

ENDURANCE SPECIALTY HOLDINGS LTD  
Form SC 13G  
February 17, 2004

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

**SCHEDULE 13G**

Under the Securities Exchange Act of 1934  
(Amendment No. )\*

**ENDURANCE SPECIALTY HOLDINGS LTD.**

(Name of Issuer)

**ORDINARY SHARES, \$1.00 PAR VALUE**

(Title of Class of Securities)

**016404934**

(CUSIP Number)

**DECEMBER 31, 2003**

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

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The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 016404934

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Aon Corporation  
36-3051915
  2. Check the Appropriate Box if a Member of a Group (See Instructions)
    - (a)
    - (b)
  3. SEC Use Only
  4. Citizenship or Place of Organization  
Delaware
- |   |    |  |                                   |
|---|----|--|-----------------------------------|
|   | 5. |  | Sole Voting Power<br>379,851      |
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 6. |  | Shared Voting Power<br>-0-        |
|   | 7. |  | Sole Dispositive Power<br>379,851 |
|   | 8. |  | Shared Dispositive Power<br>-0-   |
9. Aggregate Amount Beneficially Owned by Each Reporting Person  
379,851 Ordinary Shares
  10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
  11. Percent of Class Represented by Amount in Row (9)  
Less than 1.0%
  12. Type of Reporting Person (See Instructions)  
HC, CO

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
 Virginia Surety Company, Inc.  
 (formerly known as Combined Specialty Insurance Company)  
 36-3186541

2. Check the Appropriate Box if a Member of a Group (See Instructions)  
 (a)    
 (b)

3. SEC Use Only

4. Citizenship or Place of Organization  
 Illinois

Number of Shares Beneficially Owned by Each Reporting Person With	5.	Sole Voting Power 11,892,689
	6.	Shared Voting Power -0-
	7.	Sole Dispositive Power 11,892,689
	8.	Shared Dispositive Power -0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
 11,892,689 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
 18.61%

12. Type of Reporting Person (See Instructions)  
 IC, CO

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Combined Insurance Company of America  
36-2136262

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)   
(b)

3. SEC Use Only

4. Citizenship or Place of Organization  
Illinois

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

5.	Sole Voting Power 2,552,506
6.	Shared Voting Power -0-
7.	Sole Dispositive Power 2,552,506
8.	Shared Dispositive Power -0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
2,552,506 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
3.99%

12. Type of Reporting Person (See Instructions)  
IC, CO

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
 Resource Life Insurance Company  
 47-0482911

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)    
 (b)

3. SEC Use Only

4. Citizenship or Place of Organization  
 Illinois

Number of  
 Shares  
 Beneficially  
 Owned by  
 Each  
 Reporting  
 Person With

5.	Sole Voting Power 204,125
6.	Shared Voting Power -0-
7.	Sole Dispositive Power 204,125
8.	Shared Dispositive Power -0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
 204,125 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
 Less than 1.0%

12. Type of Reporting Person (See Instructions)  
 IC, CO

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
London General Insurance Company Limited  
1FSF791301

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)    
(b)

3. SEC Use Only

4. Citizenship or Place of Organization  
United Kingdom

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

5.	Sole Voting Power 156,495
6.	Shared Voting Power -0-
7.	Sole Dispositive Power 156,495
8.	Shared Dispositive Power -0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
156,495 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
Less than 1.0%

12. Type of Reporting Person (See Instructions)  
IC, CO

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
 Sterling Life Insurance Company  
 13-1867829

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)    
 (b)

3. SEC Use Only

4. Citizenship or Place of Organization  
 Arizona

Number of  
 Shares  
 Beneficially  
 Owned by  
 Each  
 Reporting  
 Person With

5.	Sole Voting Power 136,085
6.	Shared Voting Power -0-
7.	Sole Dispositive Power 136,085
8.	Shared Dispositive Power -0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
 136,085 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
 Less than 1.0%

12. Type of Reporting Person (See Instructions)  
 IC, CO



1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
 Combined Life Assurance Company of Europe Limited  
 1FSF938302

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)    
 (b)

3. SEC Use Only

4. Citizenship or Place of Organization  
 Ireland

Number of  
 Shares  
 Beneficially  
 Owned by  
 Each  
 Reporting  
 Person With

5.	Sole Voting Power 102,065
6.	Shared Voting Power -0-
7.	Sole Dispositive Power 102,065
8.	Shared Dispositive Power -0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
 102,065 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
 Less than 1.0%

12. Type of Reporting Person (See Instructions)  
 IC, CO

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Aon Pension Plan

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Citizenship or Place of Organization  
Not Applicable

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

5. Sole Voting Power  
607,500

6. Shared Voting Power  
-0-

7. Sole Dispositive Power  
607,500

8. Shared Dispositive Power  
-0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
607,500 Ordinary Shares

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
Less than 1.0%

12. Type of Reporting Person (See Instructions)  
EP

**Item 1.**

- (a) Name of Issuer  
Endurance Specialty Holdings Ltd.
- (b) Address of Issuer's Principal Executive Offices  
Wellesley House  
90 Pitts Bay Road  
Hamilton HM 08 Bermuda

**Item 2.**

- (a) Name of Persons Filing.  
Aon Corporation ( Aon ) is filing this Schedule 13G on behalf of itself and certain of its subsidiaries and affiliates, including Virginia Surety Company, Inc. (formerly known as Combined Specialty Insurance Company) ( VSC ), Combined Insurance Company of America ( CICA ), Resource Life Insurance Company ( Resource Life ), London General Insurance Company Limited ( London General ), Sterling Life Insurance Company ( Sterling Life ), Combined Life Assurance Company of Europe Limited ( CLACE ) and the Aon Pension Plan (the Pension Plan ).  
As required by Rule 13d-1(k)(1), Exhibit 1 to this Schedule 13G contains the Joint Filing Agreement entered into by each of the persons filing this joint disclosure statement.
- (b) Address of Principal Business Office or, if none, Residence  
Aon's principal business address is 200 East Randolph Street, Chicago, Illinois 60601. The principal business address of each of VSC, CICA, Resource Life and Sterling Life is 1000 N. Milwaukee Avenue, Glenview, Illinois 60025. The principal business address of London General is 8 Devonshire Square, London EC2M 4PL United Kingdom. The principal business address of CLACE is Merrion House, Merrion Road, Dublin 4, Ireland. The principal business address of the Aon Pension Plan is c/o Investment Committee, 200 East Randolph Street, Chicago, Illinois 60601.
- (c) Citizenship  
Aon is a corporation organized under the laws of the State of Delaware. VSC, CICA and Resource Life are insurance companies organized under the laws of the State of Illinois. London General is an insurance company organized under the laws of the United Kingdom. Sterling Life is an insurance company organized under the laws of the State of Arizona. CLACE is an insurance company organized under the laws of Ireland. The Pension Plan is a trust formed under the Employee Retirement Income Security Act of 1974, as amended, for the funding of pension benefits.
- (d) Title of Class of Securities  
Ordinary Shares, \$1.00 par value ( Ordinary Shares )
- (e) CUSIP Number  
016404934

**Item 3.**

- If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:**
- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
  - (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
  - (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).

- (d) o Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).
- (e) o An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- (f) o An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- (g) o A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
- (h) o A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i) o A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j) o Group, in accordance with §240.13d-1(b)(1)(ii)(J).

**Item 4. Ownership**

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

See Items 5 through 9 and Item 11 on pages 2 through 9.

- (a) Amount beneficially owned:  
Aon, VSC, CICA, Resource Life, London General, Sterling Life, CLACE and the Pension Plan (collectively, the Aon Entities ) collectively beneficially own 16,031,316 ordinary shares of Endurance Specialty Holdings Ltd. ( Endurance ) as of December 31, 2003.  
  
As of December 31, 2003: (i) Aon was the record holder of 379,851 ordinary shares of Endurance; (ii) VSC was the record holder of 8,735,294 ordinary shares and warrants to purchase 3,157,395 ordinary shares of Endurance; (iii) CICA was the record holder of 1,769,471 ordinary shares and warrants to purchase 783,035 ordinary shares of Endurance; (iv) Resource Life was the record holder of 150,000 ordinary shares and warrants to purchase 54,125 ordinary shares of Endurance; (v) London General was the record holder of 115,000 ordinary shares and warrants to purchase 41,495 ordinary shares of Endurance; (vi) Sterling Life was the record holder of 100,000 ordinary shares and warrants to purchase 36,085 ordinary shares of Endurance; (vii) CLACE was the record holder of 75,000 ordinary shares and warrants to purchase 27,065 ordinary shares of Endurance; and (viii) the Pension Plan was the record holder of 607,500 ordinary shares of Endurance. All of the warrants held by the Aon Entities to purchase ordinary shares of Endurance are immediately exercisable.
- (b) Percent of class:  
The aggregate amount of ordinary shares of Endurance beneficially owned by the Aon Entities is 25.08%. (According to the Issuer s Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, which was filed on November 14, 2003, there were 63,912,000 ordinary shares outstanding on November 13, 2003. The reported percentage was derived using this number of ordinary shares outstanding.)
- (c) Number of shares as to which the person has:
  - (i) Sole power to vote or to direct the vote

Aon:	379,851
VSC:	11,892,689
CICA:	2,552,506
Resource Life:	204,125
London General:	156,495
Sterling Life:	136,085
CLACE:	102,065
Pension Plan:	607,500

(ii) Shared power to vote or to direct the vote  
0 for each of the Aon Entities.

(iii) Sole power to dispose or to direct the disposition of

Aon:	379,851
VSC:	11,892,689
CICA:	2,552,506
Resource Life:	204,125
London General:	156,495
Sterling Life:	136,085
CLACE:	102,065
Pension Plan:	607,500

(iv) Shared power to dispose or to direct the disposition of  
0 for each of the Aon Entities.

**Item 5. Ownership of Five Percent or Less of a Class**

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .  
Not applicable.

**Item 6. Ownership of More than Five Percent on Behalf of Another Person**

Not applicable.

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person**

Not applicable.

**Item 8. Identification and Classification of Members of the Group**

Not applicable.

**Item 9. Notice of Dissolution of Group**

Not applicable.

**Item 10. Certification**

Not applicable. This statement on Schedule 13G is not filed pursuant to Rule 13d-1(b) or Rule 13d-1(c).

## Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

AON CORPORATION

Date: February 17, 2004

By: /s/ Richard E. Barry

Name: Richard E. Barry

Title: Vice President

VIRGINIA SURETY COMPANY, INC.

Date: February 17, 2004

By: /s/ Richard E. Barry

Name: Richard E. Barry

Title: Vice President

COMBINED INSURANCE COMPANY OF AMERICA

Date: February 17, 2004

By: /s/ Richard E. Barry

Name: Richard E. Barry

Title: Vice President

RESOURCE LIFE INSURANCE COMPANY

Date: February 17, 2004

By: /s/ Richard E. Barry

Name: Richard E. Barry

Title: Vice President

LONDON GENERAL INSURANCE COMPANY LIMITED

Date: February 17, 2004

By: /s/ David L. Cole

Name: David L. Cole

Title: Chairman



STERLING LIFE INSURANCE COMPANY

Date: February 17, 2004

By: /s/ Richard E. Barry

Name: Richard E. Barry

Title: Vice President

COMBINED LIFE ASSURANCE COMPANY OF EUROPE  
LIMITED

Date: February 17, 2004

By: /s/ Patrick G. Ryan

Name: Patrick G. Ryan

Title: Chairman and Managing Director

AON PENSION PLAN

Date: February 17, 2004

By: /s/ John Reschke

Name: John Reschke

Title: Vice President on behalf of Investment Committee



**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
1	Joint Filing Agreement, dated as of February 17, 2004, among each of the Filing Persons.