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**Section 1: 8-K (8-K)**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

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**FORM 8-K**

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**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 19, 2019 (February 12, 2019)**

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**ASPEN INSURANCE HOLDINGS LIMITED**

**(Exact name of registrant as specified in its charter)**

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**Bermuda**  
**(State or other jurisdiction  
of incorporation)**

**001-31909**  
**(Commission  
File Number)**

**Not Applicable**  
**(I.R.S. Employer  
Identification No.)**

**141 Front Street  
Hamilton HM 19  
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)**

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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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Introduction

As previously disclosed, Aspen Insurance Holdings Limited (the “Company”) entered into that certain Agreement and Plan of Merger, dated as of August 27, 2018 (the “Merger Agreement”), by and among the Company, Highlands Holdings, Ltd., a Bermuda exempted company (“Parent”), and Highlands Merger Sub, Ltd., a Bermuda exempted company and a wholly owned subsidiary of Parent (“Merger Sub”). On February 15, 2019 (the “Closing Date”), pursuant to the Merger Agreement and the statutory merger agreement required in accordance with Section 105 of the Bermuda Companies Act 1981, as amended (the “Companies Act”), by and among the Company, Parent and Merger Sub, dated as of February 15, 2019, Merger Sub merged with and into the Company in accordance with the Companies Act (the “Merger”), with the Company continuing as the surviving company and a wholly owned subsidiary of Parent (as disclosed in the Company’s Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the “SEC”) on February 15, 2019). Parent is an affiliate of certain investment funds managed by affiliates of Apollo Global Management, LLC (NYSE: APO).

The description of the Merger Agreement and related transactions (including, without limitation, the Merger) in this Current Report on Form 8-K does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of the Merger Agreement which is attached as Exhibit 2.1 to the Company’s Current Report on Form 8-K filed with the SEC on August 28, 2018 and incorporated herein by reference.

## Section 5 — Corporate Governance and Management

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

On February 12, 2019, the Company approved the grant of transaction bonuses payable to certain executive officers of the Company in connection with the Merger, the possibility of which was disclosed in the Company’s definitive proxy statement filed with the SEC on November 6, 2018, as amended. The Company approved the grant of a transaction bonus to Christopher O’Kane, the former Chief Executive Officer of the Company, in the amount of \$10 million for his efforts in assisting the Company to consummate the Merger, which transaction bonus grant is subject to certain conditions that have not been satisfied as of the date of this Current Report on Form 8-K, including the execution of satisfactory definitive documentation with respect to the transaction bonus. Scott Kirk, the Group Chief Financial Officer of the Company, was awarded a transaction bonus in the amount of \$1 million for his efforts in assisting the Company to consummate the Merger, which will be paid no later than 60 days following the Closing Date, subject to Mr. Kirk’s continued employment through the payment date or earlier termination of employment by the Company without “cause” (as defined in his change of control employment agreement). The transaction bonus letter governing the payment of Mr. Kirk’s transaction bonus contains a “Section 280G best net after-tax” provision, which provides that if the transaction bonus payment, taken together with all other amounts or benefits provided to or for the benefit of Mr. Kirk by the Company or its affiliates, would exceed the applicable threshold under Section 280G of the Internal Revenue Code of 1986, as amended (the “Code”), then such amounts or benefits will be reduced to one dollar less than the applicable Section 280G threshold to avoid the imposition of excise taxes under Section 4999 of the Code in the event, and only to the extent, such reduction would result in a better after-tax result for Mr. Kirk. In addition, in connection with the grant of this transaction bonus, Mr. Kirk agreed that the confidentiality and restrictive covenant clauses contained in his service agreement will remain in full force and effect, which, pursuant to the terms of his change of control employment agreement, would have otherwise lapsed on the Closing Date. The description of the transaction bonus payable to Mr. Kirk is qualified in its entirety by reference to the full text of the Transaction Bonus Letter, dated as of February 15, 2019, by and between the Company and Mr. Kirk, which is filed and attached hereto as Exhibit 10.1.

## Section 9 — Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. Unless otherwise stated above, the following exhibit is filed as part of this Current Report on Form 8-K:

Exhibit No.	Description
10.1	<a href="#"><u>Transaction Bonus Letter, dated as of February 15, 2019, by and between the Company and Scott Kirk</u></a>



tax withholding requirements or National Insurance or other social security contributions applicable to the Transaction Bonus. In addition, Aspen's Claw Back Policy and Malus Policy shall apply to the Transaction Bonus.

Notwithstanding the foregoing, if Aspen terminates your employment without "Cause" (as such term is defined in your Change of Control Employment Agreement with Aspen Insurance UK Services Limited and Aspen dated 23 February 2015, as amended 15 March 2018 (the "**Change of Control Employment Agreement**")) prior to the Payment Date, you will remain eligible to receive the Transaction Bonus on the Payment Date, provided that you have executed and returned to Aspen (and have not revoked, if applicable) a severance and release agreement in the form provided to you by Aspen.

Aspen and its new shareholders are excited about your role in the new management team. Aspen understands that its new shareholders intend to begin discussions with you about your allocation in a new management equity plan, which they believe will serve as an effective tool to align interests and allow management to meaningfully benefit from strong performance. Naturally, retention of Aspen's senior management is of critical importance. Therefore, in connection with acceptance of this Transaction Bonus, Aspen is asking you to confirm that certain elements of

your Service Agreement with Aspen Insurance UK Services Limited dated 19 May 2014 (the “**Service Agreement**”) not contained in your Change of Control Employment Agreement, specifically relating to confidentiality and restrictive covenants, will continue to remain in full force and effect and are not superseded by the Change of Control Agreement. Aspen understands that the restrictive covenants that you will be asked to agree to as part of your participation in the management equity plan will be similar to those in your Service Agreement.

By signing this deed, you acknowledge and agree that, notwithstanding the terms of your Change of Control Employment Agreement, the confidentiality and restrictive covenant clauses contained in your Service Agreement at paragraphs 10 and 13, shall remain in full force and effect on and after the closing of the Merger. You acknowledge and agree that you will comply with all such restrictive covenants in the event that your employment terminates, and that Aspen Insurance UK Services Limited, Aspen and their respective affiliates may enforce such restrictive covenants pursuant to the Service Agreement and applicable law.

Notwithstanding anything to the contrary in this deed, you agree that in the event that any portion of the Transaction Bonus, when added to all other amounts or benefits provided by Aspen or its affiliates to you or for your benefit (the “**Covered Payments**”), would constitute a “parachute payment” within the meaning of Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and would, but for this paragraph, be subject to the excise tax imposed under Section 4999 of the Code or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the “**Excise Tax**”), then such Covered Payments shall be either (i) reduced to the minimum extent necessary so that the present value of the Covered Payments will be one dollar (\$1.00) less than three times your “base amount” (within the meaning of Section 280G(b)(3) of the Code) to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the “**Reduced Amount**”) or (ii) payable in full if your receipt on an after-tax basis of the full amount of payments and benefits (after taking into account the applicable federal, state, local and foreign income, employment and excise taxes (including the Excise Tax)) would result in you receiving an amount that is at least one dollar greater than the Reduced Amount. If the Covered Payments are to be reduced pursuant to clause (i) in the immediately preceding sentence, the reduction shall be made reducing first any Covered Payments that are exempt from Section 409A of the Code, and then reducing any Covered Payments subject to Section 409A of the Code in the reverse order in which such Covered Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). Where two Covered Payments subject to reduction are payable at the same time, such amounts shall be reduced on a pro rata basis but not below zero. The determination as to whether any such reduction in the Covered Payments is necessary shall be made by the compensation committee of Aspen’s board of directors in good faith. If a reduced Covered Payment is made or provided and, through error or otherwise, that Covered Payment, when aggregated with other payments and benefits from Aspen or its affiliates used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times your “base amount,” then you shall immediately repay such excess to Aspen or its affiliates, as applicable.

If Aspen determines that you are a Solvency II Covered Individual at the time the Transaction Bonus is due to be paid to you or that any remuneration restrictions under Solvency II apply to the Transaction Bonus, Aspen may, without notice, adjust the timing of such payment to meet the specific remuneration and governance requirements set out under Article 275 of the Commission Delegated Regulation (EU) 2015/35, including any adjustments necessary to ensure

that no less than 40% of annual variable remuneration is paid to you in the form of awards vesting over not less than three years if you are a Solvency II Covered Individual. Covered Individuals are determined annually at the sole discretion of Aspen.

Thank you sincerely for your considerable efforts and continued commitment to Aspen.

Yours sincerely,

/s/ Christopher O'Kane

**Christopher O'Kane**  
**Group Chief Executive Officer**

By signing below, I accept the terms and conditions of the Transaction Bonus as set forth in this letter deed and acknowledge that all other terms and conditions of my employment remain the same.

*Signature page to follow.*

**EXECUTED** as a **DEED** by )  
**ASPEN INSURANCE UK SERVICES** )  
**LIMITED** )  
acting by **CHRISTOPHER O’KANE** )  
a director, in the presence of: )

/s/ Christopher O’Kane.....  
**DIRECTOR**

[SIGNATURE OF WITNESS] /s/ Elliot Rees-Davies .....  
[NAME OF WITNESS] Elliot Rees-Davies

[ADDRESS OF WITNESS] [address intentionally omitted]

[OCCUPATION OF WITNESS] Group Head of Reward

**EXECUTED** as a **DEED** by **SCOTT KIRK** )  
in the presence of: )

/s/ Scott Kirk.....  
**SCOTT KIRK**

[SIGNATURE OF WITNESS] /s/ Belinda Gauntlett.....

[NAME OF WITNESS] Belinda Gauntlett

[ADDRESS OF WITNESS] [address intentionally omitted]

[OCCUPATION OF WITNESS] Global HR Business Manager