Sills Stephen Jay Form 4 October 21, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB 3235-0287

Number: Expires:

January 31, 2005

0.5

Estimated average burden hours per

response...

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

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

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person * Sills Stephen Jay			2. Issuer Name and Ticker or Trading Symbol Darwin Professional Underwriters Inc [DR]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last) 9 FARM SPR	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 10/20/2008	_X_ Director 10% Owner X Officer (give title Other (specify below) President and CEO		
	(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person		
FARMINGTO	ON, CT 0603	32		Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Table	e I - Non-D	erivative Se	curiti	es Acq	uired, Disposed o	f, or Beneficial	lly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)				5. Amount of 6. Securities Owners Beneficially Form: Downed (D) or Following Indirect	Ownership Form: Direct	ect Beneficial Ownership
			Code V	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		
Common Stock	10/20/2008		D <u>(1)</u>	295,404 (2)	D	\$ 32	0	D	
Common Stock	10/20/2008		D(1)	420,000	D	\$ 32	0	I	by trusts (3)
Common Stock	10/20/2008		D	7,506	D	\$ 32	0	I	By reporting person as custodian under UTMA account for child

Edgar Filing: Sills Stephen Jay - Form 4

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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. Transactic Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed or (D) (Instr. 3, 4, and 5)	Expiration D (Month/Day)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Employee stock options	\$ 22.56	10/20/2008		D	23,335	<u>(4)</u>	02/27/2018	common stock	23,335	
employee stock options	\$ 25.3	10/20/2008		D	14,365	<u>(6)</u>	02/23/2017	common stock	14,365	
employee stock options	\$ 16	10/20/2008		D	57,787	<u>(7)</u>	05/19/2016	common stock	57,728	

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
Sills Stephen Jay 9 FARM SPRINGS ROAD FARMINGTON, CT 06032	X		President and CEO				

Signatures

Stephen J. Sills by Timothy J. Curry attorney-in-fact 10/21/2008

**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).

(1)

Reporting Owners 2

Edgar Filing: Sills Stephen Jay - Form 4

Disposed of pursuant to the Agreement and Plan of Merger, dated as of June 27, 2008, by and among Darwin Professional Underwriters, Inc. (the "Company"), Allied World Assurance Company Holdings, Ltd and Allied World Merger Company (the "Merger Agreement"), in exchange for a cash payment of \$32.00 per share of the Company's common stock (the "Common Stock") held by the reporting person.

- Total includes restricted shares of Common Stock which were accelerated and converted into right to receive \$32.00 per share in cash pursuant to the Merger Agreement.
- (3) Had been held by grantor annuity trusts (2006 GRAT, 2007 GRAT and 2008 GRAT), as to each of which the reporting person is the sole trustee.
- These options, which provided for vesting in four equal installments beginning on 02/27/2008, were cancelled pursuant to the

 Merger Agreement in exchange for cash payment representing the difference between the exercise price and \$32.00 per share, the merger consideration under the Merger Agreement.
- (5) Employee stock options previously granted under the Company's 2006 Stock Incentive Plan (the "Plan"), exercisable at a fair market value determined in accordance with the Plan.
- These options, which provided for vesting in four equal installments beginning on 02/23/2007, were cancelled pursuant to the Merger Agreement in exchange for cash payment representing the difference between the exercise price and \$32.00 per share, the merger consideration under the Merger Agreement.
- These options, which provided for vesting in four equal installments beginning on 05/19/2006, were cancelled pursuant to the Merger Agreement in exchange for cash payment representing the difference between the exercise price and \$32.00 per share, the merger consideration under the Merger Agreement.

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.