

ARCH CAPITAL GROUP LTD.

Form 4

April 07, 2006

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Hutchings W Preston

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)
WESSEX HOUSE, 4TH FLOOR, 45
REID STREET

3. Date of Earliest Transaction
(Month/Day/Year)
03/23/2006

____ Director ____ 10% Owner
X Officer (give title below) ____ Other (specify below)
SVP & Chief Investment Officer

(Street)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
X 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)	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)
				(A) or (D)			
				Code V Amount	Price		

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

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information contained in this form are not
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SEC 1474
(9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8.
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 45.34	03/23/2006	J	V	50,000 (1)		(2)	07/01/2015	Common Shares, \$.01 par value per share	50,000
Stock Option (right to buy)	\$ 56.27	03/23/2006	J	V	6,000 (1)		(3)	03/23/2016	Common Shares, \$.01 par value per share	6,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Hutchings W Preston WESSEX HOUSE, 4TH FLOOR 45 REID STREET HAMILTON, D0 HM 12	SVP & Chief Investment Officer

Signatures

/s/ W. Preston
Hutchings

04/06/2006

**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) The stock option was transferred to a company which is owned by a family trust; the beneficiaries of the family trust are the Reporting Person, his spouse and their minor children.
- (2) The stock option will become exercisable in three equal annual installments commencing on July 1, 2005.
- (3) The stock option will become exercisable in three equal installments, with the first installment becoming exercisable on February 23, 2007 and the next two installments on February 23, 2008 and 2009.

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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