

Management Development and Compensation Committee Charter for XL Group plc

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Purpose

The Management Development and Compensation Committee is appointed by the Board to oversee the Board's responsibilities relating to (i) compensation and benefit plans, policies and programs of the Company, (ii) compensation of the Company's executive officers and (iii) executive management development and succession planning.

Committee Membership

The Management Development and Compensation Committee shall consist of no fewer than three members. The members of the Management Development and Compensation Committee shall meet the independence requirements of the New York Stock Exchange and any other requirements set forth in applicable laws, rules and regulations.

The members of the Management Development and Compensation Committee shall be appointed annually by the Board on the recommendation of the Nominating, Governance and External Affairs Committee (the "Nominating & Governance Committee"). Management Development and Compensation Committee members may be removed by the Board at any time if necessary or appropriate.

Committee Authority and Responsibilities

1. The Management Development and Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of the Chief Executive Officer or senior executive compensation and shall have sole authority to approve those consultant's fees and other retention terms. The Management Development and Compensation Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. The Management Development and Compensation Committee shall review the overall compensation structure of the Company, including compensation plans, programs or policies of individual business units within the Company, to determine that it establishes appropriate incentives for officer employees at all levels. All incentives, while industry-dependent and different for distinct categories of officers, should be designed to further the Company's long-term strategic plan and should be consistent with the culture of the Company and the overall goal of enhancing enduring shareholder value.
3. The Management Development and Compensation Committee shall review, approve and oversee all significant employee benefits and related programs and policies adopted by the Company.

4. The Management Development and Compensation Committee shall oversee the development and evaluation of potential candidates for executive management positions, including the Chief Executive Officer.
5. The Management Development and Compensation Committee shall review and assess the management succession plan for the Chief Executive Officer position and other executive officers and annually review its assessment of those plans with the Board.
6. The Management Development and Compensation Committee shall oversee the development and training process for senior management and for potential candidates for executive management positions.
7. The Management Development and Compensation Committee shall annually review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, and evaluate the Chief Executive Officer's performance in light of those goals and objectives.
8. The Management Development and Compensation Committee shall annually review and approve the compensation of all executive officers and other key executives, including (a) the annual base salary level, (b) the annual incentive compensation opportunity level, (c) the long-term incentive compensation opportunity level, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits or other compensation. With respect to the Chief Executive Officer, the Management Development and Compensation Committee shall recommend the CEO's compensation to the independent directors of the Board for review and ratification. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee will consider primarily the Company's performance and relative shareholder return, the value of similar incentive awards to the Chief Executive Officer at comparable companies, and the awards given to the Chief Executive Officer in past years.
9. The Management Development and Compensation Committee shall annually oversee and assess the appropriateness of the Company's compensation programs. This assessment will include consideration of whether risks arising from the Company's compensation policies and practices for its employees are reasonably likely to have a material adverse effect on the Company. In carrying out the foregoing, the Committee shall confer with the Risk and Finance Committee to the extent necessary or appropriate.
10. The Management Development and Compensation Committee shall review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") and recommend to the Board the inclusion of the CD&A in the Company's proxy statement or Annual Report on Form 10-K.
11. The Management Development and Compensation Committee shall be responsible, in the case of a search for a replacement CEO, for conducting such search and making recommendations to the Board provided that the Board has not formed a Special Committee to carry out such mandate.
12. The Management Development and Compensation Committee may form and delegate authority to subcommittees when appropriate.
13. The Management Development and Compensation Committee shall report its actions and any recommendations to the Board after each Committee meeting.

14. The Management Development and Compensation Committee shall annually review its own performance.
15. The Management Development and Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Nominating & Governance Committee and ultimately to the Board for approval.

As of May 6, 2011