

ARCH CAPITAL GROUP LTD.  
Form 4  
May 15, 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 \*  
BUNCE JOHN L JR

2. Issuer Name and Ticker or Trading Symbol  
ARCH CAPITAL GROUP LTD.  
[ACGL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/11/2007

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

HELLMAN & FRIEDMAN  
LLC, ONE MARITIME PLAZA  
12TH FLOOR

(Street)

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

SAN FRANCISCO, CA 94111

(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 Ownership (Instr. 4)
Common Shares, \$.01 par value per share	05/11/2007		A	492 <sup>(1)</sup>	A <u>(1)</u> 146,576 <sup>(2)</sup> <sup>(3)</sup> <sub>(4)</sub>	D	
Common Shares, \$.01 par value per share	05/15/2007		J	82,932	A <u>(5)</u> 229,508 <sup>(3)</sup> <sup>(4)</sup> <sub>(6)</sub>	D	

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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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

BUNCE JOHN L JR  
HELLMAN & FRIEDMAN LLC  
ONE MARITIME PLAZA 12TH FLOOR  
SAN FRANCISCO, CA 94111

X

## Signatures

/s/ Louis T. Petrillo,  
Attorney-in-Fact

05/15/2007

\_\_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).

Subject to the terms of the restricted share agreement, this represents restricted shares that will vest on May 10, 2008 which were granted

(1) as part of the director-elected annual retainer for serving as a director of the Issuer. Mr. Bunce disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest therein, as more fully described in footnotes 2, 3 and 6.

(2) Includes 139,083 common shares owned directly by Mr. Bunce. Amount also includes 7,493 common shares, which are held by Mr. Bunce proportionately for the benefit of the entities listed in footnote 3.

(3) The 7,493 restricted Common Shares described in footnote 2, as well as 3,300 options to acquire Common Shares, are held by Mr. Bunce for the benefit of HFCP IV (Bermuda) L.P., H&F International Partners IV-A (Bermuda), L.P., H&F International Partners IV-B (Bermuda), L.P. and H&F Executive Fund IV (Bermuda), L.P. (collectively, the "Partnerships"). H&F Investors IV (Bermuda), L.P.

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("H&F Investors IV") is the sole general partner of the Partnerships. H&F Corporate Investors IV (Bermuda), Ltd. ("H&F Corporate Investors") is the sole general partner of the H&F Investors IV. A five member investment Committee of H&F Corporate Investors has investment discretion over the securities.

- (4) Mr. Bunce serves as a senior advisor to Hellman & Friedman LLC, an affiliate of H&F Corporate Investors, and is a 9.9% shareholder of H&F Corporate Investors.

- (5) On May 15, 2007, the Partnerships distributed 4,674,022 Common Shares to their respective limited partners in accordance with the applicable partnership agreements of the Partnerships. In connection with this distribution, Mr. Bunce received 82,932 Common Shares which are owned directly by Mr. Bunce.

- (6) Includes 222,015 common shares owned directly by Mr. Bunce. Amount also includes 7,493 common shares, which are held by Mr. Bunce proportionately for the benefit of the entities listed in footnote 3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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