby given that the Annual General Meeting of holders (the "Shareholders") of Common Shares of Validus Holdings, Ltd. (the "Company") will be held at the Company's offices located at 29 Richmond Road, Pembroke HM08, Bermuda, on Wednesday, April 30, 2014 at 8:00 a.m. local time for the following purposes:

1. To elect four Class I Directors to hold office until 2017;
2. To approve, by a non-binding advisory vote, the executive compensation payable to the Company's named executive officers;
3. To approve the selection of PricewaterhouseCoopers Ltd. to act as the independent registered public accounting firm of the Company for the year ending December 31, 2014; and
4. To transact such other business as may properly come before the meeting or any adjournments thereof.

Only Shareholders of record at the close of business on March 3, 2014, are entitled to receive notice of and to vote at the Annual General Meeting. For instructions on voting, please refer to the instructions on the Notice Regarding the Availability of Proxy Materials you received in the mail or, if you requested a hard copy of the Proxy Statement, on your enclosed proxy card.

PLEASE VOTE YOUR PROXY AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND 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 CARD. IF NO INSTRUCTION IS GIVEN, YOUR SHARES WILL BE VOTED CONSISTENT WITH THE RECOMMENDATIONS OF THE BOARD OF DIRECTORS CONTAINED IN THE PROXY STATEMENT.

By Order of the Board of Directors,

Lorraine Dean  
Secretary

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VALIDUS HOLDINGS, LTD.

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PROXY STATEMENT  
FOR THE  
ANNUAL GENERAL MEETING OF HOLDERS OF COMMON SHARES  
TO BE HELD ON APRIL 30, 2014

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The accompanying proxy is solicited by the Board of Directors of Validus Holdings, Ltd. (the "Company") to be voted at the Annual General Meeting of holders (the "Shareholders") of the Company's Common and Restricted Shares (the "Shares") to be held on April 30, 2014 and any adjournments thereof. Pursuant to rules adopted by the U.S. Securities and Exchange Commission (the "SEC"), the Company has elected to provide access to its proxy materials over the Internet. Accordingly, the Company is mailing a Notice Regarding the Availability of Proxy Materials (the "Notice") to Shareholders. The Notice, the Proxy Statement, the Notice of Annual General Meeting and the proxy card are first being made available to Shareholders on or about March 14, 2014. The Company has made available with this Proxy Statement the Company's Annual Report on Form 10-K (the "Annual Report to Shareholders"), although the Annual Report to Shareholders should not be deemed to be part of this Proxy Statement. All Shareholders will have the ability to access the proxy materials on a website referred to in the Notice. Shareholders may also request to receive a printed set of the proxy materials. In addition, Shareholders may specify how they would prefer to receive proxy materials in the future, including receiving proxy materials by e-mail or in hard copy format. Choosing to receive your future proxy materials by e-mail will save the Company the cost of printing and mailing documents to you and will also reduce the impact on the environment. If you choose to receive future proxy materials by e-mail, you will receive an e-mail next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by e-mail will remain in effect until you terminate it. Additionally, if you elect to receive future proxy materials in hard copy form by mail, this election will remain in effect until you terminate it. When such proxy is properly executed and returned, the Shares of the Company it represents will be voted at the Annual General Meeting on the following:

- (1) the election of the four nominees for Class I Directors identified herein;
- (2) the approval, by a non-binding advisory vote, of the executive compensation payable to the Company's named executive officers as described in the Executive Compensation section of this Proxy Statement, including the Compensation Discussion and Analysis, summary compensation and other related tables; and
- (3) the approval of the selection of PricewaterhouseCoopers Ltd. (the "Independent Auditor"), to act as the independent registered public accounting firm of the Company for the year ending December 31, 2014.

Any Shareholder giving a proxy has the power to revoke it prior to its exercise by giving notice of such revocation to the General Counsel of the Company in writing at Validus Holdings, Ltd., 29 Richmond Road, Pembroke, HM 08, Bermuda, by attending and voting in person at the Annual General Meeting or by executing a subsequent proxy, provided that such action is taken in sufficient time to permit the necessary examination and tabulation of the subsequent proxy or revocation before the votes are taken.

Shareholders of record as of the close of business on March 3, 2014 will be entitled to vote at the Annual General Meeting. As of March 3, 2014, there were 95,041,230 Shares outstanding. Each Share entitles the holder of record thereof to one vote at the Annual General Meeting; however, if, and for so long as, the Shares of a Shareholder, including any votes conferred by "controlled shares" (as defined below), would otherwise represent more than 9.09% of the aggregate voting power of all Shares entitled to vote on a matter, the votes conferred by such Shares will be reduced by whatever amount is necessary such that, after giving effect to any such reduction (and any other reductions in voting power required by our Amended and Restated Bye-laws ("Bye-laws")), the votes conferred by such shares represent 9.09% of the aggregate voting power of all Shares entitled to vote on such matter. "Controlled shares" include, among other things, all shares that a person is deemed to own directly, indirectly or constructively (within the meaning of Section 958 of the Internal Revenue Code of 1986 or Section 13(d)(3) of the Securities Exchange Act of 1934, as amended ("the Exchange Act")).

Other than the approval of the minutes of the 2013 Annual General Meeting, the Company knows of no specific matter to be brought before the Annual General Meeting that is not referred to in the Notice of Annual General Meeting. If any such matter comes before the Annual General Meeting, including any Shareholder proposal properly made, the proxy holders will vote proxies in accordance with their judgment.

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The election of each nominee for Director requires the affirmative vote of a plurality of the votes cast at the Annual General Meeting. The approval of the selection of the Independent Auditor referred to in Item 3 above requires the affirmative vote of a majority of the votes cast on such proposal at the Annual General Meeting, provided there is a quorum (consisting of two or more Shareholders present in person and representing in person or by proxy in excess of fifty percent (50%) of the total issued Shares of the Company throughout the meeting). Abstentions and broker non-votes (i.e., shares held by a broker which are represented at the Annual General Meeting but with respect to which such broker does not have discretionary authority to vote on a particular proposal) will be counted for purposes of determining whether a quorum exists, but will not be considered present and voting with respect to the election of nominees for Director or other matters to be voted upon at the Annual General Meeting. Therefore, abstentions will have no effect on the outcome of the proposals presented at the Annual General Meeting.

Our principal executive offices are located at 29 Richmond Road, Pembroke HM08, Bermuda (telephone number: (441) 278-9000).

OWNERSHIP OF COMMON STOCK BY  
MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The following table sets forth information as of March 3, 2014 regarding the beneficial ownership of our common shares by:

each person known by us to beneficially own more than 5% of our outstanding common shares;

each of our directors;

each of our named executive officers; and

all of our directors and executive officers as a group.

The information provided in the table below with respect to each principal shareholder has been obtained from that shareholder.

Beneficial owner (1)(12)(15)		Common shares	Shares subject to exercise of Warrants	Unvested restricted shares and shares subject to exercise of options	Total common shares and common share equivalents(11)	Total beneficial ownership (%) (2)	Fully diluted total beneficial ownership (%) (2)	
Funds affiliated with or managed by FMR LLC	(3)	11,150,218	—	—	11,150,218	12.07	% 10.94	%
Funds affiliated with or managed by Aquiline Capital Partners LLC	(4)	3,446,643	2,756,088	—	6,202,731	6.52	% 6.09	%
Funds affiliated with or managed by Boston Partners	(5)	6,407,855	—	—	6,407,855	6.94	% 6.29	%
Funds affiliated with or managed by The Vanguard Group	(6)	5,138,680	—	—	5,138,680	5.56	% 5.04	%
Edward J. Noonan	(7), (8)	738,127	29,039	924,388	1,691,554	0.83	% 1.66	%
Jeffrey D. Sangster	(7)	37,396	—	94,496	131,892	0.04	% 0.13	%
C. N. Rupert Atkin	(7)	371,532	—	104,541	476,073	0.40	% 0.47	%
Kean D. Driscoll	(7)	10,953	—	119,862	130,815	0.01	% 0.13	%
John J. Hendrickson	(7), (8)	30,935	—	63,694	94,629	0.03	% 0.09	%
Joseph E. (Jeff) Consolino	(8), (14)	213,381	—	220,884	434,265	0.23	% 0.43	%
Michael E.A. Carpenter	(8)	301,678	—	692	302,370	0.33	% 0.30	%
Matthew J. Grayson	(8), (13)	6,400	291,151	—	297,551	0.32	% 0.29	%
Jeffrey W. Greenberg	(8), (10)	3,446,643	2,766,106	—	6,212,750	6.53	% 6.10	%
Jean-Marie Nessi	(8)	1,352	—	—	1,352	—	% —	%
Mandakini Puri	(8)	1,352	—	—	1,352	—	% —	%
Dr. Therese M. Vaughan	(8)	1,352	—	—	1,352	—	%	