

MIRANT CORP
Form DEF 14A
March 26, 2010
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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

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 Pursuant to §240.14a-12

MIRANT CORPORATION

(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.

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- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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Notice of 2010 Annual Meeting
and Proxy Statement

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Notice of Annual Meeting of Stockholders May 6, 2010

The 2010 Annual Meeting of Stockholders of Mirant Corporation will be held at 8:00 a.m., Eastern Daylight Time, on Thursday, May 6, 2010, at Mirant's corporate headquarters, 1155 Perimeter Center West, Atlanta, Georgia 30338-5416, for the following purposes:

- (1) To elect eight members of the Board of Directors nominated by the Board of Directors;
- (2) To ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2010;
- (3) To approve the stockholder rights plan (the "Stockholder Rights Plan") adopted by the Board of Directors on March 26, 2009 and amended on February 25, 2010;
- (4) To approve the material terms of the performance goals included in the Mirant Corporation 2005 Omnibus Incentive Compensation Plan, so that the deductibility of compensation awarded thereunder will not be limited by Section 162(m) of the Internal Revenue Code ("IRC");
- (5) To consider a stockholder proposal, if presented at the meeting, described in the attached Proxy Statement; and
- (6) To transact such other business as may properly be brought before the meeting and any and all adjournments or postponements thereof.

In accordance with our Bylaws and action by our Board of Directors, stockholders owning Mirant common stock at the close of business on March 8, 2010, are entitled to attend and vote at the meeting.

If you plan to attend the meeting in person, please note that you may be asked to present valid picture identification, such as a driver's license or passport.

Even if you plan to attend the meeting, please provide us your voting instructions in one of the following ways as soon as possible:

- (1) Internet use the Internet address noted on the proxy form and on the Notice of Internet Availability of Proxy Materials previously sent to stockholders
- (2) Telephone use the toll-free number on the proxy form
- (3) Mail mark, sign, and date the proxy card and return it in the enclosed postage-paid envelope if this proxy statement was mailed to you

By order of the Board of Directors,

Julia A. Houston

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Corporate Secretary

March 26, 2010

Important Notice Regarding Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 6, 2010 the Proxy Statement and our 2009 Annual Report are available at <http://www.mirant.com> under Investor Relations, then Annual Reports and Proxy Statements.

Directions

From the airport or downtown Atlanta: Take I-85 North to GA 400 North to Exit 5A Dunwoody. Turn right and follow Abernathy Road which becomes Perimeter Center West. Turn right at the 3rd light into the entrance of 1155 Perimeter Center West. The parking deck entrance is on the left just past the building. Visitor parking is on the 3rd level (entry level) of the parking deck.

From I-285: Take Exit 29 Ashford Dunwoody Road going north toward Perimeter Mall. Turn left at the 5th traffic light onto Perimeter Center West. Turn left at the 6th traffic light into the entrance of 1155 Perimeter Center West. The parking deck entrance is on the left just past the building. Visitor parking is on the 3rd level (entry-level) of the parking deck.

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General Information

Why am I receiving this Proxy Statement?

We are providing you with a Notice of Internet Availability of Proxy Materials and access to these proxy materials because our Board of Directors is soliciting your proxy to vote your shares at the 2010 Annual Meeting of Stockholders and any adjournments thereof. Unless the context otherwise requires, the terms we, our, us, the Company or Mirant as used in this Proxy Statement refer to Mirant Corporation. This Proxy Statement describes issues on which we would like you to vote at our 2010 Annual Meeting of Stockholders. It also gives you information on these issues so that you can make an informed decision.

The 2010 Annual Meeting of Stockholders will be held at 8:00 a.m., Eastern Daylight Time, on Thursday, May 6, 2010 at Mirant's corporate headquarters, 1155 Perimeter Center West, Atlanta, Georgia 30338-5416.

What is a Notice of Internet Availability of Proxy Materials?

In accordance with rules and regulations adopted by the Securities and Exchange Commission, instead of mailing a printed copy of our proxy materials, including our annual report to stockholders, to each stockholder of record, we may now generally furnish proxy materials, including our annual report to stockholders, to our stockholders on the Internet.

On or about March 26, 2010, we will begin mailing Notice of Internet Availability of Proxy Materials (the E-Proxy Notice) to our stockholders, except as noted below. If you receive the E-Proxy Notice by mail, you will not automatically receive a printed copy of the proxy materials, including our annual report to stockholders. Instead, the E-Proxy Notice instructs you as to how you may access and review all of the important information contained in the proxy materials, including our annual report to stockholders. The E-Proxy Notice also instructs you as to how you may submit your proxy on the Internet. If you received the E-Proxy Notice by mail and would like to receive a printed copy of our proxy materials, including our annual report to stockholders, you should follow the instructions for requesting such materials included in the E-Proxy Notice.

Stockholders who have previously signed up to receive proxy materials on the Internet: On or about March 26, 2010, we will send electronically a notice to those stockholders that have previously signed up to receive their proxy materials and other stockholder communications on the Internet instead of by mail.

Stockholders who have previously signed up to receive all future proxy materials in printed format by mail: On or about March 26, 2010, we will begin mailing printed copies of our proxy materials, including our annual report to stockholders, to all stockholders who previously submitted a valid election to receive all future proxy materials and other stockholder communications in written format.

What is being voted upon at the meeting?

The election of eight directors for a one-year term, the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for 2010, the approval of the Stockholder Rights Plan, the approval of the material terms of the performance goals included in the Mirant Corporation 2005 Omnibus Incentive Compensation Plan, and a stockholder proposal are being voted on at the meeting. We are not aware of any other matters to be presented to the meeting; however, the holders of the proxies will vote in their discretion on any other matters properly presented.

How does the Board of Directors recommend I vote?

Our Board of Directors unanimously recommends that you vote:

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1. FOR each of the nominees to the Board of Directors;
2. FOR ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2010;

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3. FOR approval of the Stockholder Rights Plan;
4. FOR approval of the material terms of the performance goals included in the Mirant Corporation 2005 Omnibus Incentive Compensation Plan; and
5. AGAINST the stockholder proposal.

How do I give voting instructions?

You may give your voting instructions by the Internet (see the instructions at www.ProxyVote.com), by telephone, by mail or in person at the meeting. Instructions on how to vote are on the proxy form and on the Notice of Internet Availability of Proxy Materials. If you vote by proxy, the individuals named on the proxy card (your proxies) will vote all properly executed proxies that are delivered pursuant to this solicitation and not subsequently revoked in accordance with your voting instructions. If you hold shares through a bank or broker, please refer to your proxy card or the information forwarded by your bank or broker to see which options are available to you.

Can I change my vote?

Yes, you may revoke your proxy by submitting a subsequent proxy, by voting in person at the meeting, or by a written request received by Mirant's Corporate Secretary prior to the Annual Meeting.

Who is entitled to vote at the meeting?

All stockholders of record as of the close of business on the record date of March 8, 2010, may vote. On that date, there were 143,947,290 shares of Mirant Corporation common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote on each matter properly brought before the meeting.

How much does each share count?

Each share counts as one vote. No cumulative voting rights are authorized, and dissenters' rights are not applicable to these matters.

What happens if I sign and return my proxy card but do not provide voting instructions?

If you return a signed card but do not provide voting instructions, your shares will be voted FOR all eight director nominees, FOR the ratification of the appointment of our independent registered public accounting firm for 2010, FOR approval of the Stockholder Rights Plan, FOR approval of the material terms of the performance goals included in the Mirant Corporation 2005 Omnibus Incentive Compensation Plan, and AGAINST the stockholder proposal.

Will my shares be voted if I do not vote by using the Internet, by telephone or by signing and returning my proxy card?

If you hold your shares directly and not in street name through a bank or broker, and do not vote your shares using the Internet, by telephone or by signing and returning a proxy card, then your shares will not be voted and will not count in deciding the matters presented for stockholder consideration at the Annual Meeting.

If your shares are held in street name through a bank or broker, your bank or broker may vote your shares under certain circumstances if you do not provide voting instructions before the Annual Meeting, in accordance with New York Stock Exchange rules that govern banks and brokers. These circumstances include routine matters, such as the ratification of the appointment of our independent registered public accounting firm and the material

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terms of the performance goals of the 2005 Omnibus Incentive Compensation Plan described in this Proxy Statement. Thus, with respect to these matters, if you do not vote your shares, your bank or broker may vote your shares on your behalf. On non-routine matters, such as the election of directors, the Stockholder Rights Plan and the stockholder proposal described in this Proxy Statement, a bank or broker may not cast a vote, absent specific voting instructions from you. This is referred to as a broker non-vote in this Proxy Statement.

What constitutes a quorum for the meeting?

A quorum consists of a majority of the outstanding shares entitled to vote at the meeting, present in person or represented by proxy. A quorum is necessary to conduct business at the Annual Meeting. For the purpose of determining whether or not a quorum exists, abstentions and broker non-votes are counted as shares present or represented by proxy.

What are the voting requirements for electing members of our Board of Directors?

Directors are elected by a plurality of the votes of the shares entitled to vote at the meeting that are present in person or represented by proxy. This means that the director nominee with the most votes for a particular slot is elected for that slot. You may vote for or withhold authority with respect to the election of directors.

What are the voting requirements for ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2010?

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote is required for the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2010. You may vote for, against or abstain with respect to the ratification of the appointment of our independent registered public accounting firm. Abstentions will have the effect of a vote against the ratification of the appointment of our independent registered public accounting firm.

What are the voting requirements for approval of the Stockholder Rights Plan?

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote is required to approve the Stockholder Rights Plan. You may vote for, against or abstain with respect to the Stockholder Rights Plan. Abstentions will have the effect of a vote against the approval of the Stockholder Rights Plan. Broker non-votes will have no effect on the outcome of the vote.

What are the voting requirements for approval of the material terms of the performance goals included in the 2005 Omnibus Incentive Compensation Plan?

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote is required to approve the material terms of the performance goals included in the 2005 Omnibus Incentive Compensation Plan. You may vote for, against or abstain with respect to the material terms of the performance goals included in the 2005 Omnibus Incentive Compensation Plan. Abstentions will have the effect of a vote against the approval of the material terms of the performance goals included in the 2005 Omnibus Incentive Compensation Plan.

What are the voting requirements for approval of the stockholder proposal?

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote is required to approve the stockholder proposal. You may vote for, against or abstain with respect to the stockholder proposal. Abstentions will have the effect of a vote against the approval of the stockholder proposal. Broker non-votes will have no effect on the outcome of the vote.

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What does it mean if I get more than one proxy form?

You will receive a proxy form for each account that you have. Please vote proxies for all accounts to ensure that all your shares are voted. You may consolidate multiple accounts through our transfer agent, BNY Mellon Shareowner Services, online at www.melloninvestor.com or by calling (866) 463-1222.

Who pays the expense of soliciting proxies?

Mirant pays the cost of soliciting proxies. The officers or other employees of Mirant or its subsidiaries may solicit proxies in person or by telephone, electronic transmission or facsimile transmission. Such officers or other employees will not receive any additional compensation for these activities. We have retained The Altman Group, Inc. to assist in the solicitation of proxies for a fee of approximately \$20,000 plus out-of-pocket expenses. We will reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding solicitation material to the beneficial owners of our common stock.

Will a list of stockholders entitled to vote at the meeting be available?

In accordance with Delaware law, a list of stockholders entitled to vote at the meeting will be available at our corporate headquarters on May 6, 2010, and will be accessible for ten days prior to the meeting between the hours of 9:00 a.m. and 5:00 p.m. at our corporate headquarters.

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Board Recommendation: Our Board of Directors recommends that you vote FOR election of each of the nominees.

Director and Nominee Information

All of the nominees for director currently are directors of Mirant. The following table sets forth information regarding the names, ages and business experience of the current directors, other directorships held by them, and the length of their service as directors of Mirant. It also sets forth the specific experience, qualifications, attributes or skills of each director that lead the Board to conclude that the person should serve as a director. For a description of our criteria, see Corporate Governance Nominating and Governance Committee Director Nomination Process. Additional biographical information regarding our directors is available on our website at <http://www.mirant.com>.

Unless otherwise instructed, the persons named on the enclosed proxy form will vote each properly executed proxy for the election of the nominees outlined below as directors for a one-year term ending in 2011. If any named nominee becomes unavailable for election, the Board may substitute another nominee. In that event, the proxy would be voted for the substitute nominee.

The affirmative vote of a plurality of shares present and entitled to vote is required for the election of directors. The director nominee with the most votes for a particular slot is elected for that slot.

Name	Age	Position and Experience
Thomas W. Cason	67	Director of Mirant since 2006. Owned and managed five agricultural equipment dealerships until retirement in December 2006 (1991-2006). Former Senior Vice President and Chief Financial Officer (1989-1990) of Baker Hughes Incorporated, a global oilfield services company; various senior management positions (1977-1989) of Baker Hughes Incorporated subsidiaries including those of President, Vice President, Finance and Controller. After retiring from Baker Hughes, he held various executive management positions with Key Tronic Incorporated. He also held a number of auditing positions during his seven-year career with Arthur Young & Company. Mr. Cason is also a director of Transocean Ltd. and was formerly a director of GlobalSantaFe Corporation prior to its merger with Transocean Ltd.

Mr. Cason's extensive financial oversight experience as the Chair of the Audit Committee of Transocean Ltd., the world's largest offshore drilling company, as Chief Financial Officer and an executive with Baker Hughes Incorporated, a global oilfield services company, and as an auditor with a public accounting firm, provides the Board a perspective of someone with direct responsibility for financial and accounting issues as well as an understanding of issues involving fossil fuels.

A. D. (Pete) Correll	68	Director of Mirant since 2000; Lead Director and Nominating and Governance Committee Chair of Mirant since 2006. Chairman (2007- Present) of Atlanta Equity Investors, LLC, a private equity firm that specializes in recapitalization, outright purchases and growth capital investments in middle markets; Retired Chairman of the Board (1993-2006), Chief Executive Officer (1993-2005), and President (1991-2002) of Georgia-Pacific Corporation, a manufacturer and distributor of building products, pulp and paper. Mr. Correll is also a director of Norfolk Southern Corporation and SunTrust Banks, Inc.
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Mr. Correll's 12 years of experience as Chairman of the Board and Chief Executive Officer of Georgia-Pacific Corporation, a manufacturer and distributor of building products, pulp and paper, and his tenure on Mirant's Board since 2000, provide the Board with insight into the historical issues Mirant has faced as well as a perspective on best practices in corporate governance and executive leadership, and balances the Board's significant financial experience with the perspective of a chief executive. Mr. Correll's extensive service on the boards of other large public companies, including his service as chair of the compensation committees at Norfolk Southern and SunTrust and service on the nominating and governance committees of those companies, provides the Board with compensation and corporate governance expertise.

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Name	Age	Position and Experience
Terry G. Dallas	59	Director of Mirant since 2006. Former Executive Vice President and Chief Financial Officer (2000-2005) of Unocal Corporation, an oil and gas exploration and production company prior to its merger with Chevron Corporation.

Mr. Dallas' experience as Chief Financial Officer of a petroleum company provides the Board a perspective of someone with direct responsibility for financial and accounting issues as well as an understanding of issues involving fossil fuels.

Thomas H. Johnson	60	Director of Mirant since 2006. Managing Partner (2005-Present) of THJ Investments, LP, a private investment entity, and Chief Executive Officer (2009-Present) of The Taffrail Group, LLC, a private strategic advisory firm. Retired Chairman (2000-2005) and President and Chief Executive Officer (1997-2005) of Chesapeake Corporation, a specialty packaging manufacturer; Former President and Chief Executive Officer (1989-1997) of Riverwood International, an integrated forest products company. He is also a director of Coca-Cola Enterprises Inc, Universal Corporation and ModusLink Global Solutions, Inc. and was formerly a director of Superior Essex Inc.
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Mr. Johnson's more than 15 years of experience as a chief executive of several large corporations and extensive service on the boards of leading multinational corporations provides the Board a valuable perspective on governance best practices and executive leadership, and balances the Board's significant financial experience with the perspective of a chief executive. Mr. Johnson's service on the boards of other large public companies, including such companies' audit, nominating and governance, and compensation committees, provides our Board with financial, operational and strategic expertise.

John T. Miller	63	Director of Mirant since 2006. Former Chief Financial Officer (1998-2001) and Chief Executive Officer and director (2001-2005) of American Ref-Fuel Company, an operator of waste-to-energy generation facilities in the northeastern United States. Mr. Miller is also a director of Highstar Waste Holdings Corp., Future Fuels LLC and Advanced Disposal Services, Inc.
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Mr. Miller's experience as a Chief Financial Officer, Chief Executive Officer and director of various energy companies provides the Board with insight into the unique concerns of a company involved in energy generation. Mr. Miller brings significant operational, financial and corporate governance experience to our Board.

Edward R. Muller	58	Chairman, President and Chief Executive Officer of Mirant since 2005. Former President and Chief Executive Officer (1993-2000) of Edison Mission Energy, a California-based independent power producer. Mr. Muller is also a director of Transocean Ltd. and was previously a director of GlobalSantaFe Corporation prior to its merger with Transocean Ltd.
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Mr. Muller's day-to-day leadership as Chief Executive Officer of Mirant provides him with deep knowledge of our challenges, opportunities and operations. With over 18 years of energy industry experience, Mr. Muller is very qualified to lead our management team and provide essential insight and guidance to our Board.

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Name	Age	Position and Experience
Robert C. Murray	64	Director of Mirant since 2006; Audit Committee Chair of Mirant since 2009. Former Chairman (2002-2004) and Interim Chief Executive Officer (2002-2003) of Pantellos Corporation, an e-commerce procurement marketplace for the utility industry, and former Chief Financial Officer (1992-2001) of Public Service Enterprise Group, an energy and energy services company. Mr. Murray also served as a Managing Director of Morgan Stanley & Co., Inc (1987-1991).

Mr. Murray’s extensive leadership and financial experience, as Chief Financial Officer and an investment banker in the energy and energy services industries, provides the Board with insight into the challenges facing energy companies.

William L. Thacker	64	Director of Mirant since 2006; Compensation Committee Chair of Mirant since 2009. Former President, Chief Executive Officer, Chairman and Advisor to the President and Chief Executive Officer (1992-2002) of Texas Eastern Products Pipeline Company, LLC, owner and operator of petroleum product pipelines in the United States. He is also Chairman of the Board and a director of Copano Energy, LLC and a director of Kayne Anderson Energy Development Co. and was formerly a director of Pacific Energy Partners, L.P.
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Mr. Thacker’s experience as President and Chief Executive Officer of a petroleum product pipeline company provides our Board with insight into the unique concerns of an energy company, and balances the Board’s significant financial experience with the perspective of a chief executive. His experience serving on the boards of three other energy companies brings operational and corporate governance expertise to the Board.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR

THE EIGHT NOMINEES LISTED ABOVE.

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Corporate Governance

Board Structure and Leadership

Our current Board of Directors consists of nine directors who have diverse backgrounds and experience and is chaired by Edward R. Muller, our President and Chief Executive Officer. Mr. Muller was elected as Chairman of the Board, President and Chief Executive Officer on September 30, 2005. Mr. Correll originally joined our Board of Directors on October 3, 2000. The other individuals listed above were originally appointed as directors on January 3, 2006, in conjunction with our emergence from bankruptcy. All members of the current Board were re-elected at our 2009 Annual Meeting of Stockholders on May 7, 2009. Each director serves a one-year term and is subject to annual election. On February 25, 2010, Mr. Quain, a director and member of the Compensation Committee, notified our Board of Directors of his intent to retire at the conclusion of his term as director at our 2010 Annual Meeting of Stockholders on May 6, 2010.

Mr. Correll serves as our lead independent director. In this role, he coordinates the activities of the other non-management directors, serves as Chair of the Nominating and Governance Committee, develops the agendas for and serves as Chair of the executive sessions of the meetings of the non-management directors and serves as the liaison between the non-management directors and the Chairman of the Board.

Our Board of Directors combined the role of Chairman of the Board with the role of Chief Executive Officer because the Board thinks that this structure, coupled with a lead independent director, provides an efficient and effective leadership model for the Company. Combining the Chairman and Chief Executive Officer roles eliminates the potential for confusion or duplication of efforts, facilitates information flow between management and the Board, and fosters clear accountability, effective decision-making, and alignment on corporate strategy. To assure effective independent oversight, the Board has adopted a number of governance practices, including:

a strong, independent, clearly-defined lead independent director role;

independent, experienced chairs of the Board's Audit, Compensation and Nominating and Governance committees;

executive sessions of the non-management directors at least quarterly, presided over by the lead independent director; and

annual performance evaluations of the Chairman and Chief Executive Officer by the non-management directors.

The Board periodically reviews its leadership structure and recognizes that the Company's leadership requirements and Board composition may change over time. However, the Board thinks that the current structure is best for our Company at this time.

The Board of Directors met eight times in 2009 and the non-management Directors met in executive session four times in 2009. No director attended fewer than 75% of the total of the Board meetings and the meetings of the committees upon which he served. All directors were present at our 2009 Annual Meeting of Stockholders held at our corporate headquarters on May 7, 2009.

Risk Oversight

The Board is responsible for overseeing our risk management. The Board has delegated certain of those responsibilities to the Audit Committee. The Audit Committee is charged by the Board of Directors with oversight of the risk management of our commercial activities and enterprise risk management. We have an enterprise risk management program overseen by our Chief Risk Officer, who reports directly to the Chief Financial Officer and chairs our Risk Oversight Committee. The Risk Oversight Committee was established by the Audit Committee to assist in the execution of its risk oversight responsibilities. The Audit Committee reviews

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and discusses with management, our independent auditor, the Vice President of Internal Audit and the Chief Risk Officer our policies for assessing and managing significant risks and exposures and assesses the actions management has taken to manage such risks and exposures. Periodically, the Audit Committee receives reports from the Risk Oversight Committee, including an annual review of our business risk profile, which highlights and prioritizes for the Audit Committee the areas of risk requiring additional focus.

The Audit Committee's oversight of our internal audit function provides it with ongoing reporting related to the design adequacy and operating effectiveness of risk management activities. The Audit Committee reviews and approves the annual internal audit plan, which is linked to our business risk profile. The Audit Committee also receives all internal audit reports, which provide an opinion regarding whether the underlying risks in the area under review are being managed to an acceptable level. Any concerns submitted through the Company's compliance and ethics help line regarding the Company's business conduct, including accounting or financial concerns, are reviewed by the Audit Committee. While the Audit Committee is charged by the Board with oversight of our enterprise risk management, the full Board and its other committees provide risk oversight as well. For example, strategic risks are overseen by the full Board; compensation risks are overseen by the Audit and Compensation Committees; financial and related risks are overseen by the Audit Committee; and risks associated with the independence of the Board of Directors and potential conflicts of interest are managed by the Nominating and Governance Committee. Additionally, the Nominating and Governance Committee has assumed the oversight of the compliance program and environmental, health and safety risks. Management regularly reports on each such risk to the relevant Board committee or the full Board.

The Chief Executive Officer's involvement in our day-to-day operations and management of our risks, coupled with his role as Chairman of the Board, provide the Board with a direct line of sight on risk management.

Corporate Governance Guidelines and Committee Charters

The Board of Directors has adopted Corporate Governance Guidelines and charters for the Audit, Compensation, and Nominating and Governance Committees that comply with applicable laws and regulations and the listing standards of the New York Stock Exchange. The Corporate Governance Guidelines describe the qualifications and role of the Board and outline the responsibilities of the directors. They provide that the Board will conduct an annual evaluation to assess and enhance its effectiveness, and the Guidelines direct non-management directors to meet in executive session at least quarterly, with our lead independent director presiding at these sessions. Under the Guidelines, directors are expected to attend our Annual Meeting of Stockholders. The Corporate Governance Guidelines and all three committee charters are posted on our website at <http://www.mirant.com>.

Evaluation of Chief Executive Officer

The Compensation Committee formally evaluates the Chief Executive Officer's performance annually and reviews the evaluation with the non-management directors. After receiving feedback from the non-management directors, the Chair of the Compensation Committee reviews the evaluation with the Chief Executive Officer. The evaluation is based upon objective criteria including Company performance and the Chief Executive Officer's achievement of goals previously approved by the Compensation Committee. The evaluation is used by the Compensation Committee in determining the compensation of the Chief Executive Officer.

Succession Management and Election of Officers

The Chief Executive Officer reports annually, first to the Compensation Committee, and then to an executive session of the Board, on succession planning. The Chief Executive Officer also makes available, on a continuing basis, the Chief Executive Officer's recommendation concerning who should assume the Chief Executive Officer's role in the event the Chief Executive Officer becomes unable to perform his duties.

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Director Independence

The Board has determined that each of the following non-management directors is independent under applicable New York Stock Exchange listing standards and our Corporate Governance Guidelines: Thomas W. Cason, A.D. (Pete) Correll, Terry G. Dallas, Thomas H. Johnson, John T. Miller, Robert C. Murray, John M. Quain, and William L. Thacker. Each director designated as independent has no material relationship with the Company that would impair his independence. This determination was based upon the recommendation of the Nominating and Governance Committee and all relevant facts and circumstances appropriate for consideration in the judgment of the Board. As described in the Corporate Governance Guidelines, the Board applies the following standards in assessing independence:

- (1) No director can qualify as independent if he or she has a material relationship with the Company, either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company.

- (2) A director is not independent if:
 - (i) The director is, or has been within the last three years, an employee of the Company, or an immediate family member of the director is, or has been within the last three years, an executive officer of the Company.

 - (ii) The director, or an immediate family member of the director, has received during any 12-month period during the last three years more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service). Compensation received by an immediate family member for service as an employee (other than an executive officer) is not considered for purposes of this standard.

 - (iii) (A) The director is a current partner or employee of a firm that is the company's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on the company's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the listed company's audit within that time.

 - (iv) The director, or an immediate family member of the director, is, or within the last three years has been, employed as an executive officer of another company where any of the Company's present executive officers serves or served at the same time on that company's compensation committee.

 - (v) The director is a current employee, or has an immediate family member who is a current executive officer, of another company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of the other company's consolidated gross annual revenues.

 - (vi) The director is, or in the past three years has been, an executive officer of a charitable organization to which the Company made contributions in an amount which in any single fiscal year exceeds the greater of \$1 million or 2% of such charitable organization's consolidated gross annual revenues.

Related Person Transactions

Review and Approval of Related Person Transactions

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Our Nominating and Governance Committee is responsible for reviewing and approving any related person transactions by the Company. Mirant's legal department has adopted written policies and procedures to track and assess relationships and transactions to which the Company and our directors and executive officers or their

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immediate family members are parties to determine if they have a direct or indirect material interest in the transaction. At the first scheduled Nominating and Governance Committee meeting each calendar year, management identifies for the Committee any related person transactions to be entered into for that calendar year, including the proposed aggregate value of such transactions. All related person transactions must be approved by the Nominating and Governance Committee and must be on terms comparable to those that could be obtained in arms-length dealings with an unrelated third party.

Related Person Transactions

There were no reportable transactions between the Company and related persons in 2009.

Stockholder Communications Policy

Stockholders and other interested parties who wish to send communications to our Board of Directors or non-management directors may do so by writing to the Board in care of our Corporate Secretary, Mirant Corporation, 1155 Perimeter Center West, Atlanta, Georgia 30338-5416. We have also established the following email addresses to which communications intended for directors may be sent and have provided links to these addresses on our website: *directors@mirant.com* (to the directors as a group) and *independent.directors@mirant.com* (to the non-management directors as a group). The Board has instructed the Corporate Secretary to assist the Board in reviewing all communications received as follows:

Customer, vendor or employee complaints will be investigated by management and a log of such complaints will be provided to the Chair of the Nominating and Governance Committee.

Communications containing complaints regarding accounting, internal control or auditing matters will be investigated in accordance with the procedures established by the Audit Committee.

Solicitations for periodicals or other subscriptions, surveys and business solicitations, and other similar communications generally will not be forwarded to the directors.

Except as described above, the Corporate Secretary will forward (i) written communications addressed to the full Board to the Chairman of the Board; (ii) written communications addressed to the non-management directors to the lead independent director; and (iii) written communications addressed to any individual director or directors to the individual(s) to whom the communication is directed. However, materials that are unduly hostile, threatening, illegal or similarly unsuitable generally will not be forwarded.

Committee Membership

The Board of Directors has standing Executive, Compensation, Nominating and Governance, and Audit Committees. Provided below is information about the membership, responsibilities, and actions of these committees during 2009.

Executive Committee

The Executive Committee is composed of four members Edward R. Muller, A.D. (Pete) Correll, Robert C. Murray and William L. Thacker. It was established for the sole purpose of authorizing and approving transactions and commitments for power, fuel, emissions and related fuel storage and transportation agreements that exceed the authority delegated by the Board of Directors to the Chief Executive Officer. The Executive Committee did not meet during 2009.

Compensation Committee

The Compensation Committee is composed of three members William L. Thacker, A.D. (Pete) Correll, and John M. Quain. Mr. Thacker serves as the Chair of the committee. The current members were appointed by the

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Board of Directors on May 7, 2009. From January 1, 2009 to May 7, 2009, Thomas H. Johnson, A.D. (Pete) Correll and William L. Thacker served on the committee with Mr. Johnson serving as Chair of the committee. Upon recommendation of the Nominating and Governance Committee, the Board of Directors determined that each member of the Compensation Committee meets the independence requirements of the New York Stock Exchange and our Corporate Governance Guidelines.

The Compensation Committee met six times in 2009 and met five times in executive session at those meetings. The Chief Executive Officer, the General Counsel, the Vice President, Administration, the Assistant Corporate Secretary and the Director of Compensation and Benefits attend Compensation Committee meetings as representatives of the Company.

The Compensation Committee is responsible for establishing and administering the compensation and benefits programs for our named executive officers. The key responsibilities of the Compensation Committee are:

Oversight of compensation philosophy, amounts, plans, and policies;

Evaluation of the performance of officers at the level of Senior Vice President and above and approval of their compensation;

Administration of executive compensation plans;

Review of management succession plans; and

Recommendation of compensation for non-management directors.

A copy of the Compensation Committee Charter is available on our website at <http://www.mirant.com>. In addition to outlining the Committee's governance and responsibilities, the Charter grants the Compensation Committee the authority to engage independent counsel and other outside advisors.

Compensation Committee Interlocks and Insider Participation

All members of our Compensation Committee during 2009 were independent directors, and none was an employee or former employee of the Company. During 2009, none of our executive officers served on the compensation committee or board of directors of another entity whose executive officer(s) served on our Compensation Committee or Board of Directors.

Nominating and Governance Committee

The Nominating and Governance Committee is composed of three members—A.D. (Pete) Correll, Thomas W. Cason, and Thomas H. Johnson. Mr. Correll serves as the Chair of the committee. The current members were appointed by the Board of Directors on May 7, 2009. From January 1, 2009 to May 7, 2009, A.D. (Pete) Correll, Terry G. Dallas and John M. Quain served on the committee, with Mr. Correll serving as Chair of the committee. The Board of Directors determined that each of the members of the Nominating and Governance Committee meets the independence requirements of the New York Stock Exchange and our Corporate Governance Guidelines. The Nominating and Governance Committee met four times during 2009 and met in executive session in each of those meetings. The key responsibilities of the Nominating and Governance Committee are:

Recommendation and implementation of the Corporate Governance Guidelines;

Recommendation to the Board of Directors regarding the composition of the Board and the composition of Board committees;

Oversight of Mirant's compliance with its Code of Ethics and Business Conduct and review and discussion with management and the General Counsel of legal and regulatory requirements, compliance matters and material litigation; and

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Assistance of the Board in identifying qualified individuals to become Board members and recommendation to the Board regarding the selection of director nominees for election at the annual meeting of stockholders, assessment of director independence and evaluation of Board effectiveness.

The Nominating and Governance Committee Charter grants the Committee the authority to engage independent counsel and other outside advisors. Management, under the oversight of the Nominating and Governance Committee, is responsible for establishing and maintaining a system to ensure compliance with the Corporate Governance Guidelines and the Code of Ethics and Business conduct. A copy of the Nominating and Governance Committee Charter is available on our website at <http://www.mirant.com>.

Director Nomination Process

The Nominating and Governance Committee is responsible for identifying qualified individuals to become Board members. The Nominating and Governance Committee will consider written nominations from stockholders for director candidates if submitted in accordance with the below procedures. However, acceptance of a recommendation for consideration does not imply that the Nominating and Governance Committee will nominate the recommended candidate. Stockholders making a director nominee recommendation must submit a written notice to the Corporate Secretary, Mirant Corporation, 1155 Perimeter Center West, Atlanta, Georgia 30338-5416. Recommendations submitted for consideration by the Nominating and Governance Committee in preparation for the 2011 Annual Meeting of Stockholders must be received by November 26, 2010, and must contain the following information: (a) the name and address of the recommending stockholder; (b) the name and address of the person to be nominated; (c) a representation that the stockholder is a holder of Mirant's common stock entitled to vote at the meeting; (d) a statement in support of the stockholder's recommendation, including a description of the candidate's qualifications; (e) information regarding the candidate that would be required to be included in a Proxy Statement filed in accordance with the rules of the Securities and Exchange Commission (the SEC); and (f) the candidate's written, signed consent to serve if elected. The Nominating and Governance Committee will evaluate candidates recommended by stockholders based on the same criteria it uses to evaluate candidates from other sources.

The Corporate Governance Guidelines, as approved by the Board of Directors and posted on our website, set forth qualifications and criteria for our directors and require that the assessment of potential candidates include independence, business and professional experience (including current public company boards on which a nominee serves), ability to devote sufficient time to the affairs of Mirant, and characteristics of the current Board of Directors, including diversity. While the Nominating and Governance Committee does not have a formal policy regarding diversity and our Corporate Governance Guidelines do not define diversity, the Nominating and Governance Committee generally seeks a diversity of geographic location, education, viewpoints, age, gender, race and skills (such as financial expertise and experience in the energy industry). The Nominating and Governance Committee's process includes identification of director candidates and evaluation of the candidates based on the Corporate Governance Guidelines and the following minimum qualifications:

the highest ethics, integrity and values;

an outstanding personal and professional reputation;

professional experience that adds to the mix of the Board as a whole;

the ability to exercise independent business judgment;

freedom from conflicts of interest;

demonstrated leadership skills; and

the willingness and ability to devote the time necessary to perform the duties and responsibilities of a director.

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The Committee's selection process also provides for engagement of third party search firms, interviews with various members of the Committee, the Board and management, and an evaluation of each individual in the context of the Board as a whole, applying the criteria that it deems appropriate. The final selection of nominees is made by the Board of Directors.

Alternatively, stockholders intending to appear at our Annual Meeting of Stockholders in order to nominate a candidate for election at the meeting (in cases where the Board of Directors does not intend to nominate the candidate or where the Nominating and Governance Committee was not required to consider his or her candidacy) must comply with the requirements described below as set forth in *Article II, Section 11A* of the Company's Bylaws, which may be found on our website at <http://www.mirant.com>. For nominations of candidates for election to the Board of Directors to be properly brought for our Annual Meeting of Stockholders, notice of such nomination must be received by our Corporate Secretary no earlier than the close of business on the 120th day, and no later than the close of business in the 90th day, prior to the first anniversary of the prior year's annual meeting. Accordingly, for the 2011 Annual Meeting of Stockholders, the Corporate Secretary must receive the proposal no earlier than January 6, 2011, and no later than February 5, 2011; provided however, if and only if the 2010 Annual Meeting is not scheduled to be held between April 6, 2011 and July 15, 2011, such stockholder's notice must be delivered to our Corporate Secretary by the tenth day following the day on which the date of the 2011 Annual Meeting is publicly announced. The advance notice of the nomination must contain certain information specified in the Company's Bylaws, including information concerning the nominee and the stockholder proponent. The foregoing description is only a summary of the requirements of the Company's Bylaws. Stockholders intending to submit a nomination for the 2011 Annual Meeting of Stockholders must comply with the provisions specified in the Company's Bylaws.

Audit Committee

The Audit Committee is composed of three members—Robert C. Murray, Terry G. Dallas and John T. Miller. Mr. Murray serves as the Chair of the committee. The current members were appointed by the Board of Directors on May 7, 2009. From January 1, 2009 to May 7, 2009, Thomas G. Cason, John T. Miller and Robert C. Murray served on the committee, with Mr. Cason serving as Chair of the committee. Upon recommendation of the Nominating and Governance Committee, the Board of Directors determined that each member of the Audit Committee (i) meets the independence requirements of the New York Stock Exchange, SEC regulations and our Corporate Governance Guidelines and (ii) is financially literate and qualifies as an audit committee financial expert as defined in the SEC regulations. The Board has adopted a written charter for the Audit Committee, which is available on our website at <http://www.mirant.com>.

The Audit Committee met five times during 2009. The Audit Committee met in executive session and had separate private discussions with the independent registered public accounting firm and the Vice President of Internal Audit at each regularly scheduled meeting. The key responsibilities of the Audit Committee are:

Oversight of Mirant's financial reporting process and oversight of the quality and integrity of Mirant's financial statements;

Oversight of Mirant's relationship with its independent registered public accounting firm and sole authority and responsibility to select, evaluate and, where appropriate, replace the independent registered public accounting firm, which reports directly to the Audit Committee;

Pre-approval of all audit and permitted non-audit services to be provided by the independent registered public accounting firm as well as the compensation, fees and terms for such services;

Review of the annual internal audit program, major findings and recommendations resulting from internal audits and oversight of the Vice President of Internal Audit, who reports to the Audit Committee;

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Review with management and the General Counsel of legal, regulatory and compliance matters that may have a material impact on the financial statements or involve concerns regarding accounting or auditing matters and establishment of procedures related to such concerns; and

Review with management and the independent registered public accounting firm of the policies for assessing and managing significant risks to the Company.

The Audit Committee Charter grants the Audit Committee the authority to engage independent counsel and other outside advisors. Following the consideration of the qualifications of the members of the engagement team and formal responses from the independent registered public accounting firm as to its independence, staffing plans and quality controls, the Audit Committee selected KPMG LLP as independent registered public accounting firm for 2010, subject to ratification by the stockholders at the Annual Meeting.

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Audit Committee Report

The Audit Committee is responsible for overseeing the Company's financial reporting process, including supervising Mirant's relationship with its independent registered public accounting firm, KPMG LLP, which reports directly to the Committee. The Audit Committee (i) assists the Board in its oversight of the quality and integrity of Mirant's financial statements, including the financial reporting process and systems of internal control over financial reporting; (ii) is directly responsible for the appointment, compensation, retention and oversight of the independent registered public accounting firm; and (iii) reviews the appointment, replacement and compensation of the Vice President of Internal Audit, who reports to the Committee.

In discharging its duties and responsibilities, the Audit Committee has:

reviewed and discussed with management and the independent registered public accounting firm Mirant's audited financial statements for the year ended December 31, 2009;

discussed with the independent registered public accounting firm the matters required to be discussed by Statement of Auditing Standards No. 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T;

reviewed and discussed with management and the independent registered public accounting firm management's assessment of the effectiveness of the Company's internal control over financial reporting and the independent registered public accounting firm's evaluation of the Company's internal control over financial reporting;

received from the independent registered public accounting firm a formal written statement describing all relationships with Mirant that might affect its independence as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accounting firm's communications with the Audit Committee concerning independence, and discussed with the independent registered public accounting firm its independence;

considered whether the provision of non-audit services is compatible with maintaining the independent registered public accounting firm's independence; and

concluded that the independent registered public accounting firm is independent from the Company and its management.

Management, under the oversight of the Audit Committee, is responsible for establishing and maintaining a system of internal control over financial reporting and for preparing the Company's financial statements and reports in accordance with U.S. generally accepted accounting principles. Management represented to the Committee that the Company's annual financial statements were prepared in accordance with U.S. generally accepted accounting principles.

The independent registered public accounting firm is responsible for auditing the financial statements in accordance with the standards of the Public Company Accounting Oversight Board and expressing an opinion on the conformity of the Company's annual financial statements to U.S. generally accepted accounting principles. In addition, the independent registered public accounting firm expresses an opinion on the effectiveness of the Company's internal control over financial reporting.

In reliance on the reviews and discussions noted above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in Mirant's Annual Report on Form 10-K for the year ended December 31, 2009, for filing with the SEC.

Submitted on March 26, 2010 by the members of the Audit Committee of the Company's Board of Directors:

Robert C. Murray, Chair

Terry G. Dallas

John T. Miller

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The following table presents fees for professional audit services and other services rendered by KPMG LLP (in thousands):

	2009	2008
Audit Fees (1)	\$ 5,504	\$ 5,854
Audit-Related Fees (2)		573
Tax Fees		
All Other Fees (3)	251	
Total	\$ 5,755	\$ 6,427

- (1) Audit fees and expenses represent fees billed and expected to be billed for professional services rendered in connection with (a) audits and reviews of the 2009 and 2008 Mirant Corporation consolidated financial statements in accordance with standards of the Public Company Accounting Oversight Board; (b) audits of various Mirant subsidiary financial statements required by statute or regulation; and (c) consultations on accounting matters reflected in the financial statements.
- (2) Audit-related fees represent fees billed for professional services rendered in connection with (a) audits of Mirant's employee benefit plans; (b) document production in connection with legal subpoenas related to various Mirant litigation matters; and (c) for 2008, our response to an SEC comment letter related to our 2007 Annual Report on Form 10-K.
- (3) All other fees include services related to an International Financial Reporting Standards (IFRS) readiness assessment project.

Audit Committee Pre-Approval

The Audit Committee has pre-approved all audit services and permitted non-audit services provided by the independent registered public accounting firm, and the compensation, fees and terms for such services. The Committee also has approved an Independent Auditor Policy that requires Audit Committee pre-approval of audit services provided by the independent registered public accounting firm and any changes in terms and compensation resulting from changes in audit scope, company structure or other matters. The Policy also requires annual approval by the Audit Committee or its Chair, the independent registered public accounting firm's lead partner, and Mirant's Chief Financial Officer or Controller of the compensation and terms of service for any permitted non-audit services provided by the independent registered public accounting firm. Any proposed non-audit services exceeding the pre-approved fee levels previously approved by the Audit Committee or its Chair require pre-approval by the Audit Committee or its Chair. The Controller reports quarterly to the Audit Committee on the services performed and fees incurred by the independent registered public accounting firm for audit and permitted non-audit services during the prior quarter.

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Item No. 2 Ratification of Independent Registered Public Accounting Firm

Board Recommendation: Our Board of Directors recommends that you vote FOR ratification of the appointment of KPMG LLP as independent registered public accounting firm for 2010.

The Audit Committee of the Board appointed KPMG LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2010. Although not required by our Bylaws, the Board is submitting the appointment of KPMG LLP to our stockholders for ratification.

If this proposal is not ratified at the Annual Meeting, the Audit Committee will reconsider its appointment of KPMG LLP as Mirant's independent registered public accounting firm for 2010.

Representatives of KPMG LLP are expected to be present at the Annual Meeting, will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

***THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION
OF THE APPOINTMENT OF KPMG LLP AS INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM FOR 2010.***

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Item No. 3 Approval of the Stockholder Rights Plan

Board Recommendation: Our Board of Directors recommends that you vote FOR approval of the Stockholder Rights Plan.

Our Board of Directors is asking stockholders to approve the Stockholder Rights Plan, originally adopted by the Board on March 26, 2009, and amended on February 25, 2010. The amendment extends the stated expiration date of the Stockholders Right Plan to February 25, 2020, provided that the Stockholder Rights Plan, as amended, is now subject to a binding stockholder vote. Under the amended Stockholder Rights Plan, unless such approval is obtained by February 25, 2011, which is one year from the date of effectiveness of the Rights Plan, the Rights Plan will automatically expire on that date.

Background and Reasons For Proposal

The amended Stockholder Rights Plan is designed to deter certain acquisitions of our common stock which, due to the impact of IRC Section 382, could otherwise adversely affect our ability to use our net operating losses (NOLs) for income tax purposes. Section 382 restricts the use of NOLs if we experience an ownership change even if the ownership change results from normal market trading and market volatility that are outside our control, as well as from mergers and acquisitions.

At December 31, 2009, we had approximately \$2.7 billion of federal NOL carry forwards. These NOL carry forwards, which originated in 2002, 2003, 2004 and 2006, if not utilized to reduce taxable income in future periods, will expire in 2023, 2024, 2025 and 2027, respectively. We have utilized NOLs to offset income tax obligations in each of the years ended December 31, 2009, 2008, 2007 and 2005. Because the amount and timing of our future taxable income, if any, cannot be accurately predicted, we cannot estimate the exact amount of NOLs that can ultimately be used to reduce our income tax liability. Although we are unable to quantify an exact value, we believe the NOLs are a very valuable asset and our Board of Directors believes it is in our best interests to attempt to deter the imposition of limitations on their use by adopting the amended Stockholder Rights Plan. By comparison, our equity market capitalization as of March 8, 2010 was approximately \$1.8 billion.

The benefit of the NOLs to us could be significantly delayed, reduced or eliminated if we were to experience an ownership change as defined in Section 382 of the IRC. An ownership change can occur through one or more acquisitions or dispositions (including normal market trading) of our common stock, whether occurring contemporaneously or pursuant to a single plan, if the result of such acquisitions is that the percentage of our outstanding common stock held by stockholders or groups of stockholders owning at least 5% of our common stock, as determined under Section 382, is more than 50 percentage points higher than the lowest percentage of our outstanding common stock held by such stockholders or groups within the prior three-year period. If that were to happen, we would be limited in the amount of NOLs we could use to offset our taxable income subsequent to this ownership change. The annual limit calculation under Section 382 on the use of NOLs is impacted by the aggregate value of our outstanding equity immediately prior to the ownership change and the federal long-term tax-exempt interest rate in effect for the month of the ownership change. This means that if an ownership change occurs, the lower the market price of our common stock at the time, the lower the NOL limit and the greater the risk of our being subject to a material annual NOL limitation.

If, following a Section 382 ownership change we were to have taxable income in excess of the NOL limitations, we would not be able to offset the excess income with NOLs, thereby resulting in current cash taxes. Although any loss carry forwards not used as a result of any Section 382 limitation would remain available to offset income in future years (again, subject to the Section 382 limitation) until the NOLs expire, any ownership change could significantly defer the utilization of the loss carry forwards and accelerate payment of federal income tax and cause some of the NOLs to expire unused. Because the aggregate value of our outstanding common stock and the federal long-term tax-exempt interest rate fluctuate, it is impossible to predict with any accuracy the annual limitation upon the amount of our taxable income that could be offset by such loss carry

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forwards were an ownership change to occur in the future, but such limitation could be material. To the extent that we are unable to offset taxable income with NOLs, we would have less cash available for other corporate purposes including investing in growth.

We experienced an ownership change in the third quarter of 2008. Currently, we do not believe that we have experienced an ownership change since the third quarter of 2008, but calculating whether an ownership change has occurred is subject to inherent uncertainty. This uncertainty results from the complexity and ambiguity of the Section 382 provisions, as well as the limited knowledge and timeliness of the information that a publicly traded company can have about the ownership of and transactions in its securities. We and our advisors have analyzed the information available, along with various scenarios of possible future changes of ownership. In light of this analysis, our current stock price and daily trading volume, we concluded that if we were to take no action, we would run a serious risk of undergoing a Section 382 ownership change. We believe the amended Stockholder Rights Plan substantially reduces this risk.

Section 382 Ownership Calculations

As set forth above, an ownership change can occur through one or more acquisitions or dispositions (including normal market trading) if the result of such acquisitions is that the percentage of our outstanding common stock held by stockholders or groups of stockholders owning at least 5% our common stock, as determined under Section 382, is more than 50 percentage points higher than the lowest percentage of our outstanding common stock owned by such stockholders or groups within the prior three-year period. The amount of the change in the percentage of stock ownership (measured as a percentage of the value of our outstanding shares rather than voting power) of each 5-percent stockholder is computed separately, and each such increase is then added together with any other such increases to determine whether an ownership change has occurred.

For example, if a single investor acquired 50.1% of our common stock in a three-year period, an ownership change would be deemed to occur. Similarly, if ten unrelated persons, none of whom owned our common stock, each acquired slightly over 5% of our common stock within a three-year period (so that such persons owned, in the aggregate, more than 50%), an ownership change would be deemed to occur.

In determining whether an ownership change has occurred, the rules of Section 382 are very complex, and are beyond the scope of this summary discussion. Some of the factors that must be considered in making a Section 382 ownership change calculation include the following:

All holders who each own less than 5% of a company's common stock are generally treated as a single public 5-percent stockholder. Transactions in the public markets among stockholders who are not 5-percent stockholders are generally excluded from the calculation.

There are several rules regarding the aggregation and segregation of stockholders who otherwise do not qualify as 5-percent stockholders. Ownership of stock is generally attributed to its ultimate beneficial owner without regard to ownership by nominees, trusts, corporations, partnerships or other entities.

The redemption or buyback of shares by an issuer will increase the ownership of any 5-percent stockholders (including groups of stockholders who are not themselves 5-percent stockholders) and can contribute to an ownership change. In addition, it is possible that a redemption or buyback of shares could cause a holder of less than 5% to become a 5-percent stockholder, resulting in a five percentage point (or more) change in ownership.

The determination of a particular stockholder's ownership level may be affected by certain constructive ownership rules, which generally attribute ownership of stock by estates, trusts, corporation, partnerships or other entities to the ultimate indirect individual owner of the shares, or to related individuals.

A stockholder's acquisition of a very small number of shares can cause such holder to become a 5-percent stockholder and result in a 5 percentage point (or more) ownership shift.

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The amended Stockholder Rights Plan is meant to protect stockholder value by reducing the risk of a Section 382 ownership change, thereby preserving our ability to use the NOLs. Although the amended Stockholder Rights Plan is intended to reduce the likelihood of an ownership change that could adversely affect us, we cannot assure that it would prevent all transfers that could result in such an ownership change. In particular, it would not protect against (1) an ownership change that may have occurred prior to the implementation of the Stockholder Rights Plan about which we are not aware due to delays in beneficial ownership reporting by stockholders, or (2) an ownership change resulting from sales by certain greater than 5% stockholders that may trigger limitations on our use of NOLs under Section 382.

If the stockholders approve the amended Stockholder Rights Plan, it would expire on February 25, 2020, unless the Rights expire earlier as provided in the amended Stockholder Rights Plan (see Description of Stockholder Rights Plan Expiration). As we describe below, if our Board determines that the amended Stockholder Rights Plan is no longer necessary for the protection of our NOLs, it would expire. We are committed to evaluating a variety of factors that may cause our Board to reach that conclusion, including:

The ongoing assessment of the estimated ownership shift;

The potential impact of selling stockholders;

The potential for legislative relief;

Market volatility;

Our stock price;

Our use of the NOLs and the remaining amount; and

An acquisition or merger offer.

The following description of the amended Stockholder Rights Plan is qualified in its entirety by reference to the text of the original Stockholder Rights Plan and the amendment, which are attached to this proxy statement as Annex A-1 and Annex A-2, respectively. **We urge you to read carefully each of the Stockholder Rights Plan and the amendment in its entirety as the discussion below is only a summary of the material terms of the Stockholder Rights Plan.**

Description of Stockholder Rights Plan

On February 25, 2010, we entered into an amendment to the original Stockholder Rights Plan with Mellon Investor Services LLC, as Rights Agent, dated as of March 26, 2009. The amended Stockholder Rights Plan is intended to deter acquisitions of our common stock (the Common Stock) that would potentially limit our ability to use our net operating loss carry forwards and any built in losses to reduce potential future federal income tax obligations.

Under the amended Stockholder Rights Plan, from and after the record date of April 6, 2009, each share of Common Stock has carried with it one preferred share purchase right (a Right), and will continue to carry with it one Right until the Distribution Date or earlier expiration of the Rights, as described below. In general terms, the Rights will work to impose a significant penalty upon any person or group which acquires 4.9% or more of the outstanding Common Stock without the approval of our Board. Stockholders that owned 4.9% or more of the outstanding Common Stock as of the close of business on March 26, 2009, will not trigger the Rights so long as they do not (i) acquire additional shares of Common Stock (a) representing two-tenths of one percent (0.2%) or more of the shares of Common Stock then outstanding (if they have continuously owned 5.0% or more of the Common Stock since March 26, 2009) or (b) that are in an amount that would result in such stockholders owning 5% or more of the Common Stock (if they have continuously owned 4.9% or more of the Common Stock, but have not continuously owned 5.0% or more of the Common Stock, since March 26, 2009) or (ii) fall under 4.9% ownership of Common Stock and then

re-acquire shares that in the aggregate equal 4.9% or more of the Common

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Stock. The Board may, in its sole discretion, exempt any person or group for purposes of the amended Stockholder Rights Plan if it determines the acquisition by such person or group will not jeopardize tax benefits or is otherwise in our best interests. The amended Stockholder Rights Plan is not expected to interfere with any merger or other business combination approved by the Board.

The Rights. From the record date of April 6, 2009, the Rights have traded with, and until the Distribution Date (as defined below) or earlier expiration of the Rights, will trade with and be inseparable from, the Common Stock. New Rights will also accompany any new shares of Common Stock that we issue until the Distribution Date or earlier expiration of the Rights.

Exercise Price. Each Right will allow its holder to purchase from us one one-hundredth of a share of Series A Junior Participating Preferred Stock (a Preferred Share) for \$50, subject to adjustment (the Exercise Price), once the Rights become exercisable. This portion of a Preferred Share will give the stockholder approximately the same dividend and liquidation rights as would one share of Common Stock. Prior to exercise, the Right does not give its holder any dividend, voting, or liquidation rights.

Exercisability. The Rights will not be exercisable until 10 days after the public announcement that a person or group has become an Acquiring Person by obtaining beneficial ownership, after March 26, 2009, of 4.9% or more of the outstanding Common Stock (or if already the beneficial owner of at least 4.9% of the outstanding Common Stock, by acquiring additional shares of Common Stock (a) representing two-tenths of one percent (0.2%) or more of the outstanding Common Stock (if such person or group has continuously owned 5.0% or more of the outstanding Common Stock since March 26, 2009) or (b) that are in an amount that would result in such person or group owning 5.0% or more of the Common Stock (if such person or group has continuously owned 4.9% or more of the outstanding Common Stock, but has not continuously owned 5.0% or more of the outstanding Common Stock, since March 26, 2009)), unless exempted by the Board.

The date when the Rights become exercisable is the Distribution Date. Until that date or earlier expiration of the Rights, the Common Stock certificates will also evidence the Rights, and any transfer of shares of Common Stock will constitute a transfer of Rights. After that date, the Rights will separate from the Common Stock and be evidenced by book-entry credits or by Rights certificates that we will mail to all eligible holders of Common Stock. Any Rights held by an Acquiring Person are void and may not be exercised.

Consequences of a Person or Group Becoming an Acquiring Person. If a person or group becomes an Acquiring Person, all holders of Rights except the Acquiring Person may, for payment of the Exercise Price, purchase shares of Common Stock with a market value of twice the Exercise Price, based on the market price of the Common Stock as of the acquisition that resulted in such person or group becoming an Acquiring Person.

Exchange. After a person or group becomes an Acquiring Person, the Board may extinguish the Rights by exchanging one share of Common Stock or an equivalent security for each Right, other than Rights held by the Acquiring Person.

Preferred Share Provisions. Each one one-hundredth of a Preferred Share, if issued:

will not be redeemable.

will entitle its holder to dividends equal to the dividends, if any, paid on one share of Common Stock.

will entitle its holder upon liquidation either to receive \$1.00 or an amount equal to the payment made on one share of Common Stock, whichever is greater.

will have the same voting power as one share of Common Stock.

will entitle holders to a per share payment equal to the payment made on one share of Common Stock, if shares of Common Stock are exchanged via merger, consolidation, or a similar transaction.

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The value of one one-hundredth interest in a Preferred Share is expected to approximate the value of one share of Common Stock.

Expiration. The Rights will expire on the earliest of (i) February 25, 2020, (ii) the time at which the Rights are redeemed, (iii) the time at which the Rights are exchanged, (iv) the repeal of Section 382 or any successor statute, or any other change, if the Board determines that the amended Stockholder Rights Plan is no longer necessary for the preservation of tax benefits, (v) the beginning of a taxable year of the Company to which the Board determines that no tax benefits may be carried forward and no built-in losses may be recognized, (vi) February 25, 2011 if approval of the amended Stockholder Rights Plan by the Company's stockholders has not been obtained prior to such date, or (vii) a determination by the Board, prior to the time any person or group becomes an Acquiring Person, that the amended Stockholder Rights Plan and the Rights are no longer in our best interests or the best interests of our stockholders.

Exempt Person. Our Board recognizes that there may be instances when an acquisition of shares by a stockholder would cause it to become an Acquiring Person under the amended Stockholder Rights Plan even if that acquisition would not jeopardize the availability to us of our NOLs. Under the amended Stockholder Rights Plan, the Board has the authority to determine whether a person or group who requests an exemption from the operation of the amended Stockholder Rights Plan is an Exempt Person with respect to such acquisitions of beneficial ownership of shares of our common stock, and grant such exemptions in its sole discretion. However, that person or group will cease to be an Exempt Person if the Board makes a contrary determination with respect to the effect of such person's or group's beneficial ownership of common stock, regardless of the reason.

Redemption. The Board may redeem the Rights for \$.001 per Right at any time before any person or group becomes an Acquiring Person. If the Board redeems any Rights, it must redeem all of the Rights. Once the Rights are redeemed, the only right of the holders of Rights will be to receive the redemption price of \$.001 per Right. The redemption price will be adjusted if we have a stock split or stock dividends of our Common Stock.

Anti-Dilution Provisions. The Board may adjust the Exercise Price, the number of Preferred Shares issuable and the number of outstanding Rights to prevent dilution that may occur from a stock dividend, a stock split, or a reclassification of the Preferred Shares or Common Stock.

Amendments. The terms of the amended Stockholder Rights Plan may be amended by the Board without the consent of the holders of the Rights. After a person or group becomes an Acquiring Person, the Board may not amend the agreement in a way that adversely affects holders of the Rights (other than an Acquiring Person or an Affiliate or Associate of an Acquiring Person).

Other Considerations. Our Board believes that attempting to safeguard our tax benefits as described above is in our best interests. Nonetheless, the amended Stockholder Rights Plan could have certain potentially negative consequences:

Potential Effects on Liquidity. The amended Stockholder Rights Plan is expected to deter stockholders from acquiring, directly or indirectly, additional shares of our common stock in excess of the specified limitations (subject to the grant of exemptions as described above). Furthermore, a stockholder's ability to dispose of our stock may be limited by reducing the class of potential acquirers for such stock.

Potential Impact on Value. Because the amended Stockholder Rights Plan may restrict a stockholder's ability to acquire our common stock, the market value of our common stock might be affected. The amended Stockholder Rights Plan could discourage or prevent accumulations of substantial blocks of shares in which our stockholders might receive a substantial premium above market value. However, these disadvantages are outweighed, in our opinion, by the importance of maintaining the availability of our tax benefits. Our Board of Directors did not adopt the Stockholder Rights Plan, or the amendment thereto, to discourage stockholders from accumulating our common stock. The purpose is to reduce the risk that we may be unable to fully utilize the tax benefits described

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above as a result of future transfers of our common stock. Our Board recognizes that there may be instances when an acquisition of shares by a stockholder would cause it to become an Acquiring Person under the amended Stockholder Rights Plan even if that acquisition would not jeopardize the availability to us of our NOLs. For this reason we have retained the Board's full discretion to determine whether a person or group who requests an exemption from the operation of the amended Stockholder Rights Plan is an Exempt Person with respect to such acquisitions of beneficial ownership of shares of our common stock. We have already granted exemptions to eligible stockholders pursuant to this discretion. We have also retained the ability under the amended Stockholder Rights Plan for the Board to redeem the Rights or cause the Stockholder Rights Plan to expire if the Board determines that the Rights are no longer in our best interests or the best interests of our stockholders.

Future Use and Amount of the NOLs is Uncertain. Our use of the NOLs depends on our ability to generate taxable income in the future. We cannot assure you whether we will have taxable income in any applicable period or, if we do, whether such income or the NOLs at such time will exceed any potential IRC Section 382 limitation.

Potential Challenge to the NOLs. The amount of the NOLs has not been audited or otherwise validated by the Internal Revenue Service (the IRS). The IRS could challenge the amount of the NOLs, which could result in an increase in our liability in the future for income taxes. In addition, determining whether an ownership change has occurred is subject to uncertainty, both because of the complexity and ambiguity of the Section 382 provisions and because of limitations on the knowledge that any publicly traded company can have about the ownership of, and transactions in, its securities on a timely basis. Therefore, we cannot assure you that the IRS or other taxing authority will not claim that we experienced an ownership change and attempt to reduce the benefit of the NOLs even if the amended Stockholders Rights Plan is in place.

Continued Risk of Ownership Change. Although the amended Stockholder Rights Plan is intended to diminish the likelihood of an ownership change, we cannot assure you that it will be effective. The amount by which our ownership may change in the future could, for example, be affected by purchases and sales of stock by 5-percent stockholders and new issuances of stock by us, should we choose to do so.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR

THE APPROVAL OF THE STOCKHOLDER RIGHTS PLAN.

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Item No. 4 Approval of the Material Terms of the Performance Goals Included in the Mirant Corporation 2005 Omnibus Incentive Compensation Plan

Board Recommendation: Our Board of Directors recommends that you vote FOR approval of the material terms of the performance goals of the Mirant Corporation 2005 Omnibus Incentive Compensation Plan (the Omnibus Incentive Plan) for purposes of Section 162(m) of the Internal Revenue Code.

Approval of the performance goals is needed under Section 162(m) of the Internal Revenue Code to ensure that our federal tax deductions for certain awards under the Omnibus Incentive Plan are not limited by Section 162(m) of the Internal Revenue Code. Section 162(m) imposes an annual deduction limit of \$1 million on the amount of compensation paid to covered employees (i.e. our chief executive officer and our three other most highly compensated executive officers (other than the chief financial officer)). The deduction limit does not apply to performance-based compensation. In order to qualify as performance-based compensation, awards must be subject to performance goals, the material terms of which have been approved by stockholders every five years, in situations (as is the case with us) where the Compensation Committee has the ability to change the targets applicable to the performance goals. The material terms of the performance goals that must be re-approved include who is eligible to participate in the Omnibus Incentive Plan, the business criteria on which the performance goals will be based and the maximum award payable to any participant.

Because five years have passed since approval of the Omnibus Incentive Plan pursuant to the Plan of Reorganization (which is treated for purposes of Section 162(m) of the Internal Revenue Code as shareholder approval), the Board is submitting the material terms of the performance goals set forth in the Omnibus Incentive Plan to our stockholders for re-approval. We are not proposing any amendment to the terms of the Omnibus Incentive Plan at this time. If our stockholders approve the proposal, performance-based awards pursuant to the Omnibus Incentive Plan will not be subject to the \$1 million compensation limit under Section 162(m) of the Internal Revenue Code. If stockholders fail to approve the proposal, we may continue to make awards under the Omnibus Incentive Plan but some awards paid to our senior executives may not be deductible, resulting in an additional cost to us.

Section 162(m) and Performance Goals

Under the Omnibus Incentive Plan, any performance goals applicable to awards intended to qualify as performance-based compensation under Section 162(m) will be based on one or more of the following business criteria, which we refer to as performance measures:

- (a) Net earnings or net income (before or after taxes);
- (b) Earnings per share;
- (c) Net sales or revenue;
- (d) Net operating profit;
- (e) Return measures (including return on assets, capital, invested capital, equity, sales, or revenue);
- (f) Cash flow (including, but not limited to, operating cash flow, free cash flow, cash flow return on equity, and cash flow return on investment);

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- (g) Earnings before or after taxes, interest, depreciation, and/or amortization;
- (h) Gross or operating margins;
- (i) Productivity ratios;
- (j) Share price (including, but not limited to, growth measures and total shareholder return);
- (k) Expenses;

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- (l) Margins;
- (m) Operating efficiency;
- (n) Market share;
- (o) Customer satisfaction;
- (p) Working capital; and

(q) Economic value added or EVA (net operating profit after tax minus the sum of capital multiplied by the cost of capital).

Such performance goals shall be established by the Compensation Committee of the Board (the "Compensation Committee") within the time period prescribed by, and shall otherwise comply with the requirements of, Section 162(m) of the Internal Revenue Code for performance-based compensation, and may be set forth in the applicable award agreement. Any performance measure(s) may be used to measure the performance of Mirant, its affiliates and/or its subsidiaries as a whole or any business unit of Mirant, its affiliates and/or its subsidiaries or any combination thereof, as the Compensation Committee may deem appropriate, or any of the above performance measures as compared to the performance of a group of comparator companies, or published or special index that the Compensation Committee, in its sole discretion, deems appropriate, or we may select performance measure (j) above as compared to various stock market indices. The Compensation Committee also has the authority to provide for accelerated vesting of any award based on the achievement of performance goals pursuant to the performance measures specified above. The Compensation Committee may provide that any evaluation of performance may include or exclude any of the following events that occurs during the period of time in which a performance goal must be met: (a) asset write-downs, (b) litigation or claim judgments or settlements, (c) the effect of changes in tax laws, accounting principles, or other laws or provisions affecting reported results, (d) any reorganization and restructuring programs, (e) extraordinary nonrecurring items as described in FASB ASC Topic 225-20 and/or in management's discussion and analysis of financial condition and results of operations appearing in Mirant's annual report to stockholders for the applicable year, (f) acquisitions or divestitures, and (g) foreign exchange gains and losses. To the extent such inclusions or exclusions affect awards to covered employees, they shall be prescribed in a form that meets the requirements of Section 162(m) of the Internal Revenue Code for deductibility.

The Compensation Committee has discretion to adjust the performance-based awards downward, either on a formula or discretionary basis or any combination thereof, but performance-based awards may not be adjusted upward. In the event that applicable tax and/or securities laws change to permit the Compensation Committee discretion to alter the performance measures without obtaining stockholder approval of such changes, the Compensation Committee shall have sole discretion to make such changes without obtaining stockholder approval. In addition, in the event that the Compensation Committee determines that it is advisable to grant awards that do not qualify as performance-based Compensation, the Compensation Committee may make such grants without satisfying the requirements of Section 162(m) of the Internal Revenue Code and base vesting of such awards on performance measures other than those set forth above.

The following description of the Omnibus Incentive Plan is a summary of its principal provisions and is qualified in its entirety by reference to the Omnibus Incentive Plan, which is attached to this proxy statement as Annex B. The Omnibus Incentive Plan is incorporated by reference from our Current Report on Form 8-K filed on January 3, 2006. In addition, the eligibility and participation provisions and the award limits are described as part of the description of the Omnibus Incentive Plan.

Eligibility and Participation

All of our employees and directors are eligible to participate in the Omnibus Incentive Plan. From time to time, the Compensation Committee may select from all eligible individuals, those individuals to whom awards will be granted and determine, in its sole discretion, the amount and terms of each award.

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Administration

The Compensation Committee is responsible for administering the Omnibus Incentive Plan and has full and exclusive discretionary power to interpret the terms and the intent of the Omnibus Incentive Plan and any award agreement thereunder. Such authority includes selecting award recipients, establishing all award terms and conditions and, subject to certain limitations set forth below, adopting modifications and amendments to the Omnibus Incentive Plan or any award agreement.

Shares Available for Issuance

The number of shares of Mirant common stock, par value \$0.01, that are available for issuance to participants under the Omnibus Incentive plan is limited to 18,575,851 shares. As of December 31, 2009, 10,413,831 shares of common stock of Mirant remained available for grant under the Omnibus Incentive Plan, taking into account grants thereunder, as well as unused shares (as described below).

In addition, the maximum number of shares that may be issued as incentive stock options shall be 5,000,000, and the maximum number of shares that may be issued to nonemployee directors shall be 2,500,000 shares. A nonemployee director may not be granted an award covering more than 2,500,000 shares in any plan year, except that this annual limit on nonemployee director awards will be increased to 5,000,000 shares for any nonemployee director serving as Chairman of the Board; provided, however, that in the plan year in which an individual is first appointed or elected to the Board as a nonemployee director, such individual may be granted an award covering up to an additional 2,500,000 shares.

Shares covered by an award will only be counted as used to the extent that they are actually issued. Any shares related to awards which terminate by expiration, forfeiture, cancellation or otherwise without the issuance of such shares, are settled in cash in lieu of shares or are exchanged with the Compensation Committee's permission, prior to the issuance of shares, for awards not involving shares, will be available again for grant under the Omnibus Incentive Plan. In addition, shares withheld from an option for satisfaction of the exercise price or shares withheld from an option or other award to satisfy minimum tax withholding requirements will again be available for issuance for awards under the Omnibus Incentive Plan. However, shares delivered to satisfy tax withholding requirements will not be added back to the number of shares available for issuance. If a stock appreciation right is exercised, only the number of shares issued, net of the shares tendered, if any, will be deemed delivered for purposes of determining the maximum number of shares available for delivery under the Omnibus Incentive Plan.

Award Limits

Unless and until the Compensation Committee determines that an award to a covered employee (as described above) will not be designed to qualify as performance-based compensation, the maximum grant of options, stock appreciation rights, restricted stock or restricted stock units, performance shares, performance units or other stock-based awards in any one plan year to any one participant is limited to 5,000,000 shares for each. The maximum amount of cash-based awards in any one plan year to any one plan participant cannot exceed \$20,000,000, and the maximum aggregate amount of any covered employee annual incentive awards made to a covered employee in any one plan year cannot exceed \$6,000,000.

Duration

The Omnibus Incentive Plan continues in full force and effect, subject to the right of the Compensation Committee to terminate the plan as described below, until all shares have been delivered under the Omnibus Incentive Plan and all restrictions on such shares have lapsed, provided that no award may be granted under the Omnibus Incentive Plan more than ten years after the effective date of the Omnibus Incentive Plan. Further, no incentive stock option may be granted more than ten years after the earlier of (1) the adoption of the Omnibus Incentive Plan by the Board, or (2) the effective date.

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Types of Awards

Stock Options

The exercise price for each option may be determined by the Compensation Committee in its discretion, but on the date of grant, it must be equal to at least 100% of the fair market value of the shares on the date of grant. Each option will expire at such time as the Compensation Committee determines at the time of grant, provided that, no option will be exercisable later than the 10th anniversary date of its grant (other than nonqualified stock options granted to participants outside the United States). Options will be exercisable at such times and be subject to such restrictions and conditions as the Compensation Committee shall in each instance approve, which terms and restrictions need not be the same for each grant or for each recipient. Each participant's award agreement will set forth the extent to which the participant will have the right to exercise the option following termination of employment with or provision of services to Mirant and will specify whether the option is intended to be an incentive stock option or a nonqualified stock option.

Stock Appreciation Rights

The Compensation Committee may grant freestanding stock appreciation rights, tandem stock appreciation rights or any combination of these forms of stock appreciation rights. The grant price for a freestanding stock appreciation right will be determined by the Compensation Committee in its discretion but must be at least equal to 100% of the fair market value of the shares on the date of grant. The grant price of tandem stock appreciation rights shall be equal to the exercise price of the related option. The term of a stock appreciation right shall be determined by the Compensation Committee and, except as determined otherwise for participants outside the United States, no stock appreciation right shall be exercisable later than the 10th anniversary of its grant date. Freestanding stock appreciation rights may be exercised upon whatever terms and conditions the Compensation Committee imposes. Tandem stock appreciation rights may be exercised for all or part of the shares subject to the related option upon the surrender of the right to exercise the equivalent portion of the related option. Each participant's award agreement shall set forth the extent to which the participant shall have the right to exercise the stock appreciation right following termination of employment with or provision of services to Mirant.

Restricted Stock and Restricted Stock Units

The Compensation Committee may grant restricted stock or restricted stock units with such restrictions as it may determine in its discretion. Unless otherwise determined by the Compensation Committee, participants holding shares of restricted stock may be granted the right to exercise full voting power with respect to those shares during the period of restriction. A participant will have no voting rights with respect to any restricted stock units. Each participant's award agreement shall set forth the extent to which the participant shall have the right to retain restricted stock or restricted stock units following termination of the participant's employment with or provision of services to Mirant.

Performance Units, Performance Shares and Cash-Based Awards

Each performance unit shall have an initial value that is established by the Compensation Committee at the time of grant. Each performance share shall have an initial value equal to the fair market value of a share on the date of grant. Each cash-based award shall have a value as determined by the Compensation Committee. The Compensation Committee shall set performance goals in its discretion which, depending on the extent to which they are met, will determine the value or number of performance units, performance shares or cash-based awards that will be paid out to the participant. Payment of performance units, performance shares or cash-based awards shall be as determined by the Compensation Committee and as evidenced in the award agreement. Each award agreement will set forth the extent to which the participant shall have the right to retain performance units, performance shares or cash-based awards following termination of the participant's employment with or provision of services to Mirant.

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Other Stock-Based Awards

The Compensation Committee may grant other types of equity-based or equity-related awards not otherwise described by the terms of the Omnibus Incentive Plan (including the grant or offer for sale of unrestricted shares) in such amounts and subject to such terms and conditions as the Compensation Committee shall determine.

Adjustments in Authorized Shares

In the event of any corporate event or transaction (including, but not limited to, a change in the shares of Mirant or the capitalization of Mirant) such as a merger, consolidation, reorganization, recapitalization, separation, stock split, reverse stock split, split up, spin-off, other distribution of stock or property or other change in capital structure, the Compensation Committee, in its sole discretion, in order to prevent dilution or enlargement of a participant's rights under the Omnibus Incentive Plan, will substitute or adjust, as applicable, the number and kind of shares that may be issued under the Omnibus Incentive Plan or under particular forms of awards, the number and kind of shares subject to outstanding awards, the exercise price or grant price applicable to outstanding awards, the annual award limits and other value determinations applicable to outstanding awards.

The Compensation Committee in its sole discretion may also make appropriate adjustments in the terms of any awards to reflect or related to such changes or distributions and to modify any other terms of outstanding awards, including modification of performance goals and changes in the length of performance periods, subject to the requirements to qualify compensation as performance-based compensation, if applicable. The Compensation Committee will also not make adjustments that would cause an award to fail to satisfy the requirements of Section 409A of the Internal Revenue Code. The Compensation Committee may under certain circumstances authorize the issuance or assumption of benefits under the Omnibus Incentive Plan in connection with any merger, consolidation, acquisition of property or stock or reorganization.

Change of Control

In the event of a change of control, as defined in the Omnibus Incentive Plan, except to the extent that a replacement award is provided to the participant to replace such award, or except to the extent limited under Section 409A of the Internal Revenue Code, or otherwise provided in the applicable award agreement, all then-outstanding options and stock appreciation rights shall become fully vested and exercisable and all other then-outstanding awards that are service vesting awards shall vest in full and be free of restrictions. The treatment of any other awards shall be as determined by the Compensation Committee in connection with the grant thereof, as reflected in the applicable award agreement.

Amendment, Modification, Suspension and Termination

The Compensation Committee may, at any time and from time to time, alter, amend, modify, suspend or terminate the Omnibus Incentive Plan and any award agreement in whole or in part; provided that without the prior approval of our stockholders, options or stock appreciation rights may not be repriced, replaced or regranted through cancellation or by lowering the exercise price of a previously granted option or the grant price of a previously granted stock appreciation right. No material amendment of the Omnibus Incentive Plan shall be made without stockholder approval if stockholder approval is required by law, regulation or stock exchange rule.

Federal Income Tax Consequences

The rules concerning the federal income tax consequences with respect to awards made pursuant to the Omnibus Incentive Plan are technical, and reasonable persons may differ on the proper interpretation of the rules. Moreover, the applicable statutory and regulatory provisions are subject to change, as are their interpretations and applications, which may vary in individual circumstances. The following discussion is designed to provide only a brief, general summary description of the federal income tax consequences associated with the awards,

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based on a good faith interpretation of the current federal income tax laws, regulations (including applicable proposed regulations) and judicial and administrative interpretations. The following discussion does not set forth any federal tax consequences other than income tax consequences or any state, local or foreign tax consequences that may apply.

Incentive Stock Options

An optionee does not recognize taxable income upon the grant or upon the exercise of an incentive stock option (although the exercise of an incentive stock option may in some cases trigger liability for the alternative minimum tax). Upon the sale of incentive stock option shares, the optionee recognizes income in an amount equal to the excess, if any, of the fair market value of those shares on the date of sale over the exercise price of the incentive stock option shares. The income is taxed at the long-term capital gains rate if the optionee has not disposed of the stock within two years after the date of the grant of the incentive stock option and has held the shares for at least one year after the date of exercise, and we are not entitled to a federal income tax deduction. Incentive stock option holding period requirements are waived when an optionee dies.

If an optionee sells incentive stock option shares before having held them for at least one year after the date of exercise and two years after the date of grant, the optionee recognizes ordinary income to the extent of the lesser of: (a) the gain realized upon the sale; or (b) the excess of the fair market value of the shares on the date of exercise over the exercise price. Any additional gain is treated as long-term or short-term capital gain depending upon how long the optionee has held the incentive stock option shares prior to disposition. In the year of any such disposition, we will receive a federal income tax deduction in an amount equal to the ordinary income that the optionee recognizes, if any, as a result of the disposition.

Nonqualified Stock Options

An optionee does not recognize taxable income upon the grant of a nonqualified stock option. Upon the exercise of such a stock option, the optionee recognizes ordinary income to the extent the fair market value of the shares received upon exercise of the nonqualified stock option on the date of exercise exceeds the exercise price. We will receive an income tax deduction in an amount equal to the ordinary income that the optionee recognizes upon the exercise of the stock option.

Restricted Stock

A participant who receives an award of restricted stock does not generally recognize taxable income at the time of the award. Instead, the participant recognizes ordinary income in the first taxable year in which his or her interest in the shares becomes either: (a) freely transferable; or (b) no longer subject to substantial risk of forfeiture. The amount of taxable income is equal to the fair market value of the shares less the cash, if any, paid for the shares.

A participant may elect to recognize income at the time of grant of restricted stock in an amount equal to the fair market value of the restricted stock (less any cash paid for the shares) on the date of the award.

We will receive a compensation expense deduction in an amount equal to the ordinary income recognized by the participant in the taxable year in which restrictions lapse (or in the taxable year of the award if, at that time, the participant had filed a timely election to accelerate recognition of income).

Stock Appreciation Rights

A participant who exercises a stock appreciation right will recognize ordinary income upon the exercise equal to the amount of cash and the fair market value of any shares received as a result of the exercise. We will receive an income tax deduction in an amount equal to the ordinary income that the participant recognizes upon the exercise of the stock appreciation right.

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Other Awards

In the case of an award of restricted stock units, performance units, performance shares or cash, the participant would generally recognize ordinary income in an amount equal to any cash received and the fair market value of any shares received on the date of payment. In that taxable year, we would receive a federal income tax deduction in an amount equal to the ordinary income that the participant has recognized.

Section 409A

Section 409A of the Internal Revenue Code provides special tax rules applicable to programs that provide for a deferral of compensation. Failure to comply with those requirements will result in accelerated recognition of income for tax purposes along with an additional tax equal to 20% of the amount included in income, and interest on deemed underpayments in certain circumstances. While certain awards under the Omnibus Incentive Plan could be subject to Section 409A, the plan has been drafted to comply with the requirements of Section 409A, where applicable.

Omnibus Incentive Plan Benefits

Because benefits under the Omnibus Incentive Plan will depend on the Compensation Committee's actions and the fair market value of the shares at various future dates, it is not possible to determine the benefits that will be received by directors, executive officers and other employees.

***THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR
APPROVAL OF THE MATERIAL TERMS OF THE PERFORMANCE GOALS UNDER
THE MIRANT CORPORATION 2005 OMNIBUS INCENTIVE COMPENSATION PLAN.***

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Item No. 5 Stockholder Proposal

We expect the following item to be presented by one or more stockholders at the annual meeting. Following SEC rules, we are reprinting the proposal and supporting statement as they were submitted to us. We take no responsibility for them. On written request to the Corporate Secretary at the address listed under the *Stockholder Proposals* section of this Proxy Statement or oral request to the Corporate Secretary, we will provide the name, address and stockholdings of the sponsor.

Board Recommendation: Our Board of Directors recommends that you vote AGAINST the stockholder proposal for the reasons stated below under the Board's Statement in Opposition of the Proposal.

WHEREAS:

In October 2007, a group representing the world's 150 scientific and engineering academies including the U.S. National Academy of Sciences, issued a report urging governments to lower greenhouse gas emissions (GHG) by establishing a firm and rising price for such emissions and by doubling energy research budgets to accelerate deployment of cleaner and more efficient technologies.

In June 2009, the House of Representatives passed a climate change bill to reduce greenhouse gas emissions to 17% below 2005 levels by 2020 and 83% by 2050. In September 2009, a similar legislative proposal was introduced to the Senate. Twenty-four states have already entered into regional initiatives to reduce emissions in advance of the federal mandate.

In December 2009, government and scientific leaders from around the world will gather in Copenhagen for formal talks on implementing the 1992 United Nations Framework Convention on Climate Change. The collective goal is the formulation of a climate treaty that sets emissions targets for industrialized and developing nations.

In October 2006, a report authored by former chief economist of The World Bank, Sir Nicolas Stern, estimated that climate change will cost between 5% and 20% of global domestic product if emissions are not reduced, and that greenhouse gases can be reduced at a cost of approximately 1% of global economic growth.

The electric industry accounts for more carbon dioxide emissions than any other sector, including the transportation and industrial sectors. U.S. power plants are responsible for nearly 40% of domestic and 10% of global carbon dioxide emissions.

In the Carbon Disclosure Project's most recent annual survey, 60% of utility respondents disclosed absolute GHG emission reduction targets, and 60% disclosed emissions forecasts.

Some of Mirant's electric industry peers who have set absolute reduction targets include American Electric Power, Entergy, Duke Energy, Exelon, National Grid and Consolidated Edison. Those with intensity targets include CMS Energy, PSEG, NiSource and Pinnacle West.

Duke, Exelon, FPL, NRG, and many other companies have also publicly stated that the U.S. should reduce its GHG emissions by 60% to 80% from current levels by 2050. They have also endorsed adoption of mandatory federal policy to limit emissions as a way to provide economic and regulatory certainty needed for major investments in our energy future.

RESOLVED: Shareholders request that the Board of Directors adopt quantitative goals, based on current technologies, for reducing total greenhouse gas emissions from the Company's products and operations; and that the Company report to shareholders by September 30, 2010, on its plans to achieve these goals. Such a report will omit proprietary information and be prepared at reasonable cost.

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SUPPORTING STATEMENT:

We believe that management best serves shareholders by carefully assessing and disclosing all pertinent information on the societal impacts of the company's operations, including its greenhouse gas emissions. We believe taking early action to reduce emissions and prepare for anticipated standards could provide competitive advantages, while inaction and opposition to climate change mitigation efforts could leave companies unprepared to compete in a carbon constrained economy.

BOARD OF DIRECTORS STATEMENT IN OPPOSITION OF THE PROPOSAL

The Board of Directors recommends a vote AGAINST this proposal under Item No. 5.

One of our principal responsibilities is to provide reliable and competitive electricity. In doing so, we recognize the importance of minimizing the environmental impact of our operations. For example, we:

will invest, including amounts already invested to date, \$1.674 billion on emissions reduction controls to comply with the Maryland Healthy Air Act. We completed the installation of flue gas desulphurization emissions controls at our Chalk Point, Dickerson and Morgantown coal-fired units in the fourth quarter of 2009. We previously installed selective catalytic reduction systems at the Morgantown coal-fired units and one of the Chalk Point coal-fired units and a selective auto catalytic reduction system at the other Chalk Point coal-fired unit. In addition, we installed selective non-catalytic reduction systems at the three Dickerson coal-fired units. These controls are capable of reducing emissions of SO₂, NO_x and mercury by approximately 98%, 90% and 80%, respectively, for three of our largest coal-fired units.

participate in the Regional Greenhouse Gas Initiative, a multi-state effort in the Northeast and the Mid-Atlantic, which calls for the stabilization of carbon dioxide emissions at current levels from 2009 through 2014, followed by a 2.5% reduction each year from 2015 through 2018;

participate in the Edison Electric Institute, the Electric Power Supply Association, and the Generators for Affordable Power, all of which advocate a national cap and trade legislative program to reduce greenhouse gas emissions;

joined the Chicago Climate Exchange, a voluntary greenhouse gas registry, reduction and trading system, and have committed to meet annual emissions reduction targets and, by the end of 2010, to reduce our greenhouse gas emissions by 6% below the average of our 1998 to 2001 levels; and

received the highest score (A+) in the 2009 Energy Industry Report of the Roberts Environmental Center of Claremont McKenna College that provides an analysis of the social responsibility reporting efforts on company websites of the top 48 U.S. energy and utilities companies on the 2008 Fortune 1000 list. The study noted, "Mirant continued to be by far the best U.S. sustainability reporter in the sector, and it improved within the three years we scored." We received the highest subscore (A+) in the study for our Environmental Reporting and our Environmental Performance. The study noted that Environmental Reporting scores are based on the degree to which a company discusses its emissions, energy sources and consumption, environmental incidents and violations, materials use, mitigations and remediation, waste produced, and water used.

Although there is no existing, cost-effective technology to reduce emissions of carbon dioxide from power plants fueled by coal, oil or gas, we are exploring ways to mitigate emissions by, among other things, maintaining the efficiency of our plants, recycling operational byproducts like gypsum and ash and seeking offsets. We think that we have taken a reasonable and practical approach to manage carbon dioxide and other emissions and have estimated and disclosed our existing and future emissions and described our emissions reduction efforts in our Securities and Exchange Commission filings, including our recently filed Annual Report on Form 10-K. We think our approach adequately prepares us to react to any legislative or regulatory reduction targets and we think that the request that we adopt quantitative goals for reducing greenhouse gas emissions in advance of such mandates would unnecessarily limit our current and future operations.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE AGAINST THIS PROPOSAL.

Table of Contents

Executive Officers

Our executive officers are elected by the Board of Directors annually to hold office until their successors are elected and qualified. The following table sets forth information regarding the names, ages, titles and business experience of the current executive officers of Mirant. Additional biographical information regarding our executive officers is available on our website at <http://www.mirant.com>.

Name	Age	Position and Experience	
Edward R. Muller	58	Chairman, President and Chief Executive Officer of Mirant since 2005. President and Chief Executive Officer (1993-2000) of Edison Mission Energy, a California-based independent power producer. Mr. Muller is also a director of Transocean Ltd. and was formerly a director of GlobalSantaFe Corporation.	
J. William Holden III	49	Senior Vice President and Chief Financial Officer (since 2009), Senior Vice President and Treasurer (2002-2009), Chief Financial Officer, Mirant Europe (2001-2002), Vice President and Treasurer (1999-2001), Vice President of Operations and Business Development for South America (1996-1999) and Vice President of Business Development for Asia-Pacific region (1994-1995) of Mirant. Mr. Holden held various positions at Southern Company from 1985 to 1994 including Director of Corporate Finance.	
Julia A. Houston	39	Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary (since 2009), Senior Vice President, Deputy General Counsel and Corporate Secretary (2008-2009), Vice President, Assistant General Counsel and Corporate Secretary (2006-2008), Associate General Counsel (2005-2006), and Senior Attorney (2004-2005) of Mirant. Ms. Houston previously practiced as a securities and finance attorney at Delta Air Lines, Inc. and as an associate at King & Spalding LLP, an international law firm, in the corporate practice group.	
John L. O Neal	42	Senior Vice President and Chief Commercial Officer (since 2006), Vice President and Chief Commercial Officer for U.S. business (2003-2006), Royce Pennsylvania Mutual Fund, Investment Class	Interest in Registered Investment Companies - Equity ** 1,175,396 17,313,58
* Royce Special Equity Fund, Institutional Class	Interest in Registered Investment Companies - Equity ** 41,288		1,027,252

*	Royce Total Return Fund, Institutional Class	Interest in Registered Investment Companies - Equity	** 71,755	1,173,201
	SSGA S&P 500 Index Fund	Interest in Registered Investment Companies - Equity	** 697,080	20,626,596
	T Rowe Price Small Cap Stock Fund	Interest in Registered Investment Companies - Equity	** 261,311	11,644,012
	Templeton World Fund Advantage	Interest in Registered Investment Companies - Equity	** 735,426	14,252,558
	Wells Fargo Advantage Emerging Markets Equity Fund	Interest in Registered Investment Companies - Equity	** 53,364	1,174,012
				271,267,442
	Eaton Vance Income Fund of Boston, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 399,694	2,422,144
*	Legg Mason BW Global Opportunities Fund, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 149,231	1,610,200
	PIMCO Foreign Bond	Interest in Registered Investment Companies - Fixed Income	** 318,048	3,345,869
	PIMCO Total Return	Interest in Registered Investment Companies - Fixed Income	** 917,605	9,809,197

*	Western Asset Core Plus Bond Fund, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 575,280	6,437,386
*	Western Asset Inflation Indexed Plus Bond Fund, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 70,804	786,629
*	Western Asset Institutional Liquid Reserves Fund, Class A	Interest in Registered Investment Companies - Fixed Income	** 19,855,654	19,855,654
*	Western Asset Short Duration High Income Fund, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 554,556	3,571,341
*	Western Asset Corporate Bond Fund, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 126,958	1,508,263
*	Western Short-Term Bond Fund, Institutional Class	Interest in Registered Investment Companies - Fixed Income	** 838,149	3,268,781
				52,615,464
*	Legg Mason, Inc. Retirement Bank Account	Money Market Deposit	** 3,723,798	3,723,798
*	Legg Mason, Inc. Common Stock	Common Stock	** 16,952	737,068
*	Legg Mason, Inc. Common Stock Fund	Unitized Fund	** 393,686	9,692,089
*			\$—N/A	3,322,949

Participant	Interest
Loans	rates range from 4.25% to 10.50%, maturing through December 2018

* Denotes a party-in-interest, as defined by ERISA

** Participant directed investment, therefore, no cost basis

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the plan administrator, who administers the employee benefit plan, has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: June 24, 2014

THE LEGG MASON PROFIT SHARING AND
401(k) PLAN AND TRUST

By: /s/ Brian K. Becker
 Brian K. Becker
 Plan Administrator

EXHIBIT INDEX

Exhibit No.

23 Consent of Stout, Causey & Horning, P.A.

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