

Allied World Assurance Co Holdings, AG

Form S-4/A

August 17, 2011

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As filed with the U.S. Securities and Exchange Commission on August 17, 2011

Registration No. 333-175398

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

Amendment No. 4 to

**Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Allied World Assurance Company Holdings, AG
(Exact name of registrant as specified in its charter)

Switzerland

*(State or Other Jurisdiction of
Incorporation or Organization)*

6331

*(Primary Standard Industrial
Classification Code Number)*

98-0681223

*(I.R.S. Employer
Identification No.)*

**Lindenstrasse 8, 6340 Baar
Zug, Switzerland
41-41-768-1080**

*(Address, including ZIP Code, and Telephone Number, including Area Code, of Registrant's Principal Executive
Offices)*

**CT Corporation System
111 Eighth Avenue, 13th Floor
New York, New York 10011
(212) 894-8940**

(Name, Address, including ZIP Code, and Telephone Number, including Area Code, of Agent for Service)

Copies to:

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787 Seventh Avenue
New York, NY 10019
(212) 728-8000**

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Company Holdings, AG
Lindenstrasse 8
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Zug, Switzerland
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**Gary A. Schwartz,
Esq.
Transatlantic
Holdings, Inc.
80 Pine Street
New York, NY
10005
(212) 365-2200**

**Lois Herzeca, Esq.
Gibson, Dunn &
Crutcher LLP
200 Park Avenue
New York, NY
10166
(212) 351-4000**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed joint proxy statement/prospectus.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Shares	57,016,384(1)	N/A	\$3,172,184,251.20(2)	\$368,290.59(3)(4)

- (1) Represents the estimated maximum number of the Registrant's common shares to be issued pursuant to the merger agreement described herein. The number of common shares is based on the number of shares of Transatlantic Holdings, Inc. (Transatlantic) common stock (Transatlantic common stock) outstanding as of July 5, 2011 and potentially issuable pursuant to Transatlantic stock options and stock-based awards prior to closing.
- (2) Estimated solely for purposes of calculating the registration fee required by Section 6(b) of the Securities Act and calculated pursuant to Rules 457(f)(1) and 457(c) under the Securities Act. The proposed maximum aggregate offering price of the Registrant's common shares was calculated based upon the market value of shares of Transatlantic common stock (the securities to be cancelled in the merger) in accordance with Rule 457(c) under the Securities Act as follows: the product of (a) \$48.96, the average of the high and low prices per share of Transatlantic common stock on July 5, 2011, as quoted on the New York Stock Exchange, multiplied by (b) 64,791,345, the estimated number of shares of Transatlantic common stock outstanding as of July 5, 2011 and potentially issuable pursuant to Transatlantic options and stock-based awards prior to closing.
- (3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to \$116.10 per \$1,000,000 of the proposed maximum aggregate offering price.

(4) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such dates as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED AUGUST 17, 2011

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

Allied World Assurance Company Holdings, AG (Allied World) and Transatlantic Holdings, Inc. (Transatlantic) have agreed to a merger of equals business combination of the two companies pursuant to the terms of an Agreement and Plan of Merger, dated as of June 12, 2011 (the merger agreement). Pursuant to the terms of the merger agreement, GO Sub, LLC, a wholly-owned subsidiary of Allied World (Merger Sub), will merge with and into Transatlantic (the merger), with Transatlantic surviving as a wholly-owned subsidiary of Allied World. Upon completion of the merger, Allied World will be the parent company of Transatlantic and Allied World's name will be changed to TransAllied Group Holdings, AG .

Upon completion of the merger, Transatlantic stockholders will be entitled to receive 0.88 registered shares (*Namenaktien*) of Allied World (Allied World shares) for each share of Transatlantic common stock, par value \$1.00 per share (Transatlantic common stock), that they own immediately prior to the effective time of the merger (the exchange ratio), together with cash in lieu of Allied World fractional shares. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. Based on the closing price of Allied World shares on the New York Stock Exchange, Inc. (the NYSE) on June 10, 2011, the last trading day before public announcement of the merger, the exchange ratio represented approximately \$51.10 in value for each share of Transatlantic common stock. Based on the closing price of Allied World shares on the NYSE on , 2011, the latest practicable trading day before the date of this joint proxy statement/prospectus, the exchange ratio represented approximately \$ in value for each share of Transatlantic common stock. Allied World shareholders will continue to own their existing Allied World shares after the merger. Allied World shares are currently traded on the NYSE under the symbol AWH, and Transatlantic common stock is currently traded on the NYSE under the symbol TRH. **We urge you to obtain current market quotations of Allied World shares and Transatlantic common stock.**

Based on the estimated number of Allied World shares and Transatlantic common stock that will be outstanding immediately prior to the closing of the merger, we estimate that, on a fully diluted basis, upon such closing, former Allied World shareholders will own approximately 42% of the combined company and former Transatlantic stockholders will own approximately 58% of the combined company.

Allied World and Transatlantic will each hold a meeting of their respective shareholders (the Special Shareholder Meetings) in connection with the merger. At the extraordinary general meeting of Allied World shareholders, (the Allied World Special Shareholder Meeting), Allied World shareholders will be asked to vote on proposals to increase the ordinary share capital, conditional share capital and authorized share capital of Allied World, a proposal to approve the issuance of Allied World shares to Transatlantic stockholders, a proposal to amend the Allied World Articles of Association to change Allied World's name to TransAllied Group Holdings, AG , a proposal to elect directors to the combined company's board of directors upon completion of the merger, and certain other related

proposals. At the special meeting of Transatlantic stockholders (the Transatlantic Special Shareholder Meeting), Transatlantic stockholders will be asked to vote on the adoption of the merger agreement and certain other related proposals.

We cannot complete the merger unless the holders of each company's shares approve the proposals related to the merger. **Your vote is very important, regardless of the number of shares you own. Whether or not you expect to attend either Special Shareholder Meeting in person, please submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Allied World or Transatlantic Special Shareholder Meeting, as applicable.**

The Allied World board of directors has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby are in the best interests of Allied World. The Allied World board of directors unanimously recommends that the Allied World shareholders vote (i) FOR the proposals to increase the ordinary share capital, (ii) FOR the

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proposal to issue shares of Allied World in the merger, (iii) **FOR** the proposal to amend Allied World's Articles of Association to change the company's name, (iv) **FOR** the proposal to elect directors to the combined company's board of directors, (v) **FOR** the proposal to effect a capital reduction to allow for the payment of a dividend to the combined company's shareholders after the completion of the merger and (vi) **FOR** the proposal to approve the fourth amendment and restatement of the Allied World Third Amended and Restated 2004 Stock Incentive Plan.

The Transatlantic board of directors has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby are in the best interests of Transatlantic and its stockholders. The Transatlantic board of directors unanimously recommends that Transatlantic stockholders vote (i) **FOR** the proposal to adopt the merger agreement, (ii) **FOR** the proposal to approve adjournment of the Transatlantic Special Shareholder Meeting, if necessary or appropriate, to solicit additional proxies and (iii) **FOR** the proposal to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to Transatlantic's named executive officers in connection with the merger and the agreements and understandings pursuant to which such compensation may be paid or become payable.

The obligations of Allied World and Transatlantic to complete the merger are subject to the satisfaction or waiver of several conditions. The accompanying joint proxy statement/prospectus contains detailed information about Allied World, Transatlantic, the meetings, the merger agreement and the merger. **You should read this joint proxy statement/prospectus carefully and in its entirety before voting, including the section entitled Risk Factors beginning on page 22.**

We look forward to the successful combination of Allied World and Transatlantic.

Sincerely,

Scott A. Carmilani
Chairman, President and Chief Executive Officer
Allied World Assurance Company Holdings, AG

Richard S. Press
Chairman of the Board of Directors
Transatlantic Holdings, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated _____, 2011 and is first being mailed to the holders of shares of Allied World and Transatlantic on or about _____, 2011.

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**ALLIED WORLD ASSURANCE COMPANY HOLDINGS, AG
Lindenstrasse 8, 6340 Baar
Zug, Switzerland**

**NOTICE OF SPECIAL SHAREHOLDER MEETING
TO BE HELD ON _____, 2011**

August _____, 2011

To the Shareholders of Allied World Assurance Company Holdings, AG:

We are pleased to invite you to attend the extraordinary general meeting of shareholders of Allied World Assurance Company Holdings, AG (Allied World), a Swiss corporation, which will be held at Allied World's corporate headquarters, Lindenstrasse 8, 6340 Baar, Zug, Switzerland, on _____, 2011, at 2:00 p.m. local time, for the following purposes (the Allied World Special Shareholder Meeting):

to consider and vote on the proposal to increase Allied World's ordinary share capital pursuant to article 3a(a) of the Articles of Association of Allied World, a copy of which is included as Annex D to the joint proxy statement/prospectus of which this notice forms a part (the Allied World Articles), by up to CHF 887,860,538 (equaling USD 1,156,882,281) to up to CHF 1,472,939,677.4 (equaling USD 1,919,240,400) to permit the issuance of Allied World registered shares (*Namenaktien*) (Allied World shares) to Transatlantic Holdings, Inc. (Transatlantic) stockholders pursuant to, and only in connection with, the merger as contemplated by the Agreement and Plan of Merger, dated as of June 12, 2011, as it may be amended from time to time, by and among Allied World, Transatlantic and GO Sub, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Allied World (the merger agreement), a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice forms a part, including the exclusion of all preferential subscription rights to which Allied World shareholders may be entitled; the contributions for the new registered shares are paid by converting existing reserves (*Kapitalreserven*) into share capital;

to consider and vote on the proposal to increase Allied World's conditional share capital pursuant to article 5(a) of the Allied World Articles by up to CHF 76,894,774 (equaling USD 100,193,891) to up to CHF 138,634,774 (equaling USD 180,641,111), only in connection with the merger;

to consider and vote on the proposal to increase Allied World's authorized share capital pursuant to article 6(a) of the Allied World Articles by up to CHF 177,572,113.5 (equaling USD 231,376,463.9) to up to CHF 294,587,935.5 (equaling USD 383,848,080), only in connection with the merger;

to consider and vote on the proposal to issue Allied World shares to Transatlantic stockholders pursuant to the merger and as contemplated by the merger agreement as required by New York Stock Exchange (NYSE) rules;

to consider and vote on the proposal to amend article 1 of the Allied World Articles to change Allied World's name to TransAllied Group Holdings, AG (TransAllied) immediately following, and conditioned upon, the completion of the merger; and

to elect (x) three Class II directors to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2012, (y) four Class III directors to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2013 and (z) four Class I directors to hold office commencing upon the completion of the merger and ending upon

TransAllied's Annual Shareholder Meeting in 2014.

Completion of the merger is conditioned on, among other things, approval of each of the proposals described above.

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In addition, there are two additional proposals, the approval of the second proposal is conditioned upon the approval of the proposals set forth above:

to consider and vote on the proposal to effect a capital reduction to allow for the payment of a dividend to the combined company's shareholders after the completion of the merger; and

to consider and vote on the proposal to amend and restate the Allied World Third Amended and Restated 2004 Stock Incentive Plan (the Stock Incentive Plan), the form of which is included as Annex E to the joint proxy statement/prospectus of which this notice forms a part, to, among other things, increase the number of shares reserved for issuance under the Stock Incentive Plan and extend the Stock Incentive Plan's termination date, effective upon the completion of the merger.

Allied World will transact no other business at the meeting except such business as may properly be brought before the Allied World Special Shareholder Meeting or any adjournment or postponement thereof. Please refer to the joint proxy statement/prospectus of which this notice forms a part for further information with respect to the business to be transacted at the Allied World Special Shareholder Meeting.

The Allied World board of directors has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger, the issuance of the Allied World shares to Transatlantic stockholders pursuant to the merger and the amendment of the Allied World Articles, are in the best interests of Allied World. **The Allied World board of directors unanimously recommends that Allied World shareholders vote FOR each of the proposals set forth above.**

The Allied World board of directors has fixed the close of business on July 22, 2011 as the record date for determination of Allied World shareholders entitled to receive notice of, and to vote at, the Allied World Special Shareholder Meeting or any adjournments or postponements thereof. Only holders of record of Allied World shares at the close of business on the record date are entitled to receive notice of, and to vote at, the Allied World Special Shareholder Meeting.

The approval of each of the proposals to increase the share capital of Allied World requires the approval of at least 662/3% of the votes represented at the Allied World Special Shareholder Meeting and a majority of the nominal value of the Allied World shares represented at such meeting, where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposal. The approval of the proposals to issue the Allied World shares pursuant to the merger and to amend and restate the Stock Incentive Plan in order to increase the shares reserved for issuance thereunder requires the affirmative vote of the holders of a majority of shares entitled to vote on the proposal and present in person or represented by proxy at the Allied World Special Shareholder Meeting; provided that the total votes cast on each such proposal represent over 50% of the outstanding Allied World shares entitled to vote on such proposal (whereby abstentions will be treated as votes cast for purposes of such proposal and will have the effect of votes against such proposals, and broker non-votes will not be treated as votes cast for purposes of such proposal). The approval of the proposals to amend the Allied World Articles to change Allied World's name to TransAllied Group Holdings, AG following the completion of the merger, to elect the directors as described above and to approve a capital reduction to allow for payment of a dividend to the combined company shareholders after the completion of the merger, require a majority of the votes cast in favor of such proposals at the Allied World Special Shareholder Meeting (whereby abstentions and broker non-votes will not be treated as votes cast for purposes of such proposal) where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposals.

Your vote is very important. Whether or not you expect to attend in person, we urge you to submit a proxy to vote your shares as promptly as possible by signing and returning the enclosed proxy card in the postage-paid

envelope provided, so that your shares may be represented and voted at the Allied World Special Shareholder Meeting. If your shares are held in an Allied World plan or in the name of a bank, brokerage firm or other nominee, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or record holder, as appropriate.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement. We urge you to read the joint proxy statement/prospectus of which this notice forms a part, including any documents incorporated by reference, and the Annexes carefully and in their entirety. If you

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have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your Allied World shares, please contact Allied World's proxy solicitor:

MacKenzie Partners, Inc.
105 Madison Avenue
New York, NY 10016
(800) 322-2885
or
(212) 929-5500 (collect)
E-mail: proxy@mackenziepartners.com

By Order of the Board of Directors of
Allied World Assurance Company Holdings, AG,

Wesley D. Dupont
Corporate Secretary

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TRANSATLANTIC HOLDINGS, INC.
80 Pine Street
New York, NY 10005

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON _____, 2011

August _____, 2011

To the Stockholders of Transatlantic Holdings, Inc.:

We are pleased to invite you to attend the special meeting of stockholders of Transatlantic Holdings, Inc. ("Transatlantic"), a Delaware corporation, which will be held at The Down Town Association, 60 Pine Street, New York, New York, on _____, 2011, at 8:00 a.m. local time, for the following purposes (the "Transatlantic Special Shareholder Meeting"):

to consider and vote on the proposal to adopt the Agreement and Plan of Merger, dated as of June 12, 2011, as it may be amended from time to time (the "merger agreement"), by and among Allied World Assurance Company Holdings, AG ("Allied World"), Transatlantic and GO Sub, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Allied World, a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice forms a part;

to consider and vote upon the proposal to adjourn the Transatlantic Special Shareholder Meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the foregoing proposal; and

to consider and vote on a proposal, on an advisory (non-binding) basis, to approve the compensation that may be paid or become payable to Transatlantic's named executive officers in connection with the merger, and the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled "The Merger - Interests of Transatlantic's Directors and Executive Officers in the Merger - Golden Parachute Compensation."

Completion of the merger is conditioned on, among other things, approval of the proposal to adopt the merger agreement.

Transatlantic will transact no other business at the Transatlantic Special Shareholder Meeting except such business as may properly be brought before the Transatlantic Special Shareholder Meeting or any adjournment or postponements thereof. Please refer to the joint proxy statement/prospectus of which this notice forms a part for further information with respect to the business to be transacted at the Transatlantic Special Shareholder Meeting.

The Transatlantic board of directors has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable and in the best interests of Transatlantic and its stockholders. **The Transatlantic board of directors unanimously recommends that Transatlantic stockholders vote FOR each of the proposals set forth above.**

The Transatlantic board of directors has fixed the close of business on July 22, 2011 as the record date for determination of Transatlantic stockholders entitled to receive notice of, and to vote at, the Transatlantic Special Shareholder Meeting or any adjournments or postponements thereof. Only holders of record of Transatlantic common stock ("Transatlantic common stock") at the close of business on the record date are entitled to receive notice of, and to

vote at, the Transatlantic Special Shareholder Meeting. A list of the names of Transatlantic stockholders of record will be available for ten days prior to the Transatlantic Special Shareholder Meeting for any purpose germane to the Transatlantic Special Shareholder Meeting between the regular business hours of 9:00 a.m. and 5:00 p.m., local time, at Transatlantic's headquarters, 80 Pine Street,

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New York, NY. The Transatlantic stockholder list will also be available at the Transatlantic Special Shareholder Meeting during the whole time thereof for examination by any stockholder present at such meeting.

Adoption of the merger agreement requires the affirmative vote of holders of a majority of the outstanding shares of Transatlantic common stock entitled to vote thereon. Approval of the proposal to adjourn the Transatlantic Special Shareholder Meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of the holders of a majority of the shares of Transatlantic common stock entitled to vote and present in person or represented by proxy, whether or not a quorum is present. Approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Transatlantic's named executive officers in connection with the merger, and the agreements and understandings pursuant to which such compensation may be paid or become payable, requires the affirmative vote of the holders of a majority of the shares of Transatlantic common stock present in person or represented by proxy and entitled to vote thereon.

Your vote is very important. Whether or not you expect to attend the Transatlantic Special Shareholder Meeting in person, we urge you to submit a proxy to vote your shares as promptly as possible by either: (1) logging onto <http://proxy.georgeson.com> and following the instructions on your proxy card; (2) dialing 1-877-456-7915 and listening for further directions; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Transatlantic Special Shareholder Meeting. If your shares are held in the name of a bank, brokerage firm or other nominee, please follow the instructions on the voting instruction card furnished by the record holder, as appropriate.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement. We urge you to read the joint proxy statement/prospectus of which this notice forms a part, including any documents incorporated by reference, and the Annexes carefully and in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Transatlantic common stock, please contact Transatlantic's proxy solicitor:

Georgeson Inc.
199 Water Street
New York, NY 10038
(888) 613-9817
(Banks and brokers please call: (212) 440-9800)
E-mail: transatlantic@georgeson.com

By Order of the Board of Directors of
Transatlantic Holdings, Inc.,

Amy M. Cinquegrana
Secretary

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Allied World and Transatlantic from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

MacKenzie Partners, Inc.

105 Madison Avenue
New York, NY 10016
(800) 322-2885

or

(212) 929-5500 (collect)

E-mail: proxy@mackenziepartners.com

Georgeson Inc.

199 Water Street
New York, NY 10038
(888) 613-9817

(Banks and brokers please call: (212) 440-9800)

E-mail: transatlantic@georgeson.com

or

or

Allied World Assurance Company Holdings, AG

Lindenstrasse 8, 6340 Baar
Zug, Switzerland
Attn.: Corporate Secretary
(441) 278-5400

Transatlantic Holdings, Inc.

80 Pine Street
New York, NY 10005
Attn.: Investor Relations
(212) 365-2200

Investors may also consult Allied World's or Transatlantic's website for more information concerning the merger described in this joint proxy statement/prospectus. Allied World's website is www.awac.com. Transatlantic's website is www.transre.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

If you would like to request any documents, please do so by _____, 2011 in order to receive them before the meetings.

For a more detailed description of the information incorporated by reference in this joint proxy statement/prospectus and how you may obtain it, see "Where You Can Find More Information" beginning on page 188.

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ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission (the SEC) by Allied World, constitutes a prospectus of Allied World under Section 5 of the Securities Act of 1933, as amended (the Securities Act), with respect to the Allied World registered shares (the Allied World shares) to be issued to the Transatlantic stockholders pursuant to the merger. This joint proxy statement/prospectus also constitutes a joint proxy statement for both Allied World and Transatlantic under Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act). It also constitutes a notice of meeting with respect to the extraordinary general meeting of Allied World shareholders (the Allied World Special Shareholder Meeting) and a notice of meeting with respect to the special meeting of Transatlantic stockholders (the Transatlantic Special Shareholder Meeting).

You should rely only on the information contained in or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated , 2011. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date. You should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any date other than the date of the incorporated document. Neither our mailing of this joint proxy statement/prospectus to Allied World shareholders or Transatlantic stockholders nor the issuance by Allied World of Allied World shares pursuant to the merger will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this joint proxy statement/prospectus regarding Allied World has been provided by Allied World and information contained in this joint proxy statement/prospectus regarding Transatlantic has been provided by Transatlantic.

All references in this joint proxy statement/prospectus to Allied World refer to Allied World Assurance Company Holdings, AG, a Swiss corporation, and/or its consolidated subsidiaries, unless the context requires otherwise; all references in this joint proxy statement/prospectus to Transatlantic refer to Transatlantic Holdings, Inc., a Delaware corporation, and/or its consolidated subsidiaries, unless the context requires otherwise; all references to Merger Sub refer to GO Sub, LLC, a Delaware limited liability company and wholly-owned subsidiary of Allied World formed for the sole purpose of effecting the merger; unless otherwise indicated or as the context requires, all references in this joint proxy statement/prospectus to we, our and us refer to Allied World and Transatlantic collectively; and, unless otherwise indicated or as the context requires, all references to the merger agreement refer to the Agreement and Plan of Merger, dated as of June 12, 2011, as it may be amended from time to time, by and among Allied World, Transatlantic and Merger Sub, a copy of which is included as Annex A to this joint proxy statement/prospectus. Allied World, following completion of the merger, is sometimes referred to in this joint proxy statement/prospectus as TransAllied or the combined company. Also, in this joint proxy statement/prospectus, \$ and USD refer to U.S. dollars and CHF refers to Swiss francs; all metrics reported in U.S. dollars that are based on Swiss francs (for example share capital amounts of Allied World) assume an exchange ratio of USD 1.303 to CHF 1.00, the exchange rate prevailing on August 12, 2011. Local time means the local time in Switzerland with respect to the Allied World Special Shareholder Meeting and related matters, and the local time in New York City with respect to the Transatlantic Special Shareholder Meeting and related matters.

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QUESTIONS AND ANSWERS

The following are some questions that you, as a shareholder of Allied World Assurance Company Holdings, AG (an Allied World shareholder) or a stockholder of Transatlantic Holdings, Inc. (a Transatlantic stockholder), may have regarding the merger and the other matters being considered at the contemplated meetings and the answers to those questions. Allied World Assurance Company Holdings, AG (Allied World) and Transatlantic Holdings, Inc. (Transatlantic) urge you to carefully read the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at the Special Shareholder Meetings. Additional important information is also contained in the Annexes to, and the documents incorporated by reference into, this joint proxy statement/prospectus.

Q: Why am I receiving this joint proxy statement/prospectus?

A: Allied World and Transatlantic have agreed to a strategic business combination pursuant to the terms of the merger agreement that is described in this joint proxy statement/prospectus. A copy of the merger agreement is included in this joint proxy statement/prospectus as Annex A.

In order to complete the merger, among other things:

Allied World shareholders must approve the proposal to increase Allied World's ordinary share capital pursuant to article 3a(a) of the Articles of Association of Allied World Assurance Company Holdings, AG (the Allied World Articles), by up to CHF 887,860,538 (equaling USD 1,156,882,281) to up to CHF 1,472,939,677.4 (equaling USD 1,919,240,400) to permit the issuance of registered shares (*Namenaktien*) of Allied World Assurance Company Holdings, AG (Allied World shares) to Transatlantic stockholders pursuant to, and only in connection with, the merger as contemplated by the merger agreement, including the exclusion of all preferential subscription rights to which Allied World shareholders may be entitled (the article 3 share capital increase proposal); the contributions for the new registered shares are paid by converting existing reserves (*Kapitalreserven*) into share capital;

Allied World shareholders must approve the proposal to increase Allied World's conditional share capital pursuant to article 5(a) of the Allied World Articles by up to CHF 76,894,774 (equaling USD 100,193,891) to up to CHF 138,634,774 (equaling USD 180,641,111), only in connection with the completion of the merger (the article 5 share capital increase proposal);

Allied World shareholders must approve the proposal to increase Allied World's authorized share capital pursuant to article 6(a) of the Allied World Articles by up to CHF 177,572,113.5 (equaling USD 231,376,463.9) to up to CHF 294,587,935.5 (equaling USD 383,848,080), only in connection with the merger (the article 6 share capital increase proposal and, together with the article 3 share capital increase proposal and the article 5 share capital increase proposal, the share capital increase proposals);

Allied World shareholders must approve the proposal to issue Allied World shares to Transatlantic stockholders pursuant to the merger and as contemplated by the merger agreement as required by NYSE rules (the NYSE share issuance proposal);

Allied World shareholders must approve the proposal to amend the Allied World Articles to change Allied World's name to TransAllied Group Holdings, AG (Allied World and Transatlantic after the merger,

TransAllied or the combined company) immediately following, and conditioned upon, the completion of the merger (the name change proposal);

Allied World shareholders must approve the proposal to elect (x) three Class II directors to hold office commencing upon the completion of the merger and ending upon TransAllied's annual general meeting of shareholders (Annual Shareholder Meeting) in 2012, (y) four Class III directors to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2013 and (z) four Class I directors to hold office commencing upon the completion

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of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2014 (the election of directors proposal); and

Transatlantic stockholders must approve the proposal to adopt the merger agreement (the adoption of the merger agreement proposal).

In addition, Allied World is soliciting proxies from its shareholders with respect to two additional proposals, the approval of the second proposal is conditioned upon the completion of the merger; however, completion of the merger is not conditioned upon receipt of either of these approvals:

Allied World shareholders are being asked to consider and vote upon the proposal to effect a capital reduction to allow for the payment of a dividend to the combined company's shareholders after the completion of the merger (the capital reduction proposal); and

Allied World shareholders are being asked to consider and vote on the proposal to amend and restate the Allied World Third Amended and Restated 2004 Stock Incentive Plan (the Stock Incentive Plan), the form of which is included as Annex E to this joint proxy statement/prospectus, to, among other things, increase the number of shares reserved for issuance under the Plan and to extend the Plan's termination date, effective upon the completion of the merger (the Stock Incentive Plan proposal).

In addition, Transatlantic is soliciting proxies from its stockholders with respect to two additional proposals; completion of the merger is not conditioned upon receipt of these approvals:

Transatlantic stockholders are being asked to consider and vote upon the proposal to adjourn the special meeting of Transatlantic stockholders (the Transatlantic Special Shareholder Meeting), if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the adoption of the merger agreement proposal (the adjournment proposal); and

Transatlantic stockholders are being asked to consider and vote on a proposal, on an advisory (non-binding) basis, to approve the compensation that may be paid or become payable to Transatlantic's named executive officers in connection with the merger, and the agreements and understandings pursuant to which such compensation may be paid or become payable, as described in the section entitled The Merger Interests of Transatlantic's Directors and Executive Officers in the Merger Golden Parachute Compensation (the golden parachute proposal).

Allied World and Transatlantic will hold separate meetings of the holders of their shares to obtain these approvals. This joint proxy statement/prospectus, including its Annexes, contains and incorporates by reference important information about Allied World and Transatlantic, the merger and the meetings of the holders of shares of Allied World and Transatlantic. You should read all the available information carefully and in its entirety.

Q: What will I receive in the merger?

A: *Allied World Shareholders:* If the merger is completed, Allied World shareholders will not receive any merger consideration and will continue to hold the shares of Allied World which they currently hold. The share capital of Allied World consists of the outstanding Allied World shares and non-voting participation certificates (Allied World non-voting shares).

Transatlantic Stockholders: If the merger is completed, holders of Transatlantic common stock will receive 0.88 Allied World shares for each share of Transatlantic common stock they hold at the effective time of the merger.

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Transatlantic stockholders will not receive any Allied World fractional shares in the merger. Instead, Allied World will pay cash in lieu of any Allied World fractional shares that a Transatlantic stockholder would otherwise have been entitled to receive.

Following the merger, the combined company's common shares will be traded on the NYSE under the symbol TAG .

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Q: What is the value of the merger consideration?

A: Because Allied World will issue 0.88 Allied World shares in exchange for each share of Transatlantic common stock, the value of the merger consideration that Transatlantic stockholders receive will depend on the price of Allied World shares at the effective time of the merger. That price will not be known at the time of the Special Shareholder Meetings and may be more or less than the current price or the price at the time of the meetings. **We urge you to obtain current market quotations of Allied World shares and Transatlantic common stock.**

Q: When and where will the meetings be held?

A: *Allied World Shareholders:* The extraordinary general meeting of Allied World shareholders (the Allied World Special Shareholder Meeting) will be held at Allied World s corporate headquarters, Lindenstrasse 8, 6340 Baar, Zug, Switzerland, on , 2011, at 2:00 p.m. local time.

Transatlantic Stockholders: The Transatlantic Special Shareholder Meeting will be held at The Down Town Association, 60 Pine Street, New York, New York, on , 2011, at 8:00 a.m. local time.

Q: Who is entitled to vote at the meetings?

A: *Allied World Shareholders:* The Allied World board of directors has set July 22, 2011 (the Allied World record date) as the record date for the Allied World Special Shareholder Meeting. Only holders of record of Allied World shares as of the close of business on the Allied World record date are entitled to notice of, and to vote at, the Allied World Special Shareholder Meeting or any adjournment or postponement of the Allied World Special Shareholder Meeting. Holders of Allied World non-voting shares will receive this joint proxy statement/prospectus but are not entitled to participate in or vote at the Allied World Special Shareholder Meeting. As of the Allied World record date, there were 38,077,329 Allied World shares and 43,860 Allied World non-voting shares outstanding. Beneficial owners of Allied World shares and shareholders registered in the Allied World share register with Allied World shares at the close of business on the Allied World record date are entitled to vote at the Allied World Special Shareholder Meeting, except as provided below. If you ask to be registered as a shareholder of record with respect to your Allied World shares in Allied World s share register and become a shareholder of record for those shares (as opposed to a beneficial holder of shares held in street name) after the Allied World record date, but on or before , 2011, and want to vote those shares at the Allied World Special Shareholder Meeting, you will need for identification purposes to obtain a proxy from the registered voting rights record holder of those shares as of the Allied World record date to vote your shares in person at the Allied World Special Shareholder Meeting. Alternatively, you may also obtain the proxy materials by contacting the Corporate Secretary, attention: Wesley D. Dupont, at Allied World Assurance Company Holdings, AG, Lindenstrasse 8, 6340 Baar, Zug, Switzerland, or via e-mail at secretary@awac.com. If you are a record holder of Allied World shares (as opposed to a beneficial holder of shares held in street name) on the record date but sell your Allied World shares prior to , 2011 you will not be entitled to vote those shares at the Allied World Special Shareholder Meeting.

Transatlantic Stockholders: The Transatlantic board of directors has set July 22, 2011 (the Transatlantic record date) as the record date for the Transatlantic Special Shareholder Meeting. Only holders of record of outstanding shares of Transatlantic common stock as of the close of business on the Transatlantic record date are entitled to notice of, and to vote at, the Transatlantic Special Shareholder Meeting or any adjournment or postponement of the Transatlantic Special Shareholder Meeting. As of the Transatlantic record date, there were 62,488,896 shares of Transatlantic common stock outstanding.

Setting of Record Date: Following the execution of, and in accordance with, the merger agreement, Allied World and Transatlantic prepared and filed the registration statement containing the preliminary joint proxy statement/prospectus with the SEC on July 8, 2011 and promptly engaged in discussions regarding the setting of the record date for the Special Shareholder Meetings. After consulting with their respective proxy solicitors, on the afternoon of July 12, 2011, the companies fixed July 22, 2011 as the record date for the Special Shareholder Meetings, as noted above, and notified the NYSE at such time, thereby providing ten days to make inquiry of brokers in accordance with Rule 402.05 of the NYSE Listed Company Manual. SEC Rule 14a-13(a)(3) requires that companies give 20 business days advance notice

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of the record date to brokers, dealers, voting trustees, banks, associations and other entities that exercise fiduciary powers in nominee names or otherwise (collectively, nominee holders). On July 13, 2011, Allied World's proxy solicitor, MacKenzie Partners, Inc., gave the notifications required by Rule 14a-13(a)(3); Transatlantic's proxy solicitor, Georgeson Inc., similarly gave the notifications required by Rule 14a-13(a)(3) on July 12, 2011. The companies' notices were sent fewer than 20 business days prior to the record date, which did not comply with Rule 14a-13(a)(3), although the companies have confirmed that 100% of the nominee holders were notified of the record date prior to the record date. Since the purpose of Rule 14a-13(a)(3) is to ensure that nominee holders are provided sufficient notice to permit timely distribution of proxy or other meeting materials to all beneficial owners of shares held through nominee holders, the companies believe that this purpose has been satisfied notwithstanding the shortened notice period.

Q: What constitutes a quorum at the meetings?

A: *Allied World Shareholders:* A quorum is required to transact business at the Allied World Special Shareholder Meeting. Without giving effect to the limitation on voting rights described below, the quorum required at the Allied World Special Shareholder Meeting is that two or more persons present in person and representing in person or by proxy throughout the meeting more than 50% of the total issued and outstanding Allied World shares are present throughout the meeting. The Allied World board of directors or chairman of the Allied World board of directors may postpone the meeting with sufficient factual reason, provided that notice of postponement is given to the shareholders in the same form as the invitation before the time for such meeting. A new notice is then required to hold the postponed meeting. Under Swiss law, a general meeting of shareholders for which a notice of meeting has been duly published may not be adjourned without publishing a new notice of meeting.

Abstentions will be included in the calculation of the number of Allied World shares represented at the Allied World Special Shareholder Meeting for purposes of determining whether a quorum has been achieved. Under NYSE rules, if brokers do not have discretion to vote on any of the proposals at a shareholders' meeting, broker non-votes will not count toward the calculation of a quorum. As each of the proposals to be voted on at the Allied World Special Shareholder Meeting are considered non-routine under NYSE rules, brokers do not have discretion to vote on such proposals and, as such, broker non-votes will not be included in the calculation of the number of Allied World shares represented at the Allied World Special Shareholder Meeting for purposes of determining whether a quorum has been achieved.

Transatlantic Stockholders: Stockholders who hold shares representing at least a majority of the aggregate voting power of the outstanding capital stock entitled to vote at the Transatlantic Special Shareholder Meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business at the Transatlantic Special Shareholder Meeting. The Transatlantic stockholders, by a majority vote at the meeting by the holders of Transatlantic common stock entitled to vote and present in person or by proxy, whether or not a quorum is present, may adjourn the meeting to another time or place without further notice unless the adjournment is for more than 30 days or, if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

Abstentions will be included in the calculation of the number of shares of Transatlantic common stock represented at the Transatlantic Special Shareholder Meeting for purposes of determining whether a quorum has been achieved. Under NYSE rules, if brokers do not have discretion to vote on any of the proposals at a stockholders' meeting, broker non-votes will not count toward the calculation of a quorum. As each of the proposals to be voted on at the Transatlantic Special Shareholder Meeting are considered non-routine under NYSE rules, brokers do not have discretion to vote on such proposals and, as such, broker non-votes will not be included in the calculation of the number of shares of Transatlantic common stock represented at the

Transatlantic Special Shareholder Meeting for purposes of determining whether a quorum has been achieved.

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Q: How do I vote?

A: *Allied World Shareholders.* The manner in which your shares may be voted depends on how your shares are held. If you are a shareholder of record of Allied World, meaning that your Allied World shares are represented by certificates or book entries in your name so that you appear as a shareholder of record in Allied World's share register maintained by its transfer agent, Continental Stock Transfer & Trust Company, a proxy card for voting these shares will be included with this joint proxy statement/prospectus. You may direct how your shares are to be voted by completing, signing and returning the proxy card in the enclosed envelope. You may also vote your Allied World shares in person at the Allied World Special Shareholder Meeting.

If you hold Allied World shares in street name through a bank or brokerage firm, you may instead receive from your bank or brokerage firm a voting instruction form with the joint proxy statement/prospectus that you may use to instruct them on how your shares are to be voted. As with a proxy card, you may direct how your shares are to be voted by completing, signing and returning the voting instructions form in the envelope provided. Many banks and brokerage firms have arranged for internet or telephonic voting of shares and provide instructions for using those services on the voting instruction form. If you want to vote your Allied World shares in person at the Allied World Special Shareholder Meeting, you must obtain a proxy from your bank, brokerage firm or other nominee giving you the right to vote your Allied World shares at the Allied World Special Shareholder Meeting.

Transatlantic Stockholders. If you are a stockholder of record of Transatlantic as of the close of business on the Transatlantic record date, you may vote in person by attending the Transatlantic Special Shareholder Meeting or, to ensure your shares are represented at the Transatlantic Special Shareholder Meeting, you may authorize a proxy to vote by:

logging onto <http://proxy.georgeson.com/> and following the instructions on your proxy card to vote via the internet anytime up to 11:00 p.m., Eastern Time, on _____, 2011 and following the instructions provided on that site;

dialing 1-877-456-7915 and listening for further directions to vote by telephone anytime up to 11:00 p.m., Eastern Time on _____, 2011 and following the instructions provided in the recorded message; or

signing and returning the accompanying proxy card in the enclosed postage-paid envelope. Transatlantic stockholders of record may submit their proxies through the mail by completing their proxy card, and signing, dating and returning it in the enclosed, pre-addressed, postage-paid envelope. To be valid, a returned proxy card must be signed and dated.

If you hold Transatlantic common stock in street name through a bank, brokerage firm or other nominee, please follow the voting instructions provided by your bank, brokerage firm or other nominee to ensure that your shares of Transatlantic common stock are represented at the Transatlantic Special Shareholder Meeting. If you want to vote your Transatlantic common stock in person at the Transatlantic Special Shareholder Meeting, you must obtain a proxy from your bank, brokerage firm or other nominee giving you the right to vote your Transatlantic common stock at the Transatlantic Special Shareholder Meeting.

Q: How many votes do I have?

A: *Allied World Shareholders:* Holders of Allied World shares are entitled to one vote per Allied World share owned as of the close of business on the Allied World record date, unless you own controlled shares that constitute 10% or more of the issued Allied World shares as of the close of business on the Allied World record

date, in which case your voting rights with respect to those controlled shares will be limited, in the aggregate, to a voting power of approximately 10% pursuant to a formula specified in article 14 of the Allied World Articles. The Allied World Articles define controlled shares generally to include all shares of Allied World directly, indirectly or constructively owned or beneficially owned by any person or group of persons. As of the close of business on the Allied World record date, there were 38,077,329 Allied World shares outstanding and entitled to vote at the Allied World Special Shareholder Meeting.

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Transatlantic Stockholders: Holders of Transatlantic common stock are entitled to one vote for each share owned as of the close of business on the Transatlantic record date. However, to satisfy the requirements of New York State Insurance regulators, on June 1, 2009, Davis Selected Advisors, L.P. (Davis Advisors) entered into an agreement with Transatlantic whereby Davis Advisors agreed to vote the number of shares of Transatlantic common stock owned by Davis Advisors in excess of 9.9% of Transatlantic s outstanding shares in a manner proportionate to the vote of the owners of the shares (excluding Davis Advisors, stockholders beneficially owning more than 10% of Transatlantic s outstanding shares, and directors and officers of Transatlantic) voting on such matters. As of the close of business on the Transatlantic record date, there were 62,488,896 shares of Transatlantic common stock outstanding and entitled to vote at the Transatlantic Special Shareholder Meeting.

Q: What vote is required to approve each proposal?

A: *Allied World Shareholders:* Approval of each of the following proposals require the affirmative vote of at least 66²/₃% of the votes represented at the Allied World Special Shareholder Meeting and a majority of the nominal value of the Allied World shares represented at such meeting, where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposal: (i) the article 3 share capital increase proposal, (ii) the article 5 share capital increase proposal and (iii) the article 6 share capital increase proposal. Abstentions will be considered votes represented at the meeting and will thus have the same effect as votes AGAINST these proposals. Broker non-votes will not be considered shares represented at the meeting and will have no effect on these proposals.

The approval of the NYSE share issuance proposal and the Stock Incentive Plan proposal requires the affirmative vote of the holders of a majority of shares entitled to vote on the proposal and present in person or represented by proxy at the Allied World Special Shareholder Meeting, provided that the total votes cast on this proposal represent over 50% of the outstanding Allied World shares entitled to vote on such proposal. Votes for, votes against and abstentions count as votes cast, while broker non-votes do not count as votes cast for this purpose. All outstanding Allied World shares count as shares entitled to vote. Thus, the total sum of votes for, plus votes against, plus abstentions, which we refer to as the NYSE votes cast, must be greater than 50% of the total outstanding Allied World shares. The number of votes for the proposal must be greater than 50% of the NYSE votes cast.

Approval of each of the following proposals requires a majority of the votes cast voting in favor of such proposal at the Allied World Special Shareholder Meeting where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposal: (i) the name change proposal, (ii) the election of directors proposal and (iii) the capital reduction proposal. Abstentions and broker non-votes will not be considered votes cast and will have no effect on these proposals, assuming a quorum is present.

Because the proposals to be voted on by the Allied World shareholders at the Allied World Special Shareholder Meeting are all non-routine matters, if a bank or brokerage firm holds your shares you are urged to instruct your bank or brokerage firm on how to vote your shares to ensure your shares are voted on each of the proposals to be brought before the Allied World Special Shareholder Meeting.

Transatlantic Stockholders: The adoption of the merger agreement proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Transatlantic common stock entitled to vote thereon. Failures to vote, votes to abstain and broker non-votes, if any, will have the effect of a vote AGAINST the adoption of the merger agreement proposal.

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Approval of the adjournment proposal requires the affirmative vote of the holders of a majority of the shares of Transatlantic common stock entitled to vote and present in person or represented by proxy, whether or not a quorum is present. Abstentions will have the same effect as a vote AGAINST the adjournment proposal. Failures to vote and broker non-votes, if any, will not be voted, but this will not have an effect on the adjournment proposal.

Approval of the golden parachute proposal requires the affirmative vote of the holders of a majority of the shares of Transatlantic common stock present in person or represented by proxy and entitled to vote

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thereon, assuming a quorum is present. Abstentions will have the same effect as a vote AGAINST the golden parachute proposal. Failures to vote and broker non-votes, if any, will not be voted, but this will not have an effect on the golden parachute proposal, assuming a quorum is present.

Q: My shares are held in street name by my bank, brokerage firm or other nominee. Will my bank, brokerage firm or other nominee automatically vote my shares for me?

A: No. If your shares are held in the name of a bank, brokerage firm or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. You are not the record holder of such shares. If this is the case, this joint proxy statement/prospectus has been forwarded to you by your bank, broker or other nominee. As the beneficial holder, unless your bank, brokerage firm or other nominee has discretionary authority over your shares, you generally have the right to direct your bank, brokerage firm or other nominee as to how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which your bank, brokerage firm or other nominee does not have discretionary authority, including certain matters to be considered at the Special Shareholder Meetings. This is often called a broker non-vote. You should provide your bank, broker or other nominee with instructions as to how to vote your Allied World shares and Transatlantic common stock, as applicable.

Please follow the voting instructions provided by your bank, broker or other nominee so that it may vote your shares on your behalf. Please note that you may not vote shares held in street name by returning a proxy card directly to Allied World or Transatlantic or by voting in person at your meeting unless you first obtain a proxy from your bank, brokerage firm or other nominee.

Q: How does the Allied World board of directors recommend that Allied World shareholders vote?

A: The Allied World board of directors has unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and in the best interests of Allied World. The Allied World board of directors unanimously recommends that the Allied World shareholders vote (i) FOR the share capital increase proposals, (ii) FOR the NYSE share issuance proposal, (iii) FOR the name change proposal, (iv) FOR the election of directors proposal, (v) FOR the capital reduction proposal and (vi) FOR the Stock Incentive Plan proposal.

Q: How does the Transatlantic board of directors recommend that Transatlantic stockholders vote?

A: The Transatlantic board of directors has unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and in the best interests of Transatlantic and its stockholders. The Transatlantic board of directors unanimously recommends that Transatlantic stockholders vote (i) FOR the adoption of the merger agreement proposal, (ii) FOR the adjournment proposal and (iii) FOR the golden parachute proposal.

Q: What will happen if I return my proxy card without indicating how to vote?

A: *Allied World Shareholders:* If you properly complete and sign your proxy card but do not indicate how your Allied World shares should be voted on a matter, the Allied World shares represented by your proxy will be voted as the Allied World board of directors recommends and, therefore, FOR the proposals brought before the Allied World Special Shareholder Meeting.

Transatlantic Stockholders: If you properly complete and sign your proxy card but do not indicate how your shares of Transatlantic common stock should be voted on a matter, the shares of Transatlantic common stock

represented by your proxy will be voted as the Transatlantic board of directors recommends and, therefore, FOR the proposals brought before the Transatlantic Special Shareholder Meeting.

Q: How do I appoint and vote via the independent proxy if I am an Allied World shareholder of record?

A: If you are an Allied World shareholder of record as of the Allied World record date, under Swiss law you may authorize the independent proxy, Mr. Paul Buergi, of Buis Buergi AG, Muehlebachstrasse 7, P.O Box 672, CH-8024, Zurich, Switzerland, with full rights of substitution, to vote your Allied World shares on your behalf instead of using the enclosed proxy card. If you authorize the independent proxy to vote your

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shares without giving instructions, your shares will be voted in accordance with the recommendations of the Allied World board of directors with regard to the items listed in the notice of meeting. If new agenda items (other than those in the notice of meeting) or new proposals or motions with respect to those agenda items set forth in the notice of meeting are being put forth before the Allied World Special Shareholder Meeting, the independent proxy will, in the absence of other specific instructions, vote in accordance with the recommendations of the Allied World board of directors. An optional form of proxy card that may be used by the independent proxy to vote your Allied World shares is included with this joint proxy statement/prospectus. Proxy cards authorizing the independent proxy to vote your shares must be sent directly to the independent proxy, arriving no later than 12:00 p.m., local time, , 2011.

Q: Can I change my vote or revoke my proxy after I have returned a proxy or voting instruction card?

A: Yes.

If you are the holder of record of Allied World shares: If you are the holder of record of Allied World shares, you can change your vote or revoke your proxy at any time before your proxy is voted at your meeting. You can do this in one of the following ways:

you can provide the Allied World corporate secretary with written notice of revocation, by voting in person at the Allied World Special Shareholder Meeting or by executing a later-dated proxy card; provided, however, that the action is taken in sufficient time to permit the necessary examination and tabulation of the subsequent proxy or revocation before the vote is taken; or

if you have granted your proxy to the independent proxy, you can provide Mr. Paul Buergi, of Buis Buergi AG, Muehlebachstrasse 7, P.O. Box 672, CH-8024, Zurich, Switzerland, with written notice of revocation, by voting in person at the Allied World Special Shareholder Meeting or by executing a later-dated independent proxy card. Revocation of, or changes to, proxies issued to the independent proxy must be received by the independent proxy by 12:00 p.m., local time, on , 2011.

Attendance at the Allied World Special Shareholder Meeting by an Allied World shareholder who has executed and delivered a proxy card to Allied World shall not in and of itself constitute a revocation of such proxy. Only your vote at the Allied World Special Shareholder Meeting will revoke your proxy.

If you hold Allied World shares in street name : If your Allied World shares are held in street name, you must obtain a proxy from your bank, brokerage firm or other nominee giving you the right to vote your Allied World shares at the Allied World Special Shareholder Meeting.

If you are the holder of record of Transatlantic common stock: If you are the holder of record of Transatlantic common stock, you can change your vote or revoke your proxy at any time before your proxy is voted at your meeting. You can do this in one of the following ways:

you can grant a new, valid proxy bearing a later date (including by telephone or via the internet);

you can send a signed notice of revocation; or

you can attend the Transatlantic Special Shareholder Meeting and vote in person, which will automatically cancel any proxy previously given, or you may revoke your proxy in person. Simply attending the Transatlantic Special Shareholder Meeting without voting will not revoke any proxy that you have previously given or change your vote.

If you choose either of the first two methods, your notice of revocation or your new proxy must be received by Transatlantic no later than the beginning of the Transatlantic Special Shareholder Meeting. If you have submitted a proxy for your shares by telephone or via the internet, you may revoke your prior telephone or internet proxy by any manner described above.

If you hold shares of Transatlantic common stock in street name : If your shares of Transatlantic common stock are held in street name, you must contact your bank, brokerage firm or other nominee to change your vote.

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Q: What are the material U.S. federal income tax consequences of the merger to U.S. holders of Allied World shares?

A: No gain or loss will be recognized by Allied World shareholders as a consequence of the merger.

Q: What are the material U.S. federal income tax consequences of the merger to U.S. holders of Transatlantic common stock?

A: The receipt of Allied World shares (and cash, if any, received in lieu of fractional shares) in exchange for shares of Transatlantic common stock pursuant to the merger agreement will be a taxable transaction for U.S. federal income tax purposes.

Q: When do you expect the merger to be completed?

A: Allied World and Transatlantic hope to complete the merger as soon as reasonably possible and expect the closing of the merger to occur in the fourth quarter of 2011. However, the merger is subject to various regulatory clearances and the satisfaction or waiver of other conditions, and it is possible that factors outside the control of Allied World and Transatlantic could result in the merger being completed at an earlier time, a later time or not at all. There may be a substantial amount of time between the Special Shareholder Meetings and the completion of the merger.

Q: Do I need to do anything with my shares other than voting for the proposals at the meeting?

A: *Allied World Shareholders:* If you are an Allied World shareholder, after the merger is completed, you are not required to take any action with respect to your Allied World shares.

Transatlantic Stockholders: If you are a Transatlantic stockholder, after the merger is completed, each share of Transatlantic common stock you hold will be converted automatically into the right to receive 0.88 Allied World shares together with cash in lieu of any fractional Allied World shares, as applicable. You will receive instructions at that time regarding exchanging your shares of Transatlantic common stock for Allied World shares. You do not need to take any action at this time. **Please do not send your Transatlantic stock certificates with your proxy card.**

Q: Are holders of shares entitled to appraisal rights?

A: No. Neither the Allied World shareholders, under Swiss law, nor the Transatlantic stockholders, under Delaware law, are entitled to appraisal rights in connection with the merger.

Q: What happens if I sell my shares of Transatlantic common stock before the Transatlantic Special Shareholder Meeting?

A: The record date for the Transatlantic Special Shareholder Meeting is earlier than the date of the Transatlantic Special Shareholder Meeting and the date that the merger is expected to be completed. If you transfer your shares of Transatlantic common stock after the Transatlantic record date but before the Transatlantic Special Shareholder Meeting, you will retain your right to vote at the Transatlantic Special Shareholder Meeting, but will have transferred the right to receive the merger consideration in the merger. In order to receive the merger consideration, you must hold your shares through the effective date of the merger.

Q: What if I hold shares in both Allied World and Transatlantic?

A: If you are a holder of shares of both Allied World and Transatlantic you will receive two separate packages of proxy materials. A vote cast as an Allied World shareholder will not count as a vote cast as a Transatlantic stockholder, and a vote cast as a Transatlantic stockholder will not count as a vote cast as an Allied World shareholder. Therefore, please separately submit a proxy for your Allied World shares and your Transatlantic common stock.

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Q: Who can help answer my questions?

A: Allied World shareholders or Transatlantic stockholders who have questions about the merger, the other matters to be voted on at the Special Shareholder Meetings, how to submit a proxy or desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

If you are an Allied World shareholder:

MacKenzie Partners, Inc.
105 Madison Avenue
New York, NY 10016
(800) 322-2885
or
(212) 929-5500 (collect)
E-mail: proxy@mackenziepartners.com

or

Allied World Assurance Company Holdings, AG

Lindenstrasse 8, 6340 Baar
Zug, Switzerland
Attn.: Corporate Secretary
(441) 278-5400

If you are a Transatlantic stockholder:

Georgeson Inc.
199 Water Street
New York, NY 10038
(888) 613-9817
(Banks and brokers please call: (212) 440-9800)
E-mail: transatlantic@georgeson.com

or

Transatlantic Holdings, Inc.

80 Pine Street
New York, NY 10005
Attn.: Investor Relations
(212) 365-2200

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SUMMARY

This summary highlights information contained elsewhere in this joint proxy statement/prospectus and may not contain all the information that is important to you with respect to the merger and the other matters being considered at the Special Shareholder Meetings. Allied World and Transatlantic urge you to read the remainder of this joint proxy statement/prospectus carefully, including the attached Annexes, and the other documents to which we have referred you. See also the section entitled "Where You Can Find More Information" beginning on page 188. We have included page references in this summary to direct you to a more complete description of the topics presented below.

The Companies

Allied World Assurance Company Holdings, AG

Allied World Assurance Company Holdings, AG is a holding company incorporated in Switzerland. Allied World, through its wholly-owned subsidiaries, including Allied World Assurance Company, Ltd, Allied World Assurance Company (Europe) Limited, Allied World Assurance Company (Reinsurance) Limited, Allied World Assurance Company (U.S.) Inc., Allied World National Assurance Company, Darwin National Assurance Company, and Darwin Select Insurance Company and its branch offices, is a specialty insurance and reinsurance company that underwrites a diversified portfolio of property and casualty lines of business through offices located in Bermuda, Hong Kong, Ireland, Singapore, Switzerland, the United Kingdom and the United States. Allied World has nine offices in the United States and has become licensed in Canada, as well. Since its formation in 2001, Allied World has focused primarily on the direct insurance markets. Allied World offers its clients and producers significant capacity in both direct property and casualty insurance markets as well as the reinsurance market. Allied World is the ultimate parent company of Allied World Assurance Company Holdings, Ltd, the former publicly-traded Bermuda holding company, and its subsidiaries as a result of a redomestication effected on December 1, 2010 pursuant to a scheme of arrangement under Bermuda law.

Allied World shares are traded on the New York Stock Exchange, Inc. (NYSE) under the symbol AWH. Following the merger, common shares of the combined company, TransAllied Group Holdings, AG, will be traded on the NYSE under the symbol TAG.

The principal executive offices of Allied World are located at Lindenstrasse 8, 6340 Baar, Zug, Switzerland and its telephone number is 41-41-768-1080.

Transatlantic Holdings, Inc.

Transatlantic Holdings, Inc. is a holding company incorporated in the State of Delaware. Transatlantic, through its wholly-owned subsidiaries, Transatlantic Reinsurance Company® (TRC), Trans Re Zurich Reinsurance Company Ltd., acquired by TRC in 1996, and Putnam Reinsurance Company (Putnam) (contributed by Transatlantic to TRC in 1995), offers reinsurance capacity for a full range of property and casualty products, directly and through brokers, to insurance and reinsurance companies, in both the domestic and international markets on both a treaty and facultative basis. One or both of TRC and Putnam is licensed, accredited, authorized or can serve as a reinsurer in 50 states and the District of Columbia in the United States and in Puerto Rico and Guam. Through its international locations, Transatlantic has operations worldwide, including Bermuda, Canada, seven locations in Europe, three locations in Central and South America, two locations in Asia (excluding Japan), and one location in each of Japan, Australia and Africa. TRC is licensed in Bermuda, Canada, Japan, the United Kingdom, the Dominican Republic, the Hong Kong Special Administrative Region, the People's Republic of China and Australia. Transatlantic was originally formed in

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1986 under the name PREINCO Holdings, Inc. as a holding company for Putnam. Transatlantic's name was changed to Transatlantic Holdings, Inc. on April 18, 1990 following the acquisition on April 17, 1990 of all of the common stock of TRC in exchange for shares of common stock of Transatlantic.

Transatlantic's common stock is traded on the NYSE under the symbol TRH.

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The principal executive offices of Transatlantic are located at 80 Pine Street, New York, New York 10005 and its telephone number is 212-365-2200.

GO Sub, LLC

GO Sub, LLC, a wholly-owned subsidiary of Allied World (Merger Sub), is a Delaware limited liability company, which was initially incorporated on June 2, 2011 as a corporation and subsequently converted to a limited liability company on June 10, 2011, and was formed for the sole purpose of effecting the merger. In the merger, Merger Sub will be merged with and into Transatlantic, with Transatlantic surviving as a wholly-owned subsidiary of Allied World.

The Merger

A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. Allied World and Transatlantic encourage you to read the entire merger agreement carefully because it is the principal document governing the merger. For more information on the merger agreement, see the section entitled The Merger Agreement beginning on page 110.

Effects of the Merger (see page 43)

Subject to the terms and conditions of the merger agreement, a copy of which is included as Annex A to this joint proxy statement/prospectus, at the effective time of the merger, Merger Sub will be merged with and into Transatlantic, with Transatlantic surviving the merger as a wholly-owned subsidiary of Allied World. Upon completion of the merger, Allied World will be the parent company of Transatlantic, and Allied World's name will be changed to TransAllied Group Holdings, AG.

Merger Consideration (see page 110)

Transatlantic stockholders will be entitled to receive 0.88 Allied World shares for each share of Transatlantic common stock they hold at the effective time of the merger (the exchange ratio) and cash in lieu of any Allied World fractional shares. The exchange ratio is fixed and will not be adjusted for changes in the market value of Transatlantic common stock or Allied World shares. As a result, the implied value of the consideration to Transatlantic stockholders will fluctuate between the date of this joint proxy statement/prospectus and the effective date of the merger. Based on the closing price of Allied World shares on the NYSE on June 10, 2011, the last trading day before public announcement of the merger, the exchange ratio represented approximately \$51.10 in value for each share of Transatlantic common stock. Based on the closing price of Allied World shares on the NYSE on , 2011, the latest practicable trading day before the date of this joint proxy statement/prospectus, the exchange ratio represented approximately \$ in value for each share of Transatlantic common stock.

Material U.S. Federal Income Tax Consequences of the Merger (see page 148)

The receipt of Allied World shares in exchange for shares of Transatlantic common stock pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes. In general, a U.S. holder that receives Allied World shares in exchange for shares of Transatlantic common stock pursuant to the merger will recognize capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference, if any, between (i) the sum of the fair market value of the Allied World shares received as of the effective time of the merger and the amount of cash, if any, received in lieu of fractional Allied World shares and (ii) the holder's adjusted tax basis in the shares of Transatlantic common stock exchanged for the Allied World shares pursuant to the merger. No gain or loss will be recognized by Allied World shareholders. For further information regarding the U.S. federal income tax consequences of the merger,

see the section entitled Material U.S. Federal Income Tax Consequences beginning on page 148.

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Recommendations of the Board of Directors of Allied World (see page 63)

After careful consideration, the Allied World board of directors unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger, the issuance of Allied World shares to Transatlantic stockholders pursuant to the merger agreement and the amendment of the Allied World Articles, are in the best interests of Allied World. For more information regarding the factors considered by the Allied World board of directors in reaching its decision to approve the merger agreement and the transactions thereby contemplated, see the section entitled *The Merger Allied World's Reasons for the Merger; Recommendations of the Allied World board of directors*. **The Allied World board of directors unanimously recommends that the Allied World shareholders vote (i) FOR the share capital increase proposals, (ii) FOR the NYSE share issuance proposal, (iii) FOR the name change proposal, (iv) FOR the election of directors proposal, (v) FOR the capital reduction proposal and (vi) FOR the Stock Incentive Plan proposal.**

Recommendations of the Board of Directors of Transatlantic (see page 76)

After careful consideration, the Transatlantic board of directors unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable and in the best interests of Transatlantic and its stockholders. For more information regarding the factors considered by the Transatlantic board of directors in reaching its decision to approve the merger agreement and the merger, see the section entitled *The Merger Transatlantic's Reasons for the Merger; Recommendations of the Transatlantic Board of Directors*. **The Transatlantic board of directors unanimously recommends that Transatlantic stockholders vote (i) FOR the adoption of the merger agreement proposal, (ii) FOR the adjournment proposal and (iii) FOR the golden parachute proposal.**

Opinion of Allied World's Financial Advisor (see page 65)

Allied World engaged Deutsche Bank Securities Inc. (*Deutsche Bank*) to act as its financial advisor in connection with the merger. At the June 12, 2011 meeting of the Allied World board of directors, Deutsche Bank rendered an oral and written opinion to the board of directors of Allied World to the effect that, based upon and subject to the assumptions, limitations, qualifications and conditions set forth in the opinion, as of the date of such opinion, the exchange ratio was fair, from a financial point of view, to Allied World.

The full text of the written opinion of Deutsche Bank, dated June 12, 2011, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations, qualifications and conditions of the review undertaken by Deutsche Bank in connection with the opinion, is included in this joint proxy statement/prospectus as Annex B and is incorporated by reference herein. Allied World shareholders are urged to read Deutsche Bank's opinion carefully and in its entirety. Deutsche Bank provided its opinion to Allied World's board of directors in connection with and for the purposes of its evaluation of the transactions contemplated by the merger agreement. Deutsche Bank's opinion relates only to the fairness, from a financial point of view, of the exchange ratio to Allied World, and does not constitute a recommendation to any holder of Allied World shares as to how any such holder should vote with respect to the proposals to be considered at the Allied World Special Shareholder Meeting or any other matter. In addition, Deutsche Bank was not requested to opine as to, and its opinion does not in any manner address, the merits of Allied World's underlying business decision to proceed with or effect the merger or the relative merits of the merger as compared to any alternative transactions or business strategies. See also *The Merger Opinion of Allied World's Financial Advisor*.

Opinion of Transatlantic's Financial Advisor (see page 80)

Moelis & Company LLC (Moelis) delivered its oral opinion, which was subsequently confirmed in writing, that based upon and subject to the conditions and limitations set forth in its written opinion, as of June 12, 2011, the exchange ratio set forth in the merger agreement was fair, from a financial point of view, to the holders of Transatlantic common stock.

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The full text of the written opinion of Moelis, dated June 12, 2011, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with its opinion, is attached to this joint proxy statement/prospectus as Annex C. The summary of Moelis' opinion contained in this joint proxy statement/prospectus describes the material analyses underlying Moelis' opinion, but does not purport to be a complete description of the analyses performed by Moelis in connection with its opinion, and is qualified in its entirety by reference to the full text of the opinion. Moelis provided its opinion for the information and assistance of the Transatlantic board of directors in connection with its consideration of the merger. Moelis' opinion is limited solely to the fairness, from a financial point of view, of the exchange ratio set forth in the merger agreement to the holders of Transatlantic common stock as of the date of the opinion and does not constitute a recommendation to any holder of Transatlantic common stock as to how such Transatlantic stockholder should vote with respect to the merger or any other matter. In addition, Moelis was not requested to opine as to, and its opinion does not in any manner address, Transatlantic's underlying business decision to effect the merger or the relative merits of the merger as compared to any alternative business strategies or transactions that might be available to Transatlantic. See also "The Merger Opinion of Transatlantic's Financial Advisor."

Interests of Allied World's Directors and Executive Officers in the Merger (see page 90)

Executive officers and members of the Allied World board of directors have interests in the merger that may be different from, or in addition to, the interests of Allied World shareholders generally.

These interests include rights of executive officers under employment agreements with Allied World, rights under a supplemental executive retirement plan, under new waiver or retention agreements, as applicable, that are expected to be entered into prior to the consummation of the merger and rights to indemnification and directors' and officers' liability insurance that will survive completion of the merger. For more information concerning these interests, please see the discussion under the captions "The Merger - Interests of Allied World's Directors and Executive Officers in the Merger."

The Allied World board of directors was aware of these interests and considered them, among other matters, in approving the merger agreement and the transactions contemplated by the merger agreement and in recommending that you vote to approve the share capital increase proposals, the NYSE share issuance proposal, the name change proposal, the election of directors proposal, the capital reduction proposal and the Stock Incentive Plan proposal.

Interests of Transatlantic's Directors and Executive Officers in the Merger (see page 97)

Executive officers and members of the Transatlantic board of directors have interests in the merger that may be different from, or in addition to, the interests of Transatlantic stockholders generally.

Additionally, as detailed below under "The Merger - Board of Directors and Management Following the Merger," certain of Transatlantic's executive officers and members of the Transatlantic board of directors will continue to serve as officers or directors of the combined company upon completion of the merger. Specifically, Mr. Richard S. Press, the current non-executive chairman of the Transatlantic board of directors, will be the non-executive chairman of the board of directors of the combined company and Mr. Michael C. Sapnar, the current Executive Vice President and Chief Operating Officer of Transatlantic, will be appointed to serve as President and Chief Executive Officer of Global Reinsurance of the combined company.

While Transatlantic has various compensation and benefits arrangements that provide for "double trigger" payments (i.e., payments upon certain termination events in proximity to a "change in control"), the merger will not constitute a "change in control" for purposes of such arrangements. However, Transatlantic has approved the form of retention agreements that have been offered to certain executives, providing for the grant of restricted stock units (or in the

event that there are not enough share reserves, phantom stock awards) that will vest if the employment of such executives is maintained through the applicable vesting dates (or in certain instances of termination prior to such dates).

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In general, outstanding options to acquire Transatlantic common stock and compensatory stock awards denominated in shares of Transatlantic common stock will be converted into options to acquire TransAllied shares and compensatory stock awards denominated in TransAllied shares. The equity holdings of Transatlantic's directors and executive officers will be treated in the same manner as the equity holdings of all other equity holders provided, however, that pursuant to the merger agreement, any independent Transatlantic or Allied World director who ceases to be a member of the reconstituted TransAllied board prior to the end of his or her term shall have immediate vesting of all of his or her unvested Allied World stock-based awards. For additional information regarding the interests of Transatlantic directors and executive officers in the merger, please see the section entitled "The Merger - Interests of Transatlantic's Directors and Executive Officers in the Merger" on page 97.

The Transatlantic board of directors was aware of these interests and considered them, among other matters, in approving the merger agreement and in recommending that you vote for the adoption of the merger agreement proposal, the adjournment proposal and the golden parachute proposal.

Board of Directors and Management Following the Merger (see page 100)

Immediately following the effective time of the merger, assuming the receipt of the resignation letters of all current directors of Allied World and of shareholder approval of the election of directors proposal as described herein, the board of directors of the combined company will consist of 11 members including: (i) four independent Transatlantic directors: Stephen P. Bradley, Ian H. Chippendale, John G. Foos and John L. McCarthy; (ii) Richard S. Press (the current non-executive chairman of the Transatlantic board of directors); (iii) Michael C. Sapnar (the current Executive Vice President and Chief Operating Officer of Transatlantic); (iv) four of the following current independent Allied World directors, who will be identified to shareholders at or prior to the Allied World Special Shareholder Meeting: Barbara T. Alexander, James F. Duffy, Bart Friedman, Scott Hunter, Mark R. Patterson, Patrick de Saint-Aignan and Samuel J. Weinhoff; and (v) Scott A. Carmilani (the current President and Chief Executive Officer of Allied World). The 11 members of the board of directors of the combined company will be divided into three classes of directors as follows:

Class II (to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2012): Ian H. Chippendale, John L. McCarthy and one current independent Allied World director;

Class III (to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2013): Stephen P. Bradley, John G. Foos and two current independent Allied World directors; and

Class I (to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2014): Scott A. Carmilani, Richard S. Press, Michael C. Sapnar, and one current independent Allied World director.

Immediately following the effective time of the merger, Mr. Carmilani will serve as President and Chief Executive Officer of the combined company. Mr. Press will be elected as non-executive chairman of the board of directors of the combined company (the TransAllied board). Effective on the first anniversary of the closing date of the merger, Mr. Press will cease to serve as non-executive chairman and shall remain on the TransAllied board as a director until the second anniversary of the closing date of the merger, at which time he has agreed to retire from the TransAllied board (subject to his earlier resignation or retirement). Mr. Sapnar will be appointed to serve as President and Chief Executive Officer of Global Reinsurance of the combined company.

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The foregoing director elections and officer appointments are conditioned upon completion of the merger. In the event that the merger is not completed, the foregoing director elections and officer appointments will not take effect.

With respect to the election of the four current independent Allied World directors to the combined company's board of directors, shareholders are being asked to vote for , against or to abstain from voting on, each of the seven Allied World director nominees who are currently Allied World independent directors: Barbara T. Alexander, James F. Duffy, Bart Friedman, Scott Hunter, Mark R. Patterson, Patrick de Saint-

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Aignan and Samuel J. Weinhoff. At or prior to the Allied World Special Shareholder Meeting, three of these seven director nominees will withdraw as nominees and the four remaining director nominees will be identified to shareholders. If any such remaining director nominee receives a majority of the votes cast voting in favor of their election, where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposal, such director nominee will be elected to serve as a member of the TransAllied board, to serve in the Class as designated by the Allied World board of directors at or prior to the Allied World Special Shareholder Meeting. If any such remaining director nominee does not receive the requisite shareholder votes, such nominee will not be elected to the TransAllied board and the election of directors proposal (which is a condition to the closing of the merger, subject to waiver by the parties) will fail.

The appointments of Messrs. Carmilani, Press and Sapnar, among other matters, will be reflected in the amended and restated organizational regulations of TransAllied (the TransAllied organizational regulations), which will take effect only upon completion of the merger, and, for a period of one year following the closing date, any resolution to revise, modify or delete such provisions will require a majority of at least eight of the votes cast by the TransAllied board.

Treatment of Transatlantic Stock Options and Other Stock-Based Awards and Programs (see page 106)

Prior to the effective time of the merger, the Allied World board of directors (or, if appropriate, the committee thereof administering the Allied World stock plans) will adopt resolutions or take other actions as may be required to effect the below actions with respect to the Transatlantic stock options and stock-based awards.

Stock Options. Upon completion of the merger, each outstanding option to purchase shares of Transatlantic common stock will be converted pursuant to the merger agreement into a stock option to purchase Allied World shares on the same terms and conditions as were in effect immediately prior to the completion of the merger based on the exchange ratio.

Stock-Based Awards. Upon completion of the merger, each outstanding stock-based award of Transatlantic will be converted into Allied World shares or other compensatory awards denominated in Allied World shares subject to a risk of forfeiture to, or the right to repurchase by, Allied World, with the same terms and conditions as were applicable under such Transatlantic stock-based awards, and each holder of Transatlantic stock-based awards shall be entitled to receive a number of converted Transatlantic stock-based awards equal to the product of the number of Transatlantic stock-based awards held by such holder and the exchange ratio.

Each of Allied World and Transatlantic will use the existing performance goals to determine performance awards through fiscal year 2011. Thereafter, following the closing of the merger, TransAllied's Compensation Committee will make a decision regarding the performance awards for the 2012 fiscal year and thereafter.

Regulatory Clearances Required for the Merger (see page 103)

Allied World and Transatlantic have each agreed to take actions in order to obtain regulatory clearances required to consummate the merger. Regulatory clearances include expiration or termination of the required waiting period under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended, and the rules and regulations promulgated thereunder (the HSR Act), following required notifications and review by the Antitrust Division of the U.S. Department of Justice (the Antitrust Division) or the Federal Trade Commission (the FTC). The parties filed the required notifications with the Antitrust Division and the FTC on July 1, 2011 and early termination of the waiting period was granted effective July 11, 2011.

In addition to those filings required by the HSR Act, certain insurance regulatory filings will also be required to consummate the merger. State insurance laws in the United States generally require that, prior to the acquisition of an

insurance company, the acquiring party must obtain approval from the insurance commissioner of the insurance company's state of domicile, and the parties have and will make the required filings in accordance with such laws. In addition, applications or notifications have been or will be filed with

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various insurance regulatory authorities outside of the United States in connection with the changes in control that may be deemed to occur as a result of the transactions contemplated by the merger agreement.

Allied World and Transatlantic also expect to file notices with insurance regulators and antitrust and competition authorities in certain other jurisdictions. While Allied World and Transatlantic expect to obtain all required regulatory clearances, we cannot assure you that these regulatory clearances will be obtained or that the granting of these regulatory clearances will not involve the imposition of additional conditions on the completion of the merger, including the requirement to divest assets, or require changes to the terms of the merger agreement. These conditions or changes could result in the conditions to the merger not being satisfied.

Amended and Restated Articles of Association of Allied World (see page 130)

The Allied World board of directors proposes to the Allied World shareholders, subject to completion of the merger, to amend the Allied World Articles to change Allied World's name to TransAllied Group Holdings, AG. The form of the Articles of Association of TransAllied (the TransAllied Articles) is included in this joint proxy statement/prospectus as Annex D. The adoption of the TransAllied Articles by the Allied World shareholders is a condition to completion of the merger. In the event this proposal is approved by Allied World shareholders, but the merger is not completed, the TransAllied Articles will not become effective.

Expected Timing of the Merger

Allied World and Transatlantic currently expect the closing of the merger to occur in the fourth quarter of 2011. However, the merger is subject to various regulatory clearances and the satisfaction or waiver of other conditions as described in the merger agreement, and it is possible that factors outside the control of Allied World and Transatlantic could result in the merger being completed at an earlier time, a later time or not at all.

Conditions to Completion of the Merger (see page 121)

The obligations of Allied World and Transatlantic to complete the merger are subject to the satisfaction of the following conditions:

approval by the Allied World shareholders of (i) the share capital increase proposals, (ii) the NYSE share issuance proposal and (iii) the name change proposal;

approval by the Transatlantic stockholders of the adoption of the merger agreement proposal;

authorization of the listing of the Allied World shares to be issued in the merger on the NYSE, subject to official notice of issuance;

the waiting period (and any extension thereof) applicable to the merger under the HSR Act having expired or been earlier terminated;

obtaining any necessary approvals of the applicable insurance regulatory authorities in New York, Bermuda and Switzerland;

receipt of other requisite regulatory approvals;

all consents and approvals of, and filings with, governmental agencies having been made, obtained and in full force, other than those that would not reasonably be expected to have a material adverse effect on Allied World

and Transatlantic after giving effect to the merger;

effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part and the absence of a stop order or proceedings threatened or initiated by the SEC for that purpose;

absence of any order, injunction, decree, statute, rule or regulation by a court or other governmental entity that makes illegal or prohibits the completion of the merger or the other transactions contemplated by the merger agreement;

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approval by the Allied World shareholders of the election of directors proposal and execution of a written consent of the TransAllied board approving certain committee and officer appointments;

a ruling from the Swiss Commercial Register having been obtained; and

the purchase by Allied World, following receipt of the requisite Allied World and Transatlantic shareholder approvals, of 45,000 shares of Transatlantic common stock having been completed.

In addition, each of Allied World's and Transatlantic's obligations to effect the merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of each party, other than the representations related to the shares issued and outstanding or reserved for issuance, the necessary corporate power and authority to execute and deliver the merger agreement, and the brokers' and finders' fees, will be true and correct (without giving effect to any materiality qualifications contained in such representations and warranties) as of the date of the merger agreement and as of the closing date (other than those representations and warranties that were made only as of a specified date, which need only be true and correct as of such specified date), except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to materiality or to material adverse effect set forth therein), individually or in the aggregate, has not had, and would not reasonably be expected to have, a material adverse effect on such party;

the representations and warranties of each party relating to the shares issued and outstanding or reserved for issuance, the necessary corporate power and authority to execute and deliver the merger agreement, and the brokers' and finders' fees, will be true and correct in all material respects as of the date of the merger agreement and as of the closing date (except to the extent such representations or warranties were made as of an earlier date, in which case, as of such earlier date);

each party having performed or complied with, in all material respects, all its obligations under the merger agreement at or prior to the effective time of the merger; and

receipt of a certificate executed by each party's chief executive officer or chief financial officer as to the satisfaction of the conditions described in the preceding three bullet points.

See the section entitled "The Merger Agreement - Conditions to Completion of the Merger" for a further discussion of the conditions to closing of the merger.

No Solicitation of Alternative Proposals (see page 115)

The merger agreement precludes Allied World and Transatlantic from soliciting or engaging in discussions or negotiations with a third party with respect to a proposal for a competing transaction, including the acquisition of a significant interest in Allied World's or Transatlantic's common stock or assets. However, if Allied World or Transatlantic receives an unsolicited proposal from a third party for a competing transaction that Allied World's or Transatlantic's board of directors, as applicable, among other things, determines in good faith (after consultation with its outside legal advisors and financial advisors) (i) is reasonably likely to lead to a proposal that is superior to the merger and (ii) the failure to enter discussions regarding such proposal would result in a breach of its fiduciary obligations under applicable law, Allied World or Transatlantic, as applicable, may, subject to certain conditions, furnish non-public information to and enter into discussions with, and only with, that third party regarding such competing transaction.

See the section entitled "The Merger Agreement - No Solicitation of Alternative Proposals" for a further discussion of each party's covenant not to solicit alternative acquisition proposals.

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Termination of the Merger Agreement (see page 122)

Generally, the merger agreement may be terminated and the merger may be abandoned at any time prior to the completion of the merger (except as specified below, including after the required Allied World shareholder approvals or Transatlantic stockholder approvals are obtained):

by mutual written consent of Allied World and Transatlantic; or

by either party, if:

a governmental entity issues a final and nonappealable order, decree or ruling or takes any other action (including the failure to have taken an action) having the effect of permanently enjoining or otherwise prohibiting the merger or the other transactions contemplated by the merger agreement;

the required approval by the shareholders of Allied World or the stockholders of Transatlantic has not been obtained at the respective Special Shareholder Meeting (or at any adjournment or postponement thereof);

the merger has not been completed on or before January 31, 2012 (the end date), subject to extension by the mutual agreement of Allied World and Transatlantic;

the other party has breached any of its agreements or representations in the merger agreement, in a way that the conditions to such non-breaching party's obligation to complete the merger would not then be satisfied and such breach is either incurable or not cured by the end date; or

prior to obtaining the requisite stockholder approval, the board of directors of the other party changes its recommendation that its stockholders vote in favor of the merger and the transactions contemplated by the merger agreement.

See the section entitled "The Merger Agreement - Termination of the Merger Agreement" for a further discussion of the rights of each of Allied World and Transatlantic to terminate the merger agreement.

Expenses and Termination Fees; Liability for Breach (see page 123)

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this joint proxy statement/prospectus whereby Allied World or Transatlantic, as the case may be, may be required to pay a termination fee of \$115 million or \$35 million and/or the reimbursement of expenses up to a maximum amount of \$35 million.

See the section entitled "The Merger Agreement - Expenses and Termination Fees; Liability for Breach" for a further discussion of the circumstances under which such termination fees and/or expense reimbursement will be required to be paid.

Accounting Treatment (see page 150)

Allied World and Transatlantic each prepare its financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP") and any statutory accounting principles prescribed or permitted by the domiciliary state insurance department of the applicable subsidiary ("SAP"). The merger will be accounted for using the acquisition method of accounting. Transatlantic will be the accounting acquirer.

See the section entitled Accounting Treatment for a further discussion of the accounting treatment of the transaction.

No Appraisal Rights (see page 107)

Neither the holders of Allied World shares, under Swiss law, nor the holders of shares of Transatlantic common stock, under Delaware law, are entitled to appraisal rights in connection with the merger.

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See the section entitled **The Merger – No Appraisal Rights** for a further discussion of the appraisal rights in connection with the merger.

Comparison of Stockholder Rights and Corporate Governance Matters (see page 173)

Transatlantic stockholders, whose rights are currently governed by the Transatlantic restated certificate of incorporation (the **Transatlantic charter**), the Transatlantic amended and restated by-laws (the **Transatlantic bylaws**) and Delaware law, will, upon completion of the merger, become shareholders of the combined company and their rights will be governed by the **TransAllied Articles**, the **TransAllied organizational regulations** and Swiss law. As a result, Transatlantic stockholders will have different rights once they become shareholders of the combined company due to differences between the governing documents of Transatlantic and TransAllied, and differences between Delaware and Swiss law. These differences are described in detail under the section entitled **Comparison of Rights of TransAllied Shareholders and Transatlantic Stockholders**.

Listing of Allied World Shares; De-listing and Deregistration of Shares of Transatlantic Common Stock (see page 107)

It is a condition to the completion of the merger that the Allied World shares to be issued to Transatlantic stockholders pursuant to the merger be authorized for listing on the NYSE at the effective time of the merger. Upon completion of the merger, shares of Transatlantic common stock currently listed on the NYSE will cease to be listed on the NYSE and will subsequently be deregistered under the Exchange Act.

See the sections entitled **The Merger – Listing of Allied World Shares** and **The Merger – De-listing and Deregistration of Transatlantic Common Stock** for a further discussion of the listing of Allied World shares and de-listing of Transatlantic common stock in connection with the merger.

The Combined Company's Share Repurchase Program Post-Merger (see page 109)

Allied World has a share repurchase program that had an aggregate of \$200.8 million of available capacity at June 30, 2011. Following the completion of the merger, the combined company intends to reevaluate its share repurchase program as part of its year-end review and in preparation for its Annual Shareholder Meeting in 2012. See the section entitled **The Merger – The Combined Company's Share Repurchase Program Post-Merger** on page 109.

The Meetings

The Allied World Special Shareholder Meeting (see page 31)

The Allied World Special Shareholder Meeting will be held at Allied World's corporate headquarters, Lindenstrasse 8, 6340 Baar, Zug, Switzerland, on _____, 2011, at 2:00 p.m. local time. The Allied World Special Shareholder Meeting is being held to consider and vote on:

the proposal to increase Allied World's ordinary share capital pursuant to article 3a(a) of the Allied World Articles by up to CHF 887,860,538 (equaling USD 1,156,882,281) to up to CHF 1,472,939,677.4 (equaling USD 1,919,240,400) to permit the issuance of Allied World shares to Transatlantic stockholders pursuant to, and only in connection with, the merger as contemplated by the merger agreement, including the exclusion of all preferential subscription rights to which Allied World shareholders may be entitled, referred to herein as the **article 3 share capital increase proposal**; the contributions for the new registered shares are paid by converting existing reserves (*Kapitalreserven*) into share capital;

the proposal to increase Allied World's conditional share capital pursuant to article 5(a) of the Allied World Articles by up to CHF 76,894,774 (equaling USD 100,193,891) to up to CHF 138,634,774 (equaling USD 180,641,111), only in connection with the merger, referred to herein as the article 5 share capital increase proposal ;

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the proposal to increase Allied World's authorized share capital pursuant to article 6(a) of the Allied World Articles by up to CHF 177,572,113.5 (equaling USD 231,376,463.9) to up to CHF 294,587,935.5 (equaling USD 383,848,080), only in connection with the merger, referred to herein as the article 6 share capital increase proposal and, together with the article 3 share capital increase proposal and the article 5 share capital increase proposal, the share capital increase proposals ;

the proposal to issue Allied World shares to Transatlantic stockholders pursuant to the merger and as contemplated by the merger agreement as required by NYSE rules, referred to herein as the NYSE share issuance proposal ;

the proposal to amend article 1 of the Allied World Articles to change Allied World's name to TransAllied Group Holdings, AG immediately following, and conditioned upon, the completion of the merger, referred to herein as the name change proposal ;

the proposal to elect (x) three Class II directors to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2012, (y) four Class III directors to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2013 and (z) four Class I directors to hold office commencing upon the completion of the merger and ending upon TransAllied's Annual Shareholder Meeting in 2014, referred to herein as the election of directors proposal ;

the proposal to effect a capital reduction to allow for the payment of a dividend to the combined company's shareholders after the completion of the merger, referred to herein as the capital reduction proposal ; and

the proposal to amend and restate the Stock Incentive Plan, the form of which is included as Annex E to the joint proxy statement/prospectus, as required by NYSE rules, to, among other things, increase the number of shares reserved for issuance under the Stock Incentive Plan and to extend the Plan's termination date effective upon the completion of the merger, referred to herein as the Stock Incentive Plan proposal.

Completion of the merger is conditioned on, among other things, approval of the share capital increase proposals, the NYSE share issuance proposal, the name change proposal and the election of directors proposal.

Only holders of record of outstanding Allied World shares as of the close of business on July 22, 2011, the Allied World record date, are entitled to notice of, and to vote at, the Allied World Special Shareholder Meeting or any adjournments or postponements thereof. At the close of business on the Allied World record date, 38,077,329 Allied World shares were issued and outstanding, approximately 1.9% of which were owned and entitled to be voted by Allied World directors and executive officers and their affiliates. We currently expect that Allied World's directors and executive officers will vote their Allied World shares in favor of each of the proposals to be considered and voted upon at the Allied World Special Shareholder Meeting, although none of them has entered into any agreement obligating him or her to do so.

You may cast one vote for each Allied World share you own. Approval of each of the following proposals requires the affirmative vote of at least 66²/₃% of the votes represented at the Allied World Special Shareholder Meeting and a majority of the nominal value of the Allied World shares represented at such meeting, where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposal: (i) the article 3 share capital increase proposal, (ii) the article 5 share capital increase proposal and (iii) the article 6 share capital increase proposal. The NYSE share issuance proposal and the Stock Incentive Plan proposal require the affirmative vote of the holders of a majority of shares entitled to vote on the proposal and present in person

or represented by proxy at the Allied World Special Shareholder Meeting; provided that the total votes cast on each such proposal represent over 50% of the outstanding shares of Allied World shares entitled to vote on such proposal. Each of the following approvals requires a majority of the votes cast voting in favor of such proposal at the Allied World Special Shareholder Meeting where holders of at least 50% of the total outstanding Allied World shares are represented and voting and who are entitled to vote on such proposal: (i) the name change proposal, (ii) the election of directors proposal and (iii) the capital reduction proposal.

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The Transatlantic Special Shareholder Meeting (see page 37)

The Transatlantic Special Shareholder Meeting is scheduled to be held at The Down Town Association, 60 Pine Street, New York, New York, on _____, 2011 at 8:00 a.m. local time. The Transatlantic Special Shareholder Meeting is being held in order to consider and vote on:

the proposal to adopt the merger agreement, which is further described in the sections entitled *The Merger* and *The Merger Agreement*, beginning on pages 43 and 110, respectively, referred to herein as the adoption of the merger agreement proposal ;

the proposal to adjourn the Transatlantic Special Shareholder Meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the foregoing proposal, referred to herein as the adjournment proposal ; and

the proposal, on an advisory (non-binding) basis, to approve the compensation that may be paid or become payable to Transatlantic's named executive officers in connection with the merger, and the agreements and understandings pursuant to which such compensation may be paid or become payable as described in the section entitled *The Merger* *Interests of Transatlantic's Directors and Executive Officers in the Merger* *Golden Parachute Compensation* , referred to herein as the golden parachute proposal.

Completion of the merger is conditioned on, among other things, approval of the adoption of the merger agreement proposal.

Only holders of record of Transatlantic common stock at the close of business on July 22, 2011, the Transatlantic record date, are entitled to notice of, and to vote at, the Transatlantic Special Shareholder Meeting or any adjournments or postponements thereof. At the close of business on the Transatlantic record date, 62,488,896 shares of Transatlantic common stock were issued and outstanding, approximately 0.35% of which were held by Transatlantic's directors and executive officers. We currently expect that Transatlantic's directors and executive officers will vote their shares in favor of each of the proposals to be considered and voted upon at the Transatlantic Special Shareholder Meeting, although no director or executive officer has entered into any agreement obligating him or her to do so.

You may cast one vote for each share of Transatlantic common stock you own. The approval of the adoption of the merger agreement proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Transatlantic common stock entitled to vote thereon. The approval of the adjournment proposal requires the affirmative vote of the holders of a majority of the shares of Transatlantic common stock entitled to vote and present in person or by proxy, whether or not a quorum is present. The Transatlantic stockholders may so adjourn the meeting to another time or place without further notice unless the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting. The approval of the golden parachute proposal requires the affirmative vote of the holders of a majority of the shares of Transatlantic common stock present in person or represented by proxy and entitled to vote thereon, assuming a quorum is present.

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General and administrative expenses	135.2	131.5	286.5	248.6	185.9	141.6	106.0
Depreciation and amortization and impairment of intangible assets	1.5	1.8	3.5	11.1	0.7		
Interest expense	27.5	19.0	40.2	39.0	38.7	37.8	32.0
Foreign exchange (gain) loss	0.7	1.6	0.4	0.7	(1.4)	(0.8)	0.0
Income tax expense (benefit)	13.4	13.6	26.9	36.6	(7.6)	1.1	5.0
Net income	\$ 102.4	\$ 317.7	\$ 665.0	\$ 606.9	\$ 183.6	\$ 469.2	\$ 442.0
Per Share Data:							
Earnings per share:							
Basic	\$ 2.69	\$ 6.34	\$ 14.30	\$ 12.26	\$ 3.75	\$ 7.84	\$ 8.00
Diluted	2.57	5.98	13.32	11.67	3.59	7.53	7.75
Weighted average number of common shares outstanding:							
Basic	38,061,724	50,123,945	46,491,279	49,503,438	48,936,912	59,846,987	54,746,611
Diluted	39,873,418	53,086,708	49,913,317	51,992,674	51,147,215	62,331,165	57,115,172
Dividends declared per share	\$	* \$ 0.40	\$ 1.05	\$ 0.74	\$ 0.72	\$ 0.63	\$ 0.15

* On August 5, 2011 Allied World distributed the first of its quarterly dividends, as approved by the shareholders at its 2011 annual general shareholder meeting on May 5, 2011.

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	Six Months Ended			Year Ended December 31,			
	2011	2010	2010	2009	2008	2007	2006
Selected Ratios:							
Loss and loss expense ratio(1)	78.3%	62.1%	52.1%	45.9%	57.4%	58.8%	59.0%
Acquisition cost ratio(2)	11.7	11.6	11.7	11.3	10.1	10.3	11.3
General and administrative expense ratio(3)	19.6	19.4	21.1	18.9	16.6	12.2	8.5
Expense ratio(4)	31.3	31.0	32.8	30.2	26.7	22.5	19.8
Combined ratio(5)	109.6	93.1	84.9	76.1	84.1	81.3	78.8

Balance Sheet Data of Allied World

	As of June 30,			As of December 31,			
	2011	2010	2010	2009	2008	2007	2006
(\$ in millions, except per share amounts)							
Summary Balance Sheet Data:							
Cash and cash equivalents	\$ 740.8	\$ 442.7	\$ 757.0	\$ 292.2	\$ 655.8	\$ 202.6	\$ 366.8
Investments at fair value	7,502.8	7,420.6	7,183.6	7,156.3	6,157.1	6,029.3	5,440.3
Reinsurance recoverable	1,014.0	932.4	927.6	920.0	888.3	682.8	689.1
Total assets	10,857.1	10,214.4	10,427.6	9,653.2	9,022.5	7,899.1	7,620.6
Reserve for losses and loss expenses	5,251.3	4,920.4	4,879.2	4,761.8	4,576.8	3,919.8	3,637.0
Unearned premiums	1,184.7	1,070.0	962.2	928.6	930.4	811.1	813.8
Total debt	797.8	499.0	797.7	498.9	742.5	498.7	498.6
Total shareholders equity	3,044.4	3,468.5	3,075.8	3,213.3	2,416.9	2,239.8	2,220.1
Book value per common share(6)	\$ 80.23	\$ 70.20	\$ 80.75	\$ 64.61	\$ 49.29	\$ 45.95	\$ 36.82

(1) Calculated by dividing net losses and loss expenses by net premiums earned.

(2) Calculated by dividing acquisition costs by net premiums earned.

(3) Calculated by dividing general and administrative expenses by net premiums earned.

(4) Calculated by combining the acquisition cost ratio and the general and administrative expense ratio.

(5) Calculated by combining the loss ratio, acquisition cost ratio and general and administrative expense ratio.

(6) Book value per common share is total shareholders equity divided by common shares outstanding.

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