

ACE LTD

FORM 8-K (Current report filing)

Filed 05/06/03 for the Period Ending 05/05/03

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

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

FORM 8-K

Current Report

Pursuant To Section 13 or 15 (d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) – May 5, 2003

ACE LIMITED

(Exact name of registrant as specified in its charter)

Cayman Islands
(State or other jurisdiction)

1-11778
(Commission File Number)

98-0091805
(I.R.S. Employer of Incorporation
Identification No.)

ACE Global Headquarters
17 Woodbourne Avenue
Hamilton HM 08 Bermuda
(Address of principal executive offices)

Registrant's telephone number, including area code: (441) 295-5200

Not applicable
(Former name or former address, if changed since last report)

Item 5. Other Events.

The Company is filing Exhibit 12.1 (Computation of Ratio of Earnings to Fixed Charges and Preferred Share Dividends) on this Current Report on Form 8-K in order to incorporate it by reference into the Registration Statement on Form S-3 (File No. 333-88482) filed by ACE Limited (the "Company") with the Securities and Exchange Commission.

Item 7. Financial Statements and Exhibits.

(c) **Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
12.1	Computation of Ratio of Earnings to Fixed Charges and Preferred Share Dividends

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACE LIMITED

By: /s/ ROBERT B LEE

Robert Blee
Chief Accounting Officer

DATE: May 5, 2003

EXHIBIT INDEX

<u>Number</u>	<u>Description</u>	<u>Method of Filing</u>
12.1	Computation of Ratio of Earnings to Fixed Charges and Preferred Share Dividends	Furnished herewith

ACE Limited
Computation of Ratio of Earnings to Fixed Charges and Preferred Share Dividends

	Fiscal year ended December 31				Three months ended December 31	Fiscal year ended September 30
	2002	2001	2000	1999	1998	1998
Earnings per Financial Statements	76,549	(146,414)	542,982	364,963	238,539	560,151
Add (deduct):						
Provision for income taxes	(115,688)	(78,674)	93,908	28,684	5,342	20,040
Fixed charges	218,494	219,849	242,783	126,138	5,141	27,059
Earnings for Computation	179,355	(5,239)	879,673	519,785	249,022	607,250
Fixed Charges						
Interest Expense	193,494	199,182	221,450	105,138	4,741	25,459
One third of payments under operating leases	25,000	20,667	21,333	21,000	400	1,600
Total Fixed Charges	218,494	219,849	242,783	126,138	5,141	27,059
Ratio of Earnings to Fixed Charges	(1)	(2)	3.6	4.1	48.4	22.4
Preferred Share Dividends	25,662	25,594	18,391	—	—	—
Total Fixed Charges and Preferred Share Dividends	244,156	245,443	261,174	126,138	5,141	27,059
Ratio of Earnings to Fixed Charges and Preferred Share Dividends	(1)	(2)	3.4	4.1	48.4	22.4

- (1) Earnings for the year ended December 31, 2002 were insufficient to cover fixed charges by \$39 million and combined fixed charges and preferred share dividends by \$65 million.
- (2) Earnings for the year ended December 31, 2001 were insufficient to cover fixed charges by \$225 million and combined fixed charges and preferred share dividends by \$251 million.