

MASTERCARD INC

Form 4

March 05, 2010

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
*See Instruction*  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SELANDER ROBERT W

(Last) (First) (Middle)

2000 PURCHASE STREET

(Street)

PURCHASE, NY 105772509

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
MASTERCARD INC [MA]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/03/2010

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner  
☒ Officer (give title below) ☐ Other (specify below)

Chief Executive Officer

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
☒ Form filed by One Reporting Person  
☐ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price		
Class A Common Stock	03/03/2010		S		5,699 <u>(1)</u>	D	\$ 231.6901 <u>(2)</u>	59,700	D
Class A Common Stock	03/03/2010		S		4,628 <u>(1)</u>	D	\$ 232.4647 <u>(3)</u>	55,072	D
Class A Common Stock	03/03/2010		S		12,298 <u>(1)</u>	D	\$ 233.5614 <u>(4)</u>	42,774	D
Class A Common	03/03/2010		S		2,674 <u>(1)</u>	D	\$ 234.2119	40,100	D

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Stock

(5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
SELANDER ROBERT W 2000 PURCHASE STREET PURCHASE, NY 105772509	X Chief Executive Officer

## Signatures

/s/ Bart S. Goldstein attorney in fact for Robert W. Selander pursuant to power of attorney dated July 25, 2006

03/05/2010

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

This transaction was effected pursuant to a pre-planned trading plan entered into in accordance with Rule 10b5-1 of the Securities

(1) Exchange Act of 1934 and previously referenced in a MasterCard Incorporated Form 8-K filed on November 12, 2009. The pre-planned trading plan was adopted by the reporting person on November 6, 2009.

(2) Represents the weighted average sales price for price increments ranging from \$231.15 to \$231.98.

(3) Represents the weighted average sales price for price increments ranging from \$232.00 to \$232.97.

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(4) Represents the weighted average sales price for price increments ranging from \$233.11 to \$233.99.

(5) Represents the weighted average sales price for price increments ranging from \$234.00 to \$234.46.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. bsp; The Board of Directors may in special cases allow exceptions from this limitation on voting rights.

**Artikel 15 Beschlüsse Article 15 Resolutions** a) Die Generalversammlung ist beschlussfähig, wenn zwei oder mehr Personen, welche als Aktionäre oder Stimmrechtsvertreter mindestens fünfzig Prozent (50%) der gesamten ausstehenden Aktien (entsprechend den im Handelsregister eingetragenen Aktien minus den von der Gesellschaft direkt oder indirekt gehaltenen eigenen Aktien) vertreten, während der Generalversammlung anwesend sind. Falls die Gesellschaft einen Aktionär hat, genügt die Anwesenheit eines Aktionärs oder Stimmrechtsvertreters, um ein gültiges Quorum zu erstellen. a) The General Meeting of Shareholders can validly pass resolutions if two or more persons present in person and representing in person or by proxy in excess of fifty percent (50%) of the total issued and outstanding shares (being the total number of issued shares as registered in the commercial register minus shares held in treasury) are present throughout the meeting; provided, that if the Company shall at any time have only one shareholder, one shareholder present in person or by proxy shall constitute a quorum.

b) Die Generalversammlung fasst ihre Beschlüsse und vollzieht ihre Wahlen, soweit das Gesetz oder diese Statuten nichts anderes vorsehen, mit der einfachen Mehrheit der abgegebenen Stimmen (wobei Enthaltungen, sog. Broker Nonvotes, leere oder ungültige Stimmen für die Bestimmung des Mehrs nicht berücksichtigt werden). b) Unless otherwise required by law or the Articles of Association, the General Meeting of Shareholders shall pass its resolutions and carry out its elections with the simple majority of the votes cast (whereby abstentions, broker non-votes, blank or invalid ballots shall be disregarded for purposes of establishing the majority).

D-18

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## Table of Contents

- c) Der Vorsitzende bestimmt das Abstimmungsverfahren. Erfolgen die Wahlen nicht elektronisch, haben sie mittels Stimmzettel zu erfolgen, wenn mindestens 50 anwesende Aktionäre dies per Handzeichen verlangen. Die Weisungserteilung durch die Aktionäre an ihre an der Versammlung anwesenden Vertreter via Internet oder Telefon kann durch den Vorsitzenden gestattet werden.

- c) The Chairman of the General Meeting of Shareholders shall determine the voting procedure. Provided that the voting is not done electronically, voting shall be by ballot if more than 50 of the shareholders present so demand by a show of hands. The Chairman may permit the shareholders to give their instructions by means of the internet or telephone to their representatives who are present at the meeting.

### **Artikel 16 Quorum**

Ein Beschluss der Generalversammlung, der mindestens zwei Drittel der vertretenen Stimmen und die absolute Mehrheit der vertretenen Aktiennennwerte auf sich vereinigt, ist erforderlich für:

1. die in Artikel 704 Absatz 1 OR aufgeführten Geschäfte, d.h. für:
  - (a) die Änderung des Gesellschaftszwecks;
  - (b) die Einführung von Stimmrechtsaktien;
  - (c) die Beschränkung der Übertragbarkeit von Namenaktien oder Partizipationsscheinen;
  - (d) eine genehmigte oder bedingte Kapitalerhöhung;
  - (e) die Kapitalerhöhung aus Eigenkapital, gegen Sacheinlage oder zwecks Sachübernahme und die Gewährung von besonderen Vorteilen;
  - (f) die Einschränkung oder Aufhebung des Bezugsrechts;
  - (g) die Verlegung des Sitzes der Gesellschaft;
  - (h) die Auflösung der Gesellschaft.
2. Fusion, Spaltung und Umwandlung der Gesellschaft (zwingende gesetzliche

### **Article 16 Quorums**

A resolution of the General Meeting of Shareholders passed by at least two thirds of the represented share votes and the absolute majority of the represented shares par value is required for:

1. the cases listed in Article 704 paragraph 1 CO, i.e.:
  - (a) the change of the company purpose;
  - (b) the creation of shares with privileged voting rights;
  - (c) the restriction of the transferability of registered shares or participation certificates;
  - (d) an increase of capital, authorized or subject to a condition;
  - (e) an increase of capital out of equity, against contribution in kind, or for the purpose of acquisition of assets and the granting of special benefits;
  - (f) the limitation or withdrawal of pre-emptive rights;
  - (g) the change of the domicile of the Company;
  - (h) the liquidation of the Company.
2. the merger, de-merger or conversion of the Company (subject to mandatory law);

Bestimmungen vorbehalten);

- |    |  |    |  |
|----|--|----|--|
| 3. | die Lockerung und die Aufhebung von Übertragungsbeschränkungen der Namenaktien oder Partizipationsscheine;               | 3. | the alleviating or withdrawal of restrictions upon the transfer of registered shares or participation certificates;                        |
| 4. | die Umwandlung von Namenaktien in Inhaberaktien und umgekehrt sowie die Umwandlung von Partizipationsscheinen in Aktien; | 4. | the conversion of registered shares into bearer shares and vice versa as well as the conversion of participation certificates into shares; |
| 5. | die Abberufung von Mitgliedern des Verwaltungsrats im Sinne von Artikel 705 Absatz 1 OR; und                             | 5. | the dismissal of any member of the Board of Directors according to Article 705 paragraph 1 CO; and   |
- D-19
-

**Table of Contents**

6. die Änderung oder Aufhebung der Artikel 8, 14, 15 und 16 der Statuten.

6. the amendment or elimination of the provisions of Article 8, Article 14 and Article 15 of the Articles of Association as well as those contained in this Article 16.

**B. Der Verwaltungsrat**

**Artikel 17 Wahl, Konstituierung und Entschädigung**

- a) Der Verwaltungsrat besteht aus wenigstens 3 und höchstens 13 Mitgliedern. Die Amtsdauer des Verwaltungsrats beträgt drei Jahre. Die erste Amtsdauer wird für jedes Mitglied bei der ersten Wahl durch den Verwaltungsrat so festgelegt, dass jedes Jahr eine gleiche Anzahl Verwaltungsräte neu bzw. wiedergewählt werden müssen und spätestens nach drei Jahren sämtliche Mitglieder des Verwaltungsrats sich einer Wiederwahl haben stellen müssen. Der Verwaltungsrat bestimmt die Reihenfolge der Wiederwahl, wobei die erste Amtszeit einzelner Mitglieder des Verwaltungsrats weniger als drei Jahre betragen wird. Diesbezüglich ist unter einem Jahr der Zeitraum zwischen zwei ordentlichen, aufeinanderfolgenden Generalversammlungen zu verstehen. Im Falle einer Zu- oder Abnahme der Anzahl der Mitglieder des Verwaltungsrats, bestimmt der Verwaltungsrat die neue Reihenfolge der Wiederwahlen. Infolgedessen kann die Amtsdauer einzelner Mitglieder des Verwaltungsrats weniger als drei Jahre betragen. Die Amtsdauer läuft mit dem Tag der nächsten ordentlichen Generalversammlung ab, vorbehaltlich vorgängigen Rücktritts oder Abwahl. Wenn vor Ablauf dieser Amtsdauer Verwaltungsräte ersetzt werden, läuft die Amtsdauer der neu hinzu gewählten Mitglieder mit der ordentlichen Amtsdauer ihrer Vorgänger ab.

Die Mitglieder des Verwaltungsrats können wiedergewählt werden.

- b) Der Verwaltungsrat konstituiert sich selber. Der Verwaltungsrat wählt seinen Präsidenten sowie

**B. The Board of Directors**

**Article 17 Election, Constitution and Indemnification**

- a) The Board of Directors shall consist of a minimum of three and a maximum of thirteen members. The term shall be three years. Each year the Board of Directors shall be renewed by rotation, to the extent possible in equal numbers and in such manner that, after a period of three years, all members will have been subject to re-election. The Board of Directors shall establish the order of rotation, whereas the first term of some members may be less than three years. In this regard, one year shall mean the period between two ordinary General Meetings of Shareholders. In the event of increase or a decrease in the number of Directors, the Board of Directors shall establish a new order of rotation. In this context the terms of office of some members may be less than three years. The term of office of a member of the Board of Directors shall, subject to prior resignation or removal, expire upon the day of the next ordinary General Meeting of Shareholders. Newly-appointed members shall complete the term of office of their predecessors.

Members of the Board of Directors may be re-elected.

- b) The Board of Directors shall constitute itself. It appoints its Chairman, a Vice-Chairman and a

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einen Vizepräsidenten. Er bezeichnet einen Sekretär; dieser braucht nicht dem Verwaltungsrat anzugehören. Die Organisation des Verwaltungsrats wird im Organisationsregelement festgelegt. Der Vorsitzende hat den Stichentscheid.

Secretary who does not need to be a member of the Board of Directors. The Organization of the Board of Directors is provided for in the Organizational Regulations. The Chairman shall have the casting vote.

D-20

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## **Table of Contents**

c) Die Mitglieder des Verwaltungsrats erhalten für ihre Tätigkeit eine Entschädigung, deren Höhe vom Verwaltungsrat festgelegt wird. Die Mitglieder des Verwaltungsrats sind ebenfalls berechtigt, an Mitarbeiterbeteiligungsprogrammen der Gesellschaft teilzunehmen.

d) Soweit es das Gesetz zulässt, werden die Mitglieder des Verwaltungsrats sowie der Geschäftsleitung aus dem Gesellschaftsvermögen schadlos gehalten für Forderungen, Kosten, Verluste, Schäden, Bussen, und sonstige Auslagen, welche ihnen im Zusammenhang mit ihrer Tätigkeit für die Gesellschaft entstehen bzw. gegen diese erhoben werden, es sei denn, ein rechtskräftiger Entscheid eines Gerichts oder einer anderen Behörde stelle fest, dass die betreffende Person die obgenannten Auslagen und Verpflichtungen aufgrund einer vorsätzlichen oder grobfahrlässigen Pflichtverletzung verursacht hat.

Unabhängig von vorstehender Bestimmung schiesst die Gesellschaft den Mitgliedern des Verwaltungsrats sowie der Geschäftsleitung die im Zusammenhang mit oben erwähnten Angelegenheiten entstehenden Gerichts- und Anwaltskosten vor. Ausgenommen sind jene Fälle, in denen die Gesellschaft selbst gegen die betreffenden Personen vorgeht. Die Gesellschaft kann die aufgewendeten Auslagen zurückfordern, wenn ein Gericht oder eine andere zuständige Behörde rechtskräftig feststellt, dass die betreffende Person gegenüber der Gesellschaft eine Pflichtverletzung begangen hat.

### **Artikel 18 Oberleitung und -aufsicht, Delegation**

a) Der Verwaltungsrat hat die Oberleitung der Gesellschaft sowie die Aufsicht über die Geschäftsleitung. Er vertritt die Gesellschaft gegenüber Dritten und kann in allen Angelegenheiten Beschluss fassen, welche nicht gemäss Gesetz, Statuten oder

c) Members of the Board of Directors shall receive compensation for their work in an amount to be determined by the Board. They may also participate in the Company's employee benefit plans.

d) The Company shall indemnify and hold harmless, to the fullest extent permitted by law, each of the members of the Board of Directors and officers out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty on behalf of the Company; provided that this indemnity shall not extend to any matter in which any of said persons is found, in a final judgement or decree not subject to appeal, to have committed with intent or gross negligence.

Without limiting the foregoing paragraph, the Company shall advance court costs and attorney's fees to the members of the Board of Directors and officers, except in cases where the Company itself is plaintiff. The Company may however recover such advanced cost if a court or another competent authority holds that the member of the Board of Directors or the officer in question has breached its duties to the Company.

### **Article 18 Ultimate Direction, Delegation**

a) The Board of Directors is entrusted with the ultimate direction of the Company as well as the supervision of the management. It represents the Company towards third parties and attends to all matters which are not delegated to or reserved for another corporate body of the Company by



Organisationsreglement einem anderen Organ  
zugewiesen sind.

law, the Articles of Association or the  
regulations.

D-21

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## **Table of Contents**

b) Der Verwaltungsrat kann aus seiner Mitte Ausschüssen bestellen oder einzelne Mitglieder bestimmen, welche mit der Vorbereitung und/oder Ausführung seiner Beschlüsse oder der Überwachung bestimmter Geschäfte betraut sind. Der Verwaltungsrat erlässt hierzu die notwendigen organisatorischen Weisungen. Mit Ausnahme der unübertragbaren Befugnisse kann der Verwaltungsrat die Geschäftsführung ganz oder teilweise an einzelne Mitglieder, an einen Ausschuss oder an Dritte, welche keine Aktionäre zu sein brauchen, übertragen. Ebenso kann der Verwaltungsrat vorgenannten Personen die Befugnis erteilen, im Namen der Gesellschaft zu zeichnen. Der Verwaltungsrat erlässt hierzu die notwendigen Organisationsreglemente und erstellt die erforderlichen Vertragsdokumente.

b) The Board of Directors may delegate preparation and/or implementation of its decisions and supervision of the business to committees or to individual members of the Board of Directors. The organizational regulations will be defined by the Board of Directors. While reserving its non-transferable powers, the Board of Directors may further delegate the management of the business or parts thereof and representation of the Company to one or more persons, members of the Board of Directors or others who need not be shareholders. The Board of Directors shall record all such arrangements in a set of regulations for the Company and set up the necessary contractual framework.

### **Artikel 19 Aufgaben**

Der Verwaltungsrat hat folgende unübertragbare und unentziehbare Aufgaben:

1. die Oberleitung der Gesellschaft und die Erteilung der nötigen Weisungen;
2. die Festlegung der Organisation;
3. die Ausgestaltung des Rechnungswesens, der Finanzkontrolle sowie der Finanzplanung, sofern diese für die Führung der Gesellschaft notwendig ist;
4. die Ernennung und Abberufung der mit der Geschäftsführung und der Vertretung betrauten Personen, sowie die Erteilung der Zeichnungsberechtigungen;
5. die Oberaufsicht über die mit der Geschäftsführung und der Vertretung betrauten Personen, namentlich im Hinblick auf die Befolgung der Gesetze, Statuten, Reglemente und Weisungen;
6. die Erstellung des Geschäftsberichtes sowie die Vorbereitung der Generalversammlung

### **Article 19 Duties**

The Board of Directors has the following non-transferable and inalienable duties:

1. to ultimately manage the Company and issue the necessary directives;
2. to determine the organization;
3. to organize the accounting, the financial control, as well as the financial planning if necessary for the administration of the Company;
4. to appoint and remove the persons entrusted with the management and representation of the Company and to grant signatory power;
5. to ultimately supervise the persons entrusted with the management, in particular with respect to compliance with the law and with the Articles of Association, regulations and directives;
6. to issue the business report, as well as the preparation of the General Meeting of

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und die Ausführung ihrer Beschlüsse;

Shareholders and to implement the latter's resolutions;

7. die Benachrichtigung des Richters im Falle der Überschuldung;

7. to inform the judge in the event of over-indebtedness;

8. die Beschlussfassung über die nachträgliche Liberierung von nicht vollständig liberierten Aktien;

8. to pass resolutions regarding the subsequent payment of capital with respect to non-fully paid-in shares;

D-22

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**Table of Contents**

9. die Beschlussfassung über die Feststellung von Kapitalerhöhungen und die entsprechenden Statutenänderungen; und
10. die Überwachung der Fachkenntnisse der Spezialrevisionsstelle in den Fällen, in denen das Gesetz den Einsatz einer solchen vorsieht.

**C. Revisionsstelle und Spezialrevisionsstelle**

**Artikel 20 Amtsdauer, Befugnisse und Pflichten**

- a) Die Revisionsstelle wird von der Generalversammlung gewählt. Rechte und Pflichten der Revisionsstelle bestimmen sich nach den gesetzlichen Vorschriften.
- b) Die Generalversammlung kann eine Spezialrevisionsstelle ernennen, welche die vom Gesetz bei Kapitalerhöhungen durch Sacheinlage oder Verrechnung verlangten Prüfungsbestätigungen abgibt.
- c) Die Amtsdauer der Revisionsstelle und (falls eingesetzt) der Spezialrevisionsstelle beträgt ein Jahr. Die Amtsdauer beginnt mit dem Tag der Wahl und endet mit der ersten darauffolgenden ordentlichen Generalversammlung.

**IV. Liquidation**

**Artikel 21 Auflösung und Liquidation**

- a) Die Generalversammlung kann jederzeit in Übereinstimmung mit den gesetzlichen und statutarischen Bestimmungen die Auflösung und die Liquidation der Gesellschaft beschliessen.
- b) Die Liquidation wird durch den Verwaltungsrat besorgt, sofern sie nicht durch einen Beschluss der Generalversammlung anderen Personen übertragen wird.
- c)

9. to pass resolutions confirming increases in share capital and regarding the amendments to the Articles of Association entailed thereby; and
10. to examine the professional qualifications of the specially qualified Auditors in the cases in which the law foresees the use of such Auditors.

**C. Auditors and Special Auditor**

**Article 20 Term, Powers and Duties**

- a) The Auditors shall be elected by the General Meeting of Shareholders and shall have the powers and duties vested in them by law.
- b) The General Meeting of Shareholders may appoint a special auditing firm entrusted with the examinations required by applicable law in connection with capital increases against contribution in kind or set-off.
- c) The term of office of the Auditors and (if appointed) the special auditors shall be one year. The term of office shall commence on the day of election, and shall terminate on the first annual ordinary General Meeting of Shareholders following their election.

**IV. Liquidation**

**Article 21 Dissolution and Liquidation**

- a) The General Meeting of Shareholders may at any time resolve the dissolution and liquidation of the Company in accordance with the provisions of the law and of the Articles of Association.
- b) The liquidation shall be carried out by the Board of Directors to the extent that the General Meeting of Shareholders has not entrusted the same to other persons.
- c)

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Die Liquidation ist gemäss Artikel 742 ff. OR durchzuführen. Dabei können die Liquidatoren über das Vermögen der Gesellschaft (einschliesslich Immobilien) durch privaten Rechtsakt verfügen.

The liquidation of the Company shall take place in accordance with Article 742 et seq. CO. The liquidators are authorized to dispose of the assets (including real estate) by way of private contract.

d) Das Vermögen der aufgelösten Gesellschaft wird nach Tilgung ihrer Schulden unter die Aktionäre nach Massgabe der einbezahlten Beträge verteilt.

d) After all debts have been satisfied, the net proceeds shall be distributed among the shareholders in proportion to the amounts paid-in.

D-23

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**Table of Contents**

**V. Mitteilungen und Sprache der Statuten**

**V. Notices and Language of the Articles of Association**

**Artikel 22 Mitteilungen und Bekanntmachungen**

**Article 22 Communications and Announcements**

- a) Das Schweizerische Handelsamtsblatt ist das offizielle Publikationsmittel der Gesellschaft.
- b) Mitteilungen der Gesellschaft an die Aktionäre oder Partizipanten sowie andere Bekanntmachungen erfolgen durch Publikation im Schweizerischen Handelsamtsblatt.

- a) The official means of publication of the Company shall be the Swiss Official Gazette of Commerce.
- b) Invitations to shareholders or participants and other communications of the Company shall be published in the Swiss Official Gazette of Commerce.

**Artikel 23 Sprache der Statuten**

**Article 23 Language of the Articles of Association**

Im Falle eines Widerspruchs zwischen der deutschen und jeder anderen Fassung dieser Statuten ist die deutsche Fassung massgeblich.

In the event of deviations between the German version of these Articles of Association and any version in another language, the German authentic text prevails.

**VI. Übergangsbestimmungen**

**VI. Transitional Provisions**

**Artikel 24 Sacheinlage**

**Article 24 Contribution in Kind**

Die Gesellschaft übernimmt bei der Kapitalerhöhung vom 30. November 2010 gemäss einem Sacheinlagevertrag von 30. November 2010 ( Sacheinlagevertrag ) in Verbindung mit einem Urteil des Supreme Court von Bermuda vom 26. November 2010 zum Umstrukturierungsplan ( Scheme of Arrangement ) vom 18. November 2010 zwischen der Allied World Assurance Company Holdings, Ltd, einer Gesellschaft mit beschränkter Haftung gemäss Bermuda Recht mit Sitz in Bermuda und Kotierung am New York Stock Exchange ( Allied World Bermuda ), und ihren Aktionären, der von den Aktionären der Allied World Bermuda genehmigt wurde, alle 39 794 636 Aktien mit Stimmrecht der Allied World Bermuda, welche einen Wert von insgesamt CHF 2 337 536 918.64 haben. Als Gegenleistung für diese Sacheinlage gibt die Gesellschaft insgesamt 39 794 636 voll einbezahlte Namenaktien mit einem Nennwert von insgesamt CHF 596 919 540 aus an die Allied World Bermuda, die (1) in Bezug auf 38 313 836 Namenaktien der Gesellschaft, mit einem Nennwert von je CHF 15.00,

In connection with (1) the capital increase, dated November 30, 2010, and in accordance with (2) a contribution in kind agreement ( Contribution in Kind Agreement ), dated November 30, 2010, in connection with the order issued by the Supreme Court of Bermuda on November 26, 2010 sanctioning the scheme of arrangement ( Scheme of Arrangement ) dated November 18, 2010, by and between Allied World Assurance Company Holdings, Ltd, an exempted company with limited liability under the laws of Bermuda, with a registered office in Bermuda and with common shares listed on the New York Stock Exchange ( Allied World Bermuda ), and Allied World Bermuda's shareholders, all of the 39,794,636 voting common shares of Allied World Bermuda (total value of CHF 2,337,536,918.64) have been acquired by the Company. As consideration for this contribution in kind, the Company has issued a total of 39,794,636 fully paid-in registered shares with a total par value of CHF 596,919,540 to Allied World Bermuda, which acts (i) in relation to 38,313,836 registered shares of the Company, each with a par

als indirekte Stellvertreterin für die Aktionäre aller Aktien mit Stimmrechten der Allied World Bermuda, die bei Handelsschluss an der New York Stock Exchange (NYSE) am 30. November 2010 ( Stichzeitpunkt ) ausgegeben sind, und (2) in Bezug auf 1 480 800 Namenaktien der Gesellschaft, mit einem Nennwert von je CHF 15.00, im eigenen Namen und auf eigene Rechnung handelt. Die Gesellschaft weist die Differenz zwischen dem totalen Nennwert der ausgegebenen Namenaktien und dem Übernahmewert der Sacheinlage im Gesamtbetrag von CHF 1 740 617 378.64 den Reserven der Gesellschaft zu.

value of CHF 15.00, as nominee for the account of the holders of all Allied World Bermuda voting common shares outstanding as of the close of trading on the New York Stock Exchange on November 30, 2010 ( Record Date ), and (ii) in relation to 1,480,800 registered shares of the Company, each with a par value of CHF 15.00, in its own name and account. The surplus of the difference between the aggregate par value of the issued registered shares and the total value of the contribution in kind, in the amount of CHF 1,740,617,378.64, is allocated to the reserves of the Company.

D-24

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**Table of Contents**

Die Gesellschaft übernimmt bei der Schaffung des Partizipationskapitals vom 30. November 2010 gemäss den Sacheinlagevertrag in Verbindung mit einem Urteil des Supreme Court von Bermuda vom 26. November 2010 zum Scheme of Arrangement vom 18. November 2010, alle 202 340 Aktien ohne Stimmrecht der Allied World Bermuda, welche einen Wert von insgesamt CHF 11 885 451.60 haben. Als Gegenleistung für diese Sacheinlage gibt die Gesellschaft insgesamt 202 340 voll einbezahlte Namenpartizipationsscheine mit einem Nennwert von insgesamt CHF 3 035 100 aus an die Allied World Bermuda, die als indirekte Stellvertreterin für die Aktionäre aller Aktien ohne Stimmrecht der Allied World Bermuda, die zum Stichtzeitpunkt ausgegeben sind, handelt. Die Gesellschaft weist die Differenz zwischen dem totalen Nennwert der ausgegebenen Namenpartizipationsscheine und dem Übernahmewert der Sacheinlage im Gesamtbetrag von CHF 8 850 351.60 den Reserven der Gesellschaft zu.

In connection with (1) the creation of the participation capital, dated November 30, 2010, and in accordance with (2) the Contribution in Kind Agreement in connection with the order issued by the Supreme Court of Bermuda on November 26, 2010 sanctioning the Scheme of Arrangement dated November 18, 2010, all of the 202,340 non-voting common shares of Allied World Bermuda (total value of CHF 11,885,451.60) have been acquired by the Company. As consideration for this contribution in kind, the Company issues 202,340 fully paid-in registered participation certificates with a total par value of CHF 3,035,100 to Allied World Bermuda, which acts as nominee for the account of the holders of all non-voting common shares of Allied World Bermuda outstanding as of the close of trading on the New York Stock Exchange on the Record Date. The surplus of the difference between the aggregate par value of the issued registered participation certificates and the total value of the contribution in kind, in the amount of CHF 8,850,351.60, is allocated to the reserves of the Company.

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D-25



**Table of Contents**

**Annex E**

**TRANSALLIED GROUP HOLDINGS, AG**

**FOURTH AMENDED AND RESTATED  
2004 STOCK INCENTIVE PLAN**

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## TABLE OF CONTENTS

	ARTICLE I GENERAL	E-1
1.1	<b>Purpose</b>	E-1
1.2	<b>Definitions of Certain Terms</b>	E-1
1.3	<b>Administration</b>	E-2
1.4	<b>Persons Eligible for Awards</b>	E-3
1.5	<b>Types of Awards Under Plan</b>	E-3
1.6	<b>Registered Shares Available for Awards</b>	E-3
	ARTICLE II AWARDS UNDER THE PLAN	E-4
2.1	<b>Agreements Evidencing Awards</b>	E-4
2.2	<b>No Rights as a Shareholder</b>	E-4
2.3	<b>Grant of Restricted Registered Shares</b>	E-5
2.4	<b>Grant of Restricted Stock Units</b>	E-5
2.5	<b>Grant of Dividend Equivalent Rights</b>	E-5
2.6	<b>Other Stock-Based Awards</b>	E-5
2.7	<b>Performance-Based Awards</b>	E-5
2.8	<b>Certain Restrictions</b>	E-6
	ARTICLE III MISCELLANEOUS	E-6
3.1	<b>Amendment of the Plan</b>	E-6
3.2	<b>Confidentiality</b>	E-6
3.3	<b>Tax Withholding</b>	E-6
3.4	<b>Required Consents and Legends</b>	E-6
3.5	<b>Nonassignability; No Hedging</b>	E-7
3.6	<b>Successor Entity</b>	E-7
3.7	<b>Right of Discharge Reserved</b>	E-7
3.8	<b>Nature of Payments</b>	E-7
3.9	<b>Non-Uniform Determinations</b>	E-8
3.10	<b>Other Payments or Awards</b>	E-8
3.11	<b>Plan Headings</b>	E-8
3.12	<b>Termination of Plan</b>	E-8
3.13	<b>Governing Law; Venue</b>	E-8
3.14	<b>Severability; Entire Agreement</b>	E-8
3.15	<b>Waiver of Claims</b>	E-8
3.16	<b>No Third Party Beneficiaries</b>	E-9
3.17	<b>Successors and Assigns of TransAllied</b>	E-9
3.18	<b>Date of Adoption and Approval of Shareholders</b>	E-9
3.19	<b>Section 409A</b>	E-9

---

**Table of Contents**

**TRANSALLIED GROUP HOLDINGS, AG**

**FOURTH AMENDED AND RESTATED  
2004 STOCK INCENTIVE PLAN**

ARTICLE I

GENERAL

1.1 *Purpose*

The purpose of the TransAllied Group Holdings, AG Fourth Amended and Restated 2004 Stock Incentive Plan is to attract, retain and motivate officers, directors, employees (including prospective employees), consultants and others who may perform services for the Company, to compensate them for their contributions to the long-term growth and profits of the Company, and to encourage them to acquire a proprietary interest in the success of the Company.

1.2 *Definitions of Certain Terms*

*AWARD* means an award made pursuant to the Plan.

*AWARD AGREEMENT* means the written document by which each Award is evidenced.

*BOARD* means the Board of Directors of TransAllied.

*CERTIFICATE* means a share certificate (or other appropriate document or evidence of ownership) representing Registered Shares of TransAllied.

*COMMITTEE* has the meaning set forth in Section 1.3.1.

*COMPANY* means TransAllied and its subsidiaries.

*COVERED PERSON* has the meaning set forth in Section 1.3.3.

*EMPLOYMENT* means a grantee's performance of services for the Company, as determined by the Committee. The terms *employ* and *employed* shall have their correlative meanings.

*EXCHANGE ACT* means the Securities Exchange Act of 1934, as amended from time to time, and the applicable rules and regulations thereunder.

*PERFORMANCE GOAL* means, for a Performance Period, a performance goal established by the Committee for such Performance Period based on Performance Measures selected by the Committee. The Performance Goals must be substantially uncertain to be attained at the time they are established and established in such a way that a third party with knowledge of the relevant facts could determine whether and to what extent the Performance Goals have been met. The Committee is authorized to make adjustments in the Performance Goals in recognition of unusual or nonrecurring events affecting the Company, any affiliate, or the financial statements of the Company or any affiliate, or of changes in applicable laws, rules, rulings, regulations, or other requirements of any governmental body or securities exchange or inter-dealer quotation system, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan; *provided* that any such adjustment does not constitute impermissible

discretion under Section 162(m).

*PERFORMANCE MEASURES* means, with respect to a Section 162(m) Award, one or more of the following performance metrics, which may be applied with respect to an individual grantee based on the attainment of specific levels of performance of the Company and/or one or more subsidiaries, affiliates, divisions, operational or business units, product lines, brands, business segments, administrative departments or any combination of the foregoing and which may be measured on an absolute, adjusted or relative basis: (i) consolidated earnings before or after taxes (including earnings before interest, taxes, depreciation and amortization); (ii) net income; (iii) operating income; (iv) earnings per share; (v) book value per share;

E-1

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**Table of Contents**

(vi) return on shareholders' equity; (vii) return on investment; (viii) stock price; (ix) improvements in capital structure; (x) revenue or sales; and (xi) total return to shareholders.

*PERFORMANCE PERIOD* means a period established by the Committee at the time any Section 162(m) Award is granted (or at any time thereafter so long as such period is established within the time allowed under Section 162(m)) during which any Performance Measures with respect to such Award are to be achieved.

*PLAN* means the TransAllied Group Holdings, AG Fourth Amended and Restated 2004 Stock Incentive Plan, as described herein and as hereafter amended from time to time, which amends and restates the Allied World Assurance Company Holdings, AG Third Amended and Restated 2004 Stock Incentive Plan.

*REGISTERED SHARES* mean the registered shares of TransAllied.

*SECTION 162(m)* means Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended, and the rules, regulations and official guidance issued thereunder.

*SECTION 162(m) AWARD* means any Award that is intended to qualify and in fact qualifies for the performance-based compensation exemption to the application of the \$1 million deduction limit under Section 162(m).

*SECTION 409A* means Section 409A of the U.S. Internal Revenue Code of 1986, as amended, and the rules, regulations and official guidance issued thereunder.

*TRANSALLIED* means TransAllied Group Holdings, AG or a successor entity contemplated by Section 3.6.

*1.3 Administration*

1.3.1 Except as otherwise provided herein, the Plan shall be administered by a committee (the *Committee*) of the Board to be drawn solely from members of the Board, which shall be composed of not less than two outside directors (within the meaning of Section 162(m)). If at any time such a committee has not been so designated or is not acting, the Board shall constitute the Committee. Any action by the Board with respect to a Section 162(m) Award will be made only by members of the Board who are outside directors to the extent required by and in compliance with Section 162(m). The Committee is authorized, subject to the provisions of the Plan and applicable law, to establish such rules and regulations as it deems necessary for the proper administration of the Plan and to make such determinations and interpretations and to take such action in connection with the Plan and any Award granted thereunder as it deems necessary or advisable. All determinations and interpretations made by the Committee shall be final, binding and conclusive on all grantees and on their legal representatives and beneficiaries. The Committee shall have the authority, in its absolute discretion, subject to approval by the Board to the extent required by applicable law, to determine the persons who shall receive Awards, the time when Awards shall be granted, the terms of such Awards and the number of Registered Shares, if any, which shall be subject to such Awards. Unless otherwise provided in an Award Agreement, the Committee shall have the authority, in its absolute discretion, subject to approval by the Board to the extent required by applicable law, to (i) amend any outstanding Award Agreement in any respect, whether or not the rights of the grantee of such Award are adversely affected, including, without limitation, to accelerate the time or times at which the Award becomes vested, unrestricted or may be exercised, waive or amend any goals, restrictions or conditions set forth in such Award Agreement, or impose new goals, restrictions and conditions, or reflect a change in the grantee's circumstances; and (ii) determine whether, to what extent and under what circumstances and method or methods (A) Awards may be (1) settled in cash, Registered Shares, other securities, other Awards or other property or (2) canceled, forfeited or suspended, (B) Registered Shares, other securities, other Awards or other property, and other amounts payable with respect to an Award may be deferred either automatically or at the election of the grantee

thereof or of the Committee and (C) Awards may be settled by the Company or any of its designees. Notwithstanding anything to the contrary contained herein, the Board may, in its sole discretion, at any time and from time to time, grant Awards (including grants to members of the Board who are not employees of the Company) or

E-2

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## **Table of Contents**

administer the Plan, in which case the Board shall have all of the authority and responsibility granted to the Committee herein.

1.3.2 Actions of the Committee may be taken by the vote of a majority of its members. The Committee may allocate among its members and delegate to any person who is not a member of the Committee any of its powers, responsibilities or duties, but only to the extent in accordance with applicable law, including Section 162(m), to the extent applicable.

1.3.3 No member of the Board or the Committee or any employee of the Company (each such person a Covered Person ) shall have any liability to any person (including any grantee) for any action taken or omitted to be taken or any determination made in good faith with respect to the Plan or any Award. Each Covered Person shall be indemnified and held harmless by TransAllied against and from any loss, cost, liability or expense (including attorneys' fees) that may be imposed upon or incurred by such Covered Person in connection with or resulting from any action, suit or proceeding to which such Covered Person may be a party or in which such Covered Person may be involved by reason of any action taken or omitted to be taken or any determination made in good faith under the Plan or any Award Agreement and against and from any and all amounts paid by such Covered Person, with TransAllied's approval, in settlement thereof, or paid by such Covered Person in satisfaction of any judgment in any such action, suit or proceeding against such Covered Person; *provided* that TransAllied shall have the right, at its own expense, to assume and defend any such action, suit or proceeding and, once TransAllied gives notice of its intent to assume the defense, TransAllied shall have sole control over such defense with counsel of TransAllied's choice. The foregoing right of indemnification shall not be available to a Covered Person to the extent that a court of competent jurisdiction in a final judgment or other final adjudication, in either case, not subject to further appeal, determines that the acts or omissions or determinations of such Covered Person giving rise to the indemnification claim resulted from such Covered Person's fraud or dishonesty. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which Covered Persons may be entitled under TransAllied's Articles of Association or Organizational Regulations, as a matter of law, or otherwise, or any other power that TransAllied may have to indemnify such persons or hold them harmless.

### *1.4 Persons Eligible for Awards*

Awards under the Plan may be made to such officers, directors, employees (including prospective employees), consultants and other individuals who may perform services for the Company, as the Committee may select.

### *1.5 Types of Awards Under Plan*

Awards may be made under the Plan in the form of (a) restricted stock, (b) restricted stock units, (c) dividend equivalent rights and (d) other equity-based or equity-related Awards that the Committee determines to be consistent with the purposes of the Plan and the interests of the Company. TransAllied, however, will not grant stock options pursuant to the Plan.

### *1.6 Registered Shares Available for Awards*

1.6.1 Subject to adjustment as provided in Section 1.6.2 hereof, the maximum number of shares that may be issued under the Plan is four million (4,000,000) Registered Shares. Such Registered Shares may, in the discretion of the Committee, be either authorized but unissued shares or shares previously issued and reacquired by TransAllied. If any Award shall expire, terminate or otherwise lapse, in whole or in part, any Registered Shares subject to such Award (or portion thereof) shall again be available for issuance under the Plan. Any Registered Shares delivered by TransAllied, any Registered Shares with respect to which Awards are made by TransAllied and any Registered Shares with respect to which TransAllied becomes obligated to make Awards, through the assumption of, or in substitution for,

outstanding awards previously granted by an acquired entity, shall not be counted against the shares available for Awards under this Plan.

1.6.2 The Committee shall adjust the number of Registered Shares authorized pursuant to Section 1.6.1 and 1.6.3 and the terms of the Plan and any outstanding Awards (including, without limitation, the number of Registered Shares covered by each outstanding Award, the type of property to which the Award is subject, the

E-3

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## Table of Contents

exercise or strike price of any Award and any applicable performance measures under any Award (including without limitation, Performance Measures and Performance Goals), in each case, in such manner as it deems appropriate to preserve the benefits or potential benefits intended to be made available to grantees of Awards, for any increase or decrease in the number of issued Registered Shares resulting from a recapitalization, stock split, stock dividend, combination or exchange of Registered Shares, merger, amalgamation, consolidation, rights offering, separation, reorganization or liquidation, or any other change in the corporate structure or shares of TransAllied. After any adjustment made pursuant to this Section 1.6.2, the number of Registered Shares subject to each outstanding Award shall be rounded down to the nearest whole number. Notwithstanding the foregoing, in the event of (i) a merger, amalgamation or consolidation involving TransAllied in which TransAllied is not the surviving corporation; (ii) a merger, amalgamation or consolidation involving TransAllied in which TransAllied is the surviving corporation but the holders of shares of Registered Shares receive securities of another corporation and/or other property, including cash; (iii) a the sale of greater than fifty percent (50%) of the securities of TransAllied entitled to vote in the election of directors to the Board; or (iv) the reorganization or liquidation of TransAllied (each, a Corporate Event), in lieu of providing the adjustment set forth above, the Committee may, in its discretion, provide that all outstanding Awards shall terminate as of the consummation of such Corporate Event, and either (x) accelerate the vesting of, and cause all vesting restrictions to lapse on, all outstanding Awards to a date at least ten days prior to the date of such Corporate Event, or (y) provide that holders of Awards will receive a payment in respect of cancellation of their Awards based on the amount of the per share consideration being paid for the Registered Shares in connection with such Corporate Event. Payments to holders pursuant to the preceding sentence shall be made in cash, or, in the sole discretion of the Committee, in such other consideration necessary for a holder of an Award to receive property, cash or securities as such holder would have been entitled to receive upon the occurrence of the transaction if the holder had been, immediately prior to such transaction, the holder of the number of Registered Shares covered by the Award at such time. Notwithstanding anything herein to the contrary, an adjustment to a Section 162(m) Award under this Section 1.6.2 may not be made in a manner that would cause the modified award to result in a loss of deduction under Section 162(m), unless the Committee determines that such adjustment is desirable notwithstanding such loss of deduction.

1.6.3 There shall be no limit on the amount of cash, securities (other than Registered Shares as provided in this Section 1.6) or other property that may be delivered pursuant to the Plan or any Award; *provided, however*, that during any time that the Company is subject to Section 162(m), the maximum number of Registered Shares with respect to which Awards may be granted to any individual in any one year shall not exceed the maximum number of Registered Shares authorized for issue hereunder, as such number may change from time to time.

## ARTICLE II

### AWARDS UNDER THE PLAN

#### 2.1 *Agreements Evidencing Awards*

Each Award granted under the Plan shall be evidenced by a written document that shall contain such provisions and conditions as the Committee deems appropriate. The Committee may grant Awards in tandem with or in substitution for any other Award or Awards granted under this Plan or any award granted under any other plan of the Company. By accepting an Award pursuant to the Plan, a grantee thereby agrees that the Award shall be subject to all of the terms and provisions of the Plan and the applicable Award Agreement.

#### 2.2 *No Rights as a Shareholder*

No grantee of an Award shall have any of the rights of a shareholder of TransAllied with respect to Registered Shares subject to such Award until the delivery of such shares. Except as otherwise provided in Section 1.6.2, no adjustments

shall be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, Registered Shares, other securities or other property) for which the record date is prior to the date such shares are delivered.

E-4

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**Table of Contents**

*2.3 Grant of Restricted Registered Shares*

The Committee may grant or offer for sale restricted Registered Shares in such amounts and subject to Section 2.8 and such terms and conditions as the Committee shall determine. Upon the delivery of such shares, the grantee shall have the rights of a shareholder with respect to the restricted stock, subject to Section 2.8 and any other restrictions and conditions as the Committee may include in the applicable Award Agreement. In the event that a Certificate is issued in respect of restricted Registered Shares, such Certificate may be registered in the name of the grantee but may be held by TransAllied or its designated agent until the time the restrictions lapse.

*2.4 Grant of Restricted Stock Units*

The Committee may grant Awards of restricted stock units in such amounts and subject to Section 2.8 and such terms and conditions as the Committee shall determine. A grantee of a restricted stock unit will have only the rights of a general unsecured creditor of TransAllied until delivery of Registered Shares, cash or other securities or property is made as specified in the applicable Award Agreement. On the delivery date specified in the Award Agreement, the grantee of each restricted stock unit not previously forfeited or terminated shall receive one Registered Share, or cash, securities or other property equal in value to a Registered Share or a combination thereof as specified by the Committee.

*2.5 Grant of Dividend Equivalent Rights*

The Committee may include in the Award Agreement with respect to any Award a dividend equivalent right entitling the grantee to receive amounts equal to all or any portion of the dividends that would be paid on the Registered Shares covered by such Award if such shares had been delivered pursuant to such Award. The grantee of a dividend equivalent right will have only the rights of a general unsecured creditor of TransAllied until payment of such amounts is made as specified in the applicable Award Agreement. In the event such a provision is included in an Award Agreement, the Committee shall determine whether such payments shall be made in cash, in Registered Shares or in another form, whether they shall be conditioned upon the exercise of the Award to which they relate, the time or times at which they shall be made, and such other terms and conditions as the Committee shall deem appropriate.

*2.6 Other Stock-Based Awards*

The Committee may grant other types of equity-based or equity-related Awards (including the grant or offer for sale of unrestricted Registered Shares) in such amounts and subject to such terms and conditions, as the Committee shall determine. Such Awards may entail the transfer of actual Registered Shares to Award recipients, or payment in cash or otherwise of amounts based on the value of Registered Shares, and may include, without limitation, Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

*2.7 Performance-Based Awards*

The Committee shall have authority to designate Awards as performance-based, the attainment of which shall be based on the achievement of performance goals during performance periods. In order for a performance-based Award to be a Section 162(m) Award, the Committee shall establish in writing (including approved minutes of the Committee), within the first 90 days of a Performance Period (or, if applicable, within the maximum period allowed under Section 162(m)), (i) which grantees will be eligible to receive Section 162(m) Awards in respect of such Performance Period, (ii) the types of Awards to be issued, (iii) the Performance Measure(s) to be used to establish the Performance Goal(s), (iv) the objective Performance Goals that must be met with respect to such Performance Period, and (v) any other terms and conditions that the Committee deems appropriate and consistent with this Plan and the requirements of Section 162(m).

In addition to such other limitations as may be established by the Committee, a grantee shall be eligible to receive payment in respect of a Section 162(m) Award only to the extent that, following the completion of the Performance Period, the Committee shall have met to review and shall have certified in writing (including approved minutes of the Committee) whether, and to what extent, the Performance Goals for the Performance Period have been achieved and, if so met, to calculate and certify in writing the amount of the Section 162(m)

E-5

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## **Table of Contents**

Awards earned for the Performance Period. The Committee shall then determine the amount of each grantee's Section 162(m) Award for the Performance Period and, in so doing, may apply discretion to eliminate or reduce the amount of a Section 162(m) Award, if and when it deems appropriate; *provided* that the exercise of such discretion would not cause the Section 162(m) Award to fail to be qualified performance-based compensation under Section 162(m). The 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 in the Award Agreement. Except as otherwise provided by the Committee in an Award Agreement, the performance-based Awards are intended to constitute short term deferrals within the meaning of Section 409A.

### *2.8 Certain Restrictions*

In the case of an Award in the form of restricted stock or restricted stock units, at least one year must elapse before the delivery or payment of Registered Shares, cash or other property, except in the case of (i) termination of employment due to death, disability, retirement at or after age 65 or change of control; or (ii) an Award that the Committee determines is performance based.

## ARTICLE III

### MISCELLANEOUS

#### *3.1 Amendment of the Plan*

3.1.1 Unless otherwise provided in an Award Agreement, the Board may from time to time suspend, discontinue, revise or amend the Plan in any respect whatsoever, including in any manner that adversely affects the rights, duties or obligations of any grantee of an Award.

3.1.2 Unless otherwise determined by the Board, shareholder approval of any suspension, discontinuance, revision or amendment shall be obtained only to the extent necessary to comply with any applicable law or stock exchange listing requirement.

#### *3.2 Confidentiality*

In consideration of the grantee's acceptance of any Award, the grantee hereby agrees to keep confidential the existence of, and any information concerning, any dispute arising in connection with any Award, the Plan and any related matters, except that the grantee may disclose information concerning such dispute to the court that is considering such dispute or to the grantee's legal counsel (provided that such counsel agrees not to disclose any such information other than as necessary to the prosecution or defense of the dispute).

#### *3.3 Tax Withholding*

As a condition to the delivery of any Registered Shares pursuant to any Award or the lifting or lapse of restrictions on any Award, or in connection with any other event that gives rise to a federal or other governmental tax withholding obligation on the part of the Company relating to an Award (including, without limitation, FICA tax), (a) the Company may deduct or withhold (or cause to be deducted or withheld) from any payment or distribution to a grantee whether or not pursuant to the Plan or (b) the Committee shall be entitled to require that the grantee remit cash to the Company (through payroll deduction or otherwise), in each case in an amount sufficient in the opinion of the Company to satisfy such withholding obligation.

#### *3.4 Required Consents and Legends*

3.4.1 If the Committee shall at any time determine that any consent (as hereinafter defined) is necessary or desirable as a condition of, or in connection with, the granting of any Award, the delivery of Registered Shares or the delivery of any cash, securities or other property under the Plan, or the taking of any other action thereunder (each such action being hereinafter referred to as a plan action ), then such plan action shall not be taken, in whole or in part, unless and until such consent shall have been effected or obtained to the full satisfaction of the Committee. The Committee may direct that any Certificate evidencing shares delivered pursuant to the Plan shall bear a legend setting forth such restrictions on transferability as the

E-6

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**Table of Contents**

Committee may determine to be necessary or desirable, and may advise the transfer agent to place a stop transfer order against any legended shares.

3.4.2 The term "consent" as used in this Section 3.4 with respect to any plan action includes (a) any and all listings, registrations or qualifications in respect thereof upon any securities exchange or under any federal, state or local law, or law, rule or regulation of a jurisdiction outside the United States; (b) or any other matter, which the Committee may deem necessary or desirable to comply with the terms of any such listing, registration or qualification or to obtain an exemption from the requirement that any such listing, qualification or registration be made; (c) any and all other consents, clearances and approvals in respect of a plan action by any governmental or other regulatory body or any stock exchange or self-regulatory agency; and (d) any and all consents required by the Committee. Nothing herein shall require TransAllied to list, register or qualify the Registered Shares on any securities exchange.

*3.5 Nonassignability; No Hedging*

Except to the extent otherwise expressly provided in the applicable Award Agreement or determined by the Committee, no Award (or any rights and obligations thereunder) granted to any person under the Plan may be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of or hedged, in any manner (including through the use of any cash-settled instrument), whether voluntarily or involuntarily and whether by operation of law or otherwise, other than by will or by the laws of descent and distribution, and all such Awards (and any rights thereunder) shall be exercisable during the life of the grantee only by the grantee or the grantee's legal representative. Any sale, exchange, transfer, assignment, pledge, hypothecation or other disposition in violation of the provisions of this Section 3.5 shall be null and void and any Award which is hedged in any manner shall immediately be forfeited. All of the terms and conditions of this Plan and the Award Agreements shall be binding upon any permitted successors and assigns.

*3.6 Successor Entity*

Unless otherwise provided in the applicable Award Agreement and except as otherwise determined by the Committee, in the event of a merger, amalgamation, consolidation, mandatory share exchange or other similar business combination of TransAllied with or into any other entity or any transaction in which another person or entity acquires all of the issued and outstanding Registered Shares of TransAllied, or all or substantially all of the assets of TransAllied, outstanding Awards may be assumed or a substantially equivalent award may be substituted by such successor entity or a parent or subsidiary of such successor entity.

*3.7 Right of Discharge Reserved*

Nothing in the Plan or in any Award Agreement shall confer upon any grantee the right to continued Employment by the Company or affect any right that the Company may have to terminate such Employment.

*3.8 Nature of Payments*

3.8.1 Any and all grants of Awards and deliveries of Registered Shares, cash, securities or other property under the Plan shall be in consideration of services performed or to be performed for the Company by the grantee. Awards under the Plan may, in the discretion of the Committee, be made in substitution in whole or in part for cash or other compensation otherwise payable to a grantee by the Company. Only whole Registered Shares shall be delivered under the Plan. Awards shall, to the extent reasonably practicable, be aggregated in order to eliminate any fractional shares. Fractional shares shall be rounded down to the nearest whole share and any such fractional shares shall be forfeited.

3.8.2 All such grants and deliveries shall constitute a special discretionary incentive payment to the grantee and shall not be required to be taken into account in computing the amount of salary or compensation of the grantee for the purpose of determining any contributions to or any benefits under any pension, retirement, profit-sharing, bonus, life insurance, severance or other benefit plan of the Company or under any agreement with the grantee, unless the Company specifically provides otherwise.

E-7

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**Table of Contents**

**3.9 *Non-Uniform Determinations***

The Committee's determinations under the Plan and Award Agreements need not be uniform and may be made by it selectively among persons who receive, or are eligible to receive, Awards under the Plan (whether or not such persons are similarly situated). Without limiting the generality of the foregoing, the Committee shall be entitled, among other things, to make non-uniform and selective determinations under Award Agreements, and to enter into non-uniform and selective Award Agreements, as to (a) the persons to receive Awards, (b) the terms and provisions of Awards and (c) whether a grantee's Employment has been terminated for purposes of the Plan.

**3.10 *Other Payments or Awards***

Nothing contained in the Plan shall be deemed in any way to limit or restrict the Company from making any award or payment to any person under any other plan, arrangement or understanding, whether now existing or hereafter in effect.

**3.11 *Plan Headings***

The headings in this Plan are for the purpose of convenience only and are not intended to define or limit the construction of the provisions hereof.

**3.12 *Termination of Plan***

The Board reserves the right to terminate the Plan at any time; *provided, however*, that in any case, the Plan shall terminate on [ , 2021], and *provided further*, that all Awards made under the Plan prior to its termination shall remain in effect until such Awards have been satisfied or terminated in accordance with the terms and provisions of the Plan and the applicable Award Agreements.

**3.13 *Governing Law; Venue***

**THIS PLAN SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. IN CONSIDERATION OF THE GRANTEE'S ACCEPTANCE OF THE ISSUANCE OF ANY AWARD, THE GRANTEE HEREBY EXPRESSLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF AND VENUE IN THE COURTS OF SWITZERLAND WITH RESPECT TO ANY SUIT OR CLAIM INSTITUTED BY THE COMPANY OR THE GRANTEE RELATING TO THIS PLAN OR THE AWARD.**

**3.14 *Severability; Entire Agreement***

If any of the provisions of this Plan or any Award Agreement is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining provisions shall not be affected thereby; *provided*, that if any of such provisions is finally held to be invalid, illegal or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision shall be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder. The Plan and any Award Agreements contain the entire agreement of the parties with respect to the subject matter thereof and supersede all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral with respect to the subject matter thereof.

**3.15 *Waiver of Claims***

Each grantee of an Award recognizes and agrees that prior to being selected by the Committee to receive an Award he or she has no right to any benefits hereunder. Accordingly, in consideration of the grantee's receipt of any Award hereunder, he or she expressly waives any right to contest the amount of any Award, the terms of any Award Agreement, any determination, action or omission hereunder or under any Award Agreement by the Committee, TransAllied or the Board, or any amendment to the Plan or any Award Agreement (other than an amendment to this Plan or an Award Agreement to which his or her consent is expressly required by the express terms of an Award Agreement).

E-8

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**Table of Contents**

*3.16 No Third Party Beneficiaries*

Except as expressly provided therein, neither the Plan nor any Award Agreement shall confer on any person other than TransAllied and the grantee of any Award any rights or remedies thereunder. The exculpation and indemnification provisions of Section 1.3.3 shall inure to the benefit of a Covered Person's estate and beneficiaries and legatees.

*3.17 Successors and Assigns of TransAllied*

The terms of this Plan shall be binding upon and inure to the benefit of TransAllied and any successor entity contemplated by Section 3.6.

*3.18 Date of Adoption and Approval of Shareholders*

This Plan, as amended, was adopted by the Board on June 12, 2011, subject to the closing of the merger transaction between Allied World Assurance Company Holdings, AG and Transatlantic Holdings, Inc., whereafter Allied World Assurance Company Holdings, AG shall be renamed TransAllied, and approval of the shareholders of the Company at a General Meeting of Shareholders on [        ].

*3.19 Section 409A*

The Plan and all Awards granted hereunder are intended to be exempt from the provisions of Section 409A. To the extent that any Awards, payments or benefits provided hereunder are considered deferred compensation subject to Section 409A, the Company intends for this Plan and all Awards to comply with the standards for nonqualified deferred compensation established by Section 409A. All provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. The Company reserves the right to amend Awards granted hereunder to cause such Awards to comply with or be exempt from Section 409A.

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E-9

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**Table of Contents**

**PART II**

**INFORMATION NOT REQUIRED IN PROSPECTUS; UNDERTAKINGS**

**Item 20. *Indemnification of Directors and Officers***

The following summary is qualified in its entirety by reference to the complete text of the Allied World Articles.

The Allied World Articles provide that Allied World shall indemnify and hold harmless, to the fullest extent permitted by Swiss law, each of the members of the Allied World board of directors and officers out of the assets of Allied World from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty on behalf of Allied World; provided that this indemnity shall not extend to any matter in which any of said persons is found, in a final judgment or decree not subject to appeal, to have committed with intent or gross negligence.

Without limiting the foregoing paragraph, Allied World shall advance court costs and attorney's fees to the members of the Allied World board of directors and officers, except in cases where Allied World itself is plaintiff. Allied World may, however, recover such advanced cost if a court or another competent authority holds that the member of the Allied World board of directors or the officer in question has breached its duties to Allied World.

Allied World may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of Allied World or another corporation, partnership, limited liability company, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not Allied World would have the power to indemnify such person against such expense, liability or loss.

II-1

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**Table of Contents**

**Item 21. *Exhibits and Financial Statement Schedules***

**Exhibit  
No.**

**Document**

- 2.1 Agreement and Plan of Merger, dated as of June 12, 2011, among Allied World, Transatlantic and Merger Sub (included as Annex A to the joint proxy statement/prospectus forming a part of this Registration Statement and incorporated herein by reference) (The annexes, schedules and certain exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K)
- 3.1 Articles of Association of Allied World (incorporated herein by reference to the Current Report on Form 8-K of Allied World Assurance Company Holdings, AG filed with the SEC on August 1, 2011)
- 3.2 Allied World Organizational Resolutions (incorporated herein by reference to the Registration Statement on Form 8-A12B/A of Allied World Assurance Company Holdings, AG filed with the SEC on December 1, 2010)
- 5.1 Opinion of Baker & McKenzie as to the validity of the shares of Allied World Assurance Company Holdings, AG common stock to be issued in the merger
- 23.1 Consent of Baker & McKenzie (included in Exhibit 5.1 to the joint proxy/prospectus forming a part of this Registration Statement)
- 23.2 Consent of Independent Registered Public Accounting Firm of Allied World Assurance Company Holdings, AG, Deloitte & Touche Ltd.
- 23.3 Consent of Independent Registered Public Accounting Firm of Transatlantic Holdings, Inc., Pricewaterhouse Coopers LLP
- 24.1 Power of Attorney\*
- 99.1 Consent of Deutsche Bank Securities Inc.
- 99.2 Consent of Moelis & Company LLC
- 99.3 Consent of Richard S. Press\*
- 99.4 Consent of Michael C. Sapnar\*
- 99.5 Consent of Stephen P. Bradley\*
- 99.6 Consent of John L. McCarthy\*
- 99.7 Consent of Ian H. Chippendale\*
- 99.8 Consent of John G. Foos\*
- 99.9 Form of Proxy Cards of Allied World Assurance Company Holdings, AG
- 99.10 Form of Proxy Card of Transatlantic Holdings, Inc.

\* Previously filed

**Item 22. *Undertakings***

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement: (i) to include any prospectus required by Section 10(a)(3) of the Securities Act; (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement (notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of

prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement); and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

II-2

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**Table of Contents**

- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (4) That, for the purpose of determining liability under the Securities Act to any purchaser, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act, (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (5) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the registrant undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.
- (6) That every prospectus (i) that is filed pursuant to paragraph (5) above, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as part of an amendment to this registration statement and will not be used until such amendment has become effective, and that for the purpose of determining liabilities under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (7) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.
- (8) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in this registration statement when it became effective.
- (9) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.
- (10) The undersigned registrant hereby undertakes to deliver or cause to be delivered with the prospectus, to each person to whom the prospectus is sent or given, the latest annual report to security holders that is incorporated by

reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Exchange Act; and, where interim financial information required to be presented by Article 3 of Regulation S-X is not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide such interim financial information.

II-3

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Table of Contents**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on August 15, 2011.

**ALLIED WORLD ASSURANCE COMPANY HOLDINGS, AG**

By: /s/ Scott A. Carmilani

Name: Scott A. Carmilani

Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ Scott A. Carmilani	President, Chief Executive Officer and Chairman of the Board	August 15, 2011
Scott A. Carmilani	<i>(Principal Executive Officer)</i>	
/s/ Joan H. Dillard	Executive Vice President and Chief Financial Officer	August 15, 2011
Joan H. Dillard	<i>(Principal Financial and Accounting Officer)</i>	
*	Director	August 15, 2011
Barbara T. Alexander		
*	Director	August 15, 2011
James F. Duffy		
*	Vice Chairman of the Board	August 15, 2011
Bart Friedman		
*	Director	August 15, 2011
Scott Hunter		
*	Director	August 15, 2011
Mark R. Patterson		
*	Director	August 15, 2011

Patrick de Saint-Aignan

\*

Director

August 15, 2011

Samuel J. Weinhoff

\*

Authorized Representative in the  
United States

August 15, 2011

Puglisi & Associates

\* /s/ Wesley D. Dupont

By:

Wesley D. Dupont

Attorney-in-fact

II-4

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**Table of Contents**

**EXHIBIT INDEX**

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