

Darwin Professional Underwriters Inc  
 Form 4  
 February 26, 2007

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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

**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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Sills Stephen Jay

2. Issuer Name and Ticker or Trading Symbol  
 Darwin Professional Underwriters Inc [DR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 9 FARM SPRINGS ROAD  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/23/2007

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

FARMINGTON, CT 06032

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 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. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction 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 Ownership (Instr. 4) |                        |   |                         |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|------------------------|---|-------------------------|
|                                 |                                      |  | Code                           | V   | Amount or Price \$  |  |  |                        |   |                         |
| Common Stock                    | 02/23/2007                           |  | A                              |   | 5,803 <sup>(1)</sup>  | A  | 25.3 <sup>(1)</sup>                        | 665,903 <sup>(2)</sup> | D |                         |
| Common Stock                    |                                      |  |                                |   |   |  |  | 65,200 <sup>(3)</sup>  | I | By Trust <sup>(4)</sup> |
| Common Stock                    |                                      |  |                                |   |   |  |  | 1,000 <sup>(5)</sup>   | I | By Child <sup>(6)</sup> |
| Common Stock                    |                                      |  |                                |   |   |  |  | 900 <sup>(7)</sup>     | I | By Child <sup>(6)</sup> |
| Common Stock                    |                                      |  |                                |   |   |  |  | 900 <sup>(7)</sup>     | I | By reporting            |

|              |                      |   |  |
|--------------|----------------------|---|--|
| Common Stock | 1,050 <sup>(8)</sup> | I | person as UTMA custodian <sup>(6)</sup><br>By child <sup>(6)</sup> |
|--------------|----------------------|---|--|

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

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction 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 (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
|  |  |                                      |  | Code V (A) (D)                 |   | Date Exercisable Expiration Date                         | Title   |                            |
| Employee Stock Option (right to buy)       | \$ 25.3  | 02/23/2007                           |  | A                              | 14,365  | <sup>(9)</sup> 02/23/2017                                | common stock  | 14,365                     |
| Employee Stock Option (right to buy)       | \$ 16  |                                      |  |                                |   | <sup>(11)</sup> 05/19/2016                               | common stock  | 57,787                     |

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |                   |       |
|--|---------------|-----------|-------------------|-------|
|  | Director      | 10% Owner | Officer           | Other |
| Sills Stephen Jay<br>9 FARM SPRINGS ROAD<br>FARMINGTON, CT 06032 | X             |           | President and CEO |       |

## Signatures

Stephen J. Sills, by Timothy J. Curry,  
attorney-in-fact

02/27/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* 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).
- (1) Restricted stock award granted under Issuer's 2006 Stock Incentive Plan; price represents mean value of the high and low trades on the NYSE Arca exchange on February 23, 2007, the grant date, as per Plan specification.
- (2) Amount reflects the effect of a 33-for-2 stock split that became effective on May 19, 2006, the initial public offering date of the issuer's common stock (the "stock split"). Pre-split amount shown as 40,006.06 shares in prior filing, now represents 660,100 post-split shares.
- (3) Amount reflects the effect of a 33-for-2 stock split that became effective on May 19, 2006, the initial public offering date of the issuer's common stock (the "stock split"). Pre-split amount shown as 3787.88 shares in prior filing, now represents 62,500 post-split shares.
- (4) Held by grantor annuity trust of which the reporting person is sole trustee and beneficiary.
- (5) Amount reflects the effect of a 33-for-2 stock split that became effective on May 19, 2006, the initial public offering date of the issuer's common stock (the "stock split"). Pre-split amount shown as 60.61 shares in prior filing, now represents 1,000 post-split shares.
- (6) Reporting person disclaims beneficial ownership of these shares.
- (7) Amount reflects the effect of a 33-for-2 stock split that became effective on May 19, 2006, the initial public offering date of the issuer's common stock (the "stock split"). Pre-split amount shown as 54.55 shares in prior filing, now represents 900 post-split shares.
- (8) Amount reflects the effect of a 33-for-2 stock split that became effective on May 19, 2006, the initial public offering date of the issuer's common stock (the "stock split"). Pre-split amount shown as 63.64 shares in prior filing, now represents 1050 post-split shares.  
Employee stock option, granted 02/23/2007, under the issuer's 2006 Stock Incentive Plan (the "Plan") at a fair market value determined in accordance with the Plan of \$25.30 per share. Exercisable up to an aggregate of 25% on or after 02/23/2008, up to an aggregate 50% on or after 02/23/2009, up to an aggregate 75% on or after 02/23/2010 and in its entirety on or after 02/23/2011, subject to expiration or forfeiture in accordance with the Plan.
- (10) Amount reflects the effect of a 33-for-2 stock split that became effective on May 19, 2006, the initial public offering date of the issuer's common stock (the "stock split"). Pre-split amount shown as 3502.24 shares in prior filing, now represents 57,787 post-split shares.
- (11) The option vests in four equal installments on May 19, 2007, 2008, 2009 and 2010, subject to stockholder approval at the 2007 Annual Meeting.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.