

ARCH CAPITAL GROUP LTD.  
Form 4  
February 21, 2014

**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 \*  
Lyons Mark Donald

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)

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

100 PITTS BAY ROAD, GROUND FLOOR

02/19/2014

EVP,CFO & Treasurer

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

PEMBROKE, D0 HM 08

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 Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Shares, \$.0033 par value per share | 02/19/2014                           |  | M                              | 10,000 A  | \$ 13 225,517 <sup>(3)</sup>  | D  |   |
| Common Shares, \$.0033 par value per share | 02/19/2014                           |  | S <sup>(4)</sup>               | 10,000 D  | \$ 55.7299 <sup>(1)</sup> 215,517 <sup>(3)</sup> <sup>(5)</sup>                               | 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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right to buy)                | \$ 13  | 02/19/2013                           |  | M                              | 10,000  | <u>(2)</u> 09/22/2014                                    | Common Shares, \$0.033 par value per share                    | 10,000                        |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                     |       |
|---|---------------|-----------|---------------------|-------|
|   | Director      | 10% Owner | Officer             | Other |
| Lyons Mark Donald<br>100 PITTS BAY ROAD<br>GROUND FLOOR<br>PEMBROKE, D0 HM 08 |               |           | EVP,CFO & Treasurer |       |

## Signatures

/s/ Mark D. Lyons  
02/21/2014

\*\*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) Represents a weighted average sales price; the sales prices range from \$55.25 to \$56.11. Upon request, the full sale information regarding the number of shares sold at each price increment will be provided to the Commission or to the security holder of the issuer.
- (2) The stock option became exercisable in three equal annual installments, commencing on September 22, 2004, subject to the applicable award agreement.

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(3) 86,722 of such amount will settle in Issuer's common shares upon the termination of the Reporting Person's employment, as specifically provided in the award agreements.

(4) A portion of the proceeds will be used to satisfy state and federal tax obligations.

(5) Represents the reporting person's current beneficial holdings thereby correcting two Form 4s filed on September 9, 2013 and October 31, 2013, respectively. The two Form 4s incorrectly reported the sale of 10,000 common shares on September 5, 2013 and 26,000 common shares on October 30, 2013, when in fact the underlying shares sold were acquired from the exercise of a portion of the stock option granted on September 22, 2004 at a strike price of \$13.00 per share.

(6) Represents the reporting person's current ownership of the stock option granted on September 22, 2004. As described in footnote 5, the reporting person exercised and sold portions of the stock option granted on September 22, 2004 on September 5, 2013 and October 30, 2013. Following the exercise and sale on February 19, 2014, the reporting person has 2,000 stock options remaining from this grant.

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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