

**ACE LTD**  
Reported by  
**HERMAN MARK**

**FORM 5**

(Annual Statement of Changes in Beneficial Ownership)

Filed 02/13/02 for the Period Ending 12/31/01

|             |   |
|-------------|---|
| 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                                       |

# ACE LTD

## FORM 5

(Annual Statement of Changes in Beneficial Ownership)

Filed 2/13/2002 For Period Ending 12/31/2001

|             |   |
|-------------|---|
| Address     | ACE BLDG 30 WOODBOURNE AVE<br>HAMILTON HM 08 BERMU, 00000 |
| Telephone   | 809-295-5200  |
| CIK         | 0000896159  |
| Industry    | Insurance (Prop. & Casualty)                              |
| Sector      | Financial   |
| Fiscal Year | 12/31   |

# U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

## FORM 5

### ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

Form 3 Holdings Reported

Form 4 Transactions Reported

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#### 1. Name and Address of Reporting Person\*

|                                      |         |          |
|--------------------------------------|---------|----------|
| Herman                               | Mark    |          |
| -----                                | -----   | -----    |
| (Last)                               | (First) | (Middle) |
| c/o ACE Bermuda Insurance Ltd.       |         |          |
| The ACE Building, 30 Woodbourne Ave. |         |          |
| -----                                |         |          |
| (Street)                             |         |          |
| Hamilton                             | HM 08   | Bermuda  |
| -----                                | -----   | -----    |
| (City)                               | (State) | (Zip)    |

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#### 2. Issuer Name and Ticker or Trading Symbol

ACE Limited (NYSE: ACE)

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#### 3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)

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#### 4. Statement for Month/Year

December 31, 2001

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#### 5. If Amendment, Date of Original (Month/Year)

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#### 6. Relationship of Reporting Person to Issuer (Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

**President and CEO, ACE Bermuda Insurance Co.**

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#### 7. Individual or Joint/Group Filing (Check applicable line)

Form filed by one Reporting Person  
 Form filed by more than one Reporting Person

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

| 1.<br>Title of Security<br>(Instr. 3) | 2.<br>Transaction<br>Date<br>(mm/dd/yy) | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4.<br>Securities Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) |    |            | 5.<br>Amount of<br>Securities<br>Beneficially<br>Owned at End<br>of Issuer's<br>Fiscal Year<br>(Instr. 3<br>and 4) | 6.<br>Owner-<br>ship<br>Form:<br>Direct<br>(D) or<br>Indirect<br>(I)<br>(Instr.4) | 7.<br>Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|---|---|--|----|------------|--|---|--|
|                                       |   |   | Amount   | or | Price      |  |   |  |
|                                       |   |   |  |    | (A)<br>(D) |  |   |  |
| Ordinary Shares                       | 2/22/01                                 | A(1)                                    | 11,000   | A  | (1)        | 29,973(2)  | D   |  |
| -----                                 |   |   |  |    |            |  |   |  |
| -----                                 |   |   |  |    |            |  |   |  |
| -----                                 |   |   |  |    |            |  |   |  |
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| -----                                 |   |   |  |    |            |  |   |  |
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| -----                                 |   |   |  |    |            |  |   |  |
| -----                                 |   |   |  |    |            |  |   |  |
| =====                                 |   |   |  |    |            |  |   |  |

\* If the form is filed by more than one Reporting Person, see Instruction 4(b)(v).  
 Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

(Print or Type Responses) (Over)

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

(e.g., puts, calls, warrants, options, convertible securities)

| 1.<br>Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conver-<br>sion<br>or<br>Exer-<br>cise<br>Price | 3.<br>Trans-<br>action<br>Date<br>(Month/<br>Day/<br>Year) | 4.<br>Trans-<br>action<br>Code<br>(Instr.<br>8) | 5.<br>Number of<br>Derivative<br>Securities<br>Acquired (A)<br>or Disposed<br>of (D)<br>(Instr. 3,<br>4 and 5) | 6.<br>Date<br>Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7.<br>Title and Amount<br>of Underlying<br>Securities<br>(Instr. 3 and 4) | 8.<br>Price<br>of<br>Deriv-<br>ative<br>Secur-<br>ity<br>(Instr.<br>5) | 9.<br>Number<br>of<br>Deriv-<br>ative<br>Secur-<br>ities<br>Benefi-<br>cially<br>Owned<br>at End<br>of<br>Year<br>(Instr.<br>4) | 10.<br>Owner-<br>ship<br>of<br>Deriv-<br>ative<br>Secur-<br>ity:<br>Direct<br>(D) or<br>In-<br>direct<br>(I)<br>(Instr.<br>4) | 11.<br>Nature<br>of<br>Bene-<br>ficial<br>Owner-<br>ship<br>(Instr.<br>4) |
|--|---|--|---|--|--|---|--|---|---|---|
|--|---|--|---|--|--|---|--|---|---|---|

|                    |         |         |      |        |     |         |                    |        |     |            |   |
|--------------------|---------|---------|------|--------|-----|---------|--------------------|--------|-----|------------|---|
| Options to Acquire | \$36.30 | 2/22/01 | A(3) | 22,000 | (3) | 2/22/11 | Ordinary<br>Shares | 22,000 | (3) | 163,000(2) | D |
|--------------------|---------|---------|------|--------|-----|---------|--------------------|--------|-----|------------|---|

Explanation of Responses:

- (1) Restricted stock award pursuant to the ACE Limited 1995 Long-Term Incentive Plan. Stock vests as follows: 1/4 on first anniversary of the date of the award, 1/4 on second anniversary of the date of the award, 1/4 on the third anniversary of the date of the award, and 1/4 on fourth anniversary of the date of the award.
- (2) The reporting person ceased to be an executive officer of ACE Limited effective May 11, 2001. Thus the totals reported in Column 5 of Table I and Column 9 of Table II reflect the number of Ordinary Shares and Derivative Securities beneficially owned as of May 11, 2001.
- (3) Option award pursuant to the ACE Limited 1998 Long-Term Incentive Plan. Options vest as follows: 1/3 on first anniversary of the date of the award, 1/3 on second anniversary of the date of the award, and 1/3 on third anniversary of the date of the award.

Signed for Mark Herman pursuant to power of attorney on file with the Securities and Exchange Commission

/s/ Peter Mear 2/13/2002  
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 \*\*Signature of Reporting Person Date

\*\* 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 provided is insufficient, see Instruction 6 for procedure.