

ASPEN INSURANCE HOLDINGS LTD

Form 8-K

February 12, 2010

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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 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): February 8, 2010**

**ASPEN INSURANCE HOLDINGS LIMITED**

(Exact name of registrant as specified in its charter)

**Bermuda**

(State or other jurisdiction  
of incorporation)

**001-31909**

(Commission  
File Number)

**Not Applicable**

(I.R.S.  
Identification No.)

**Maxwell Roberts Building**

**1 Church Street**

**Hamilton HM 11**

**Bermuda**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: **(441) 295-8201**

**Not Applicable**

(Former name or former address, if changed since last report)

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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

SIGNATURES

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On February 8, 2010, the Compensation Committee approved bonus compensation, and equity awards for certain executive officers under the Amended 2003 Share Incentive Plan, as amended (the Plan), with a grant date of February 11, 2010 (being the day on which our close period ends following the release of our earnings). The Compensation Committee based its decisions on a review of personal performance and the performance of the Company in the past year. There were no salary increases for any of the executive officers referenced below. The Company intends to provide additional information regarding the compensation awarded to the Named Executive Officers in respect of and during the year ended December 31, 2009 in the annual report on Form 10-K.

The Compensation Committee approved the following compensation with respect to the Company's Named Executive Officers:

	<b>2009 Bonus (1)</b>	<b>2010 Performance Shares under the Plan</b>
Christopher O Kane	\$2,256,480	107,469
Richard Houghton	\$ 902,592	25,076
Julian Cusack	\$ 902,592	25,076
Brian Boornazian	\$1,350,000	26,867
James Few	\$1,092,500	26,867

- (1) The 2009 bonus amounts for each of Messrs. O Kane, Houghton and Cusack will be paid in British Pounds and have been converted to U.S. dollars using the conversion rate of \$1.5670 to £1, the average rate of exchange for the year ended December 31, 2009.

*2010 Performance Shares.* The performance shares will be subject to a three-year vesting period with a separate annual Return on Equity ( ROE ) test for each year. One-third of the grant will be eligible for vesting each year based on the following formula, and will only be issuable at the end of the three-year period. If the ROE achieved in any given year is less than 7%, then the portion of the performance shares subject to the vesting conditions in such year will be forfeited (i.e. 33.33% of the initial grant). If the ROE achieved in any given year is between 7% and 12%, then

the percentage of the performance shares eligible for vesting in such year will be between 10% and 100% on a straight-line basis. If the ROE achieved in any given year is between 12% and 22%, then the percentage of the performance shares eligible for vesting in such year will be between 100% and 200% on a straight-line basis. Notwithstanding the vesting criteria for each given year, if in any given year, the shares eligible for vesting are greater than 100% for the portion of such year's grant (i.e. the ROE was greater than 12% in such year) and the average ROE over such year and the preceding year is less than 7%, then only 100% (and no more) of the shares that are eligible for vesting in such year shall vest. If the average ROE over the two years is greater than 7%, then there will be no diminution in vesting and the shares eligible for vesting in such year will vest in accordance with the vesting schedule without regard to the average ROE over the two-year period.

The summary above of the material terms of the 2010 Performance Shares is qualified by the actual terms of the 2010 Performance Share Award Agreement, which is expected to be attached as an exhibit to the Company's quarterly report on Form 10-Q for the period ending March 31, 2010.

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**SIGNATURES**

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.

**ASPEN INSURANCE HOLDINGS LIMITED**  
(Registrant)

Dated: February 12, 2010

By: /s/ Richard Houghton  
Name: Richard Houghton  
Title: Chief Financial Officer

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