

ACE LTD
Reported by
KEOGH JOHN W

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 01/08/09 for the Period Ending 05/30/08

Telephone	441 295 5200
CIK	0000896159
Symbol	ACE
SIC Code	6331 - Fire, Marine, and Casualty Insurance
Industry	Insurance (Prop. & Casualty)
Sector	Financial
Fiscal Year	12/31

FORM 4

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

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

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

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

1. Name and Address of Reporting Person *		2. Issuer Name and Ticker or Trading Symbol		5. Relationship of Reporting Person(s) to Issuer (Check all applicable)	
Keogh John W		ACE LTD [ACE]		<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) CEO of ACE Overseas General	
(Last) (First) (Middle)		3. Date of Earliest Transaction (MM/DD/YYYY)			
ACE OVERSEAS GENERAL, 1133 AVENUE OF THE AMERICAS		5/30/2008			
(Street)		4. If Amendment, Date Original Filed (MM/DD/YYYY)		6. Individual or Joint/Group Filing (Check Applicable Line)	
NEW YORK, NY 10036				<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
(City) (State) (Zip)					

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

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Ordinary Shares	5/30/2008		M		3698	A	\$54.08	55109	D	
Ordinary Shares	5/30/2008		F (1)		3310	D	\$60.43	51799	D	

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)	Date Exercisable	Expiration Date				
Options to Acquire Ordinary Shares	\$54.08	5/30/2008		M		3698	(2)	5/1/2016	Ordinary Shares	3698	\$0	40222 (3)	D	

Explanation of Responses:

- (1) Ordinary being withheld to pay tax liability.
- (2) Option award pursuant to the ACE Limited 2004 Long-Term Incentive Plan. Options vest as follows: 1/3 on May 1, 2007, 1/3 on May 1, 2008 and 1/3 on May 1, 2009.
- (3) Total includes options from other tranches with different exercise prices, vesting dates and expiration dates; 2474 options remain in the same tranche.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Keogh John W ACE OVERSEAS GENERAL				

1133 AVENUE OF THE AMERICAS

NEW YORK, NY 10036

CEO of ACE Overseas General

Signatures

Signed for John Keogh by Lori Samson pursuant to a power of attorney

1/8/2009

** Signature of Reporting Person

Date

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

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

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

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

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