

ALLIED WORLD ASSURANCE CO HOLDINGS LTD
Form 8-K
August 13, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K**

Current Report

**Pursuant to Section 13 or 15 (d) of the
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): August 13, 2010
ALLIED WORLD ASSURANCE COMPANY HOLDINGS, LTD
(Exact Name of Registrant as Specified in Charter)**

Bermuda
(State or Other Jurisdiction
of Incorporation)

001-32938
(Commission File Number)

98-0481737
(I.R.S. Employer
Identification No.)

**27 Richmond Road
Pembroke HM 08, Bermuda**

(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (441) 278-5400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01. Entry into a Material Definitive Agreement.

On August 13, 2010, Allied World Assurance Company Holdings, Ltd (the Company) entered into a warrant repurchase agreement with The Chubb Corporation (Chubb), a founding shareholder of the Company, pursuant to which the Company repurchased a warrant owned by Chubb, which entitled Chubb to purchase a total of 2,000,000 of the Company's common shares for \$34.20 per share. The aggregate purchase price for the warrant was \$32,819,000, which is equal to 2,000,000 times the difference between \$50.6095, the approximate volume weighted average price as reported by Bloomberg LP of the Company's common shares over the 4-day trading period immediately prior to the date of the repurchase agreement plus \$0.01, and \$34.20, the exercise price of the warrant. The repurchase has been executed separately from the company's \$500 million share repurchase program that was authorized by its Board of Directors in May 2010. This transaction was funded using available cash on hand.

The warrant repurchase agreement and the related press release are attached hereto as Exhibits 10.1 and 99.1, respectively, and are incorporated herein by reference. The description of the warrant repurchase agreement contained herein is qualified in its entirety by reference to the repurchase agreement filed herewith.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10.1	Warrant Repurchase Agreement, dated as of August 13, 2010, by and between Allied World Assurance Company Holdings, Ltd and The Chubb Corporation.
99.1	Press release, dated August 13, 2010.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ALLIED WORLD ASSURANCE COMPANY
HOLDINGS, LTD**

Dated: August 13, 2010

By: /s/ Wesley D. Dupont

Name: Wesley D. Dupont

Title: Executive Vice President, General
Counsel and Corporate Secretary

-3-

EXHIBIT INDEX

Exhibit Number	Description
10.1	Warrant Repurchase Agreement, dated as of August 13, 2010, by and between Allied World Assurance Company Holdings, Ltd and The Chubb Corporation.
99.1	Press release, dated August 13, 2010.

-4-