

ARCH CAPITAL GROUP LTD.
Form 4
June 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 *
Papadopoulos Nicolas

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
____ Officer (give title below) 10% Owner
 Other (specify below)
Officer of Subsidiary

C/O ARCH REINSURANCE LTD.,
WESSEX HOUSE, 45 REID
STREET, 3RD FLOOR

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

HAMILTON, D0 HM 12

(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) | (A) or (D) | 5. Amount or Price | 6. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 7. Nature of Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|------------|--------------------|---|-----------------------------------|
| Common Shares, \$.01 par value per share | 06/14/2007 | | M | 10,000 | A | \$ 25.75 | 52,921 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | | S | 200 | D | \$ 71.87 | 52,721 | D |

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| | | | | | | | |
|--|------------|---|-----|---|----------|--------|---|
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 100 | D | \$ 71.86 | 52,621 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 400 | D | \$ 71.85 | 52,221 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 400 | D | \$ 71.83 | 51,821 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 100 | D | \$ 71.81 | 51,721 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 300 | D | \$ 71.8 | 51,421 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 100 | D | \$ 71.79 | 51,321 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 300 | D | \$ 71.78 | 51,021 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 200 | D | \$ 71.77 | 50,821 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 295 | D | \$ 71.76 | 50,526 | D |
| | 06/14/2007 | S | 752 | D | | 49,774 | D |

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| | | | | | | | |
|--|------------|---|-------|---|----------|--------|---|
| Common Shares, \$.01 par value per share | | | | | \$ 71.75 | | |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 1,600 | D | \$ 71.74 | 48,174 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 1,817 | D | \$ 71.73 | 46,357 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 836 | D | \$ 71.72 | 45,521 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 1,400 | D | \$ 71.71 | 44,121 | D |
| Common Shares, \$.01 par value per share | 06/14/2007 | S | 1,200 | D | \$ 71.7 | 42,921 | D |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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. (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------------|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------------|

| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|-----------------------------|----------|------------|------|---|-----|-----|------------------|-----------------|--|----------------------------|
| Stock Option (right to buy) | \$ 25.75 | 06/14/2007 | M | | | | (1) | 12/31/2011 | Common Shares, \$.01 par value per share | 10,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|--------------------------|
| | Director | 10% Owner | Officer | Other |
| Papadopoulo Nicolas C/O ARCH REINSURANCE LTD., WESSEX HOUSE 45 REID STREET, 3RD FLOOR HAMILTON, D0 HM 12 | | | | Officer of Subsidiary |

Signatures

/s/ Nicolas
Papadopoulo 06/15/2007

**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).
- (1) Represents an employee stock option that became exercisable in three equal annual installments, with the first installment exercisable on December 31, 2001 and the next two installments on December 31, 2002 and December 31, 2003.

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.