

AXIS CAPITAL HOLDINGS LTD
Form 8-K
May 19, 2010

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 14, 2010

AXIS CAPITAL HOLDINGS LIMITED

(Exact Name Of Registrant As Specified In Charter)

Bermuda
(State of Incorporation)

001-31721
(Commission

File No.)

98-0395986
(I.R.S. Employer

Identification No.)

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92 Pitts Bay Road

Pembroke, Bermuda HM 08

(Address of principal executive offices, including zip code)

(441) 405 -2600

(Registrant's telephone number, including area code)

Not applicable

(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

AND

ITEM 2.03. CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT.

On May 14, 2010, AXIS Specialty Limited (ASL), AXIS Re Limited, AXIS Specialty Europe Limited, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Specialty Insurance Company and AXIS Reinsurance Company (the Companies ; each, a Company), entered into a new three year letter of credit facility in a maximum aggregate amount of \$750 million (the Facility) with Citibank Europe plc (Citibank) pursuant to a Master Reimbursement Agreement and other ancillary documents (collectively, the Facility Documents), which are effective immediately. The Companies are subsidiaries of AXIS Capital Holdings Limited, a Bermuda company. The Facility serves as the principal secured letter of credit facility for the Companies and may be terminated by Citibank on December 31, 2013 upon 30 days prior notice. Under the terms of the Facility, up to \$750 million may be used by the Companies to issue letters of credit which will be principally utilized to support reinsurance obligations in the United States and elsewhere.

The Facility Documents contain customary covenants with which the Companies must comply, including a requirement to maintain sufficient collateral to cover all of the obligations under the Facility, including reimbursement obligations for outstanding letters of credit issued. In the case of an event of default under the Facility Documents, Citibank may exercise certain remedies, including the exercise of control over pledged collateral.

The descriptions of the Facility Documents contained herein are qualified in their entirety by reference to the Master Reimbursement Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

**Exhibit
No.**

Description

| | |
|------|--|
| 10.1 | Master Reimbursement Agreement, dated as of May 14, 2010, by and among AXIS Specialty Limited, AXIS Re Limited, AXIS Specialty Europe Limited, AXIS Insurance Company, AXIS Surplus Insurance Company, AXIS Specialty Insurance Company, AXIS Reinsurance Company and Citibank Europe plc. |
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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.

Dated: May 18, 2010

AXIS CAPITAL HOLDINGS LIMITED

By: /s/ **RICHARD T. GIERYN, JR.**
Richard T. Gieryn, Jr.
General Counsel

EXHIBIT INDEX

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