ARCH CAPITAL GROUP LTD. Form SC 13D/A May 02, 2007

SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

SCHEDULE 13D

Under the securities exchange act of 1934 (Amendment No. 4)*

ARCH CAPITAL GROUP LTD.

(Name of Issuer)

COMMON SHARES, PAR VALUE \$0.01 PER SHARE

(Title of Class of Securities)

011576290

(CUSIP Number)

SCOTT A. ARENARE, ESQ. WARBURG PINCUS LLC 466 LEXINGTON AVENUE NEW YORK, NY 10017 (212) 878-0600

(Name, Address and Telephone Number of Person Authorized to Receive Notices of Communication)

Copy to:

ANDREW R. BROWNSTEIN, ESQ.
WACHTELL, LIPTON, ROSEN & KATZ
51 WEST 52ND STREET
NEW YORK, NY 10019
(212) 403-1000

April 30, 2007

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box.

Check the following box if a fee is being paid with this statement " (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for Note: other parties

to whom copies are to be sent.

(Continued on the following pages)

(Page 1 of 12 pages)

alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be [filed] for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the

Act but shall be subject to all other provisions of the Act (however, see the Notes)

st The remainder of this cover page shall be filled out for a reporting person[s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would

CUSIP N	No. 0115762	290	13D	(Page 2 of 12)
1	-	us (Bermuda	PERSONS) Private Equity VIII, L.P. CATION NOS. OF ABOVE PERSONS	
2	СНЕСК ТНЕ	APPROPRI	ATE BOX IF A MEMBER OF A GROUP	(a) " (b) x
3	SEC USE ON	LY		
4	SOURCE OF WC	FUNDS		
5	CHECK BOX TO ITEM 20		SURE OF LEGAL PROCEEDINGS IS REQUI	RED PURSUANT
6	CITIZENSHI Bermuda	P OR PLAC	E OF ORGANIZATION	-
NUM	BER OF	7	SOLE VOTING POWER 6,969,662	
BENE OWI	IARES FICIALLY NED BY	8	SHARED VOTING POWER 0	
REP	EACH ORTING ON WITH	9	SOLE DISPOSITIVE POWER 6,969,662	
		10	SHARED DISPOSITIVE POWER 0	
11	AGGREGATE REPORTING P 6,969,662		BENEFICIALLY OWNED BY EACH	
12	CHECK BOX EXCLUDES CERTAIN SH		GREGATE AMOUNT IN ROW (11)	
13	PERCENT OF	F CLASS RE	PRESENTED BY AMOUNT IN ROW (11)	
14	TYPE OF RE	PORTING P	ERSON	-

CUSIP N	CUSIP No. 011576290)	(Page 3 of 12)		
		us (Bermuda	PERSONS) International Partners, L.P. CATION NOS. OF ABOVE PERS	SONS			
2	СНЕСК ТНЕ	APPROPRI	ATE BOX IF A MEMBER OF A	GROUP	(a) " (b) x		
3	SEC USE ON	LY					
	SOURCE OF	FUNDS					
5	CHECK BOX TO ITEM 2(SURE OF LEGAL PROCEEDING	GS IS REQUIRE	D PURSUANT		
_	CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda						
NUMI	BER OF	7	SOLE VOTING POWER 6,710,040				
BENEF OWN	ARES ICIALLY ED BY	8	SHARED VOTING POWER 0				
REPO	ACH RTING N WITH	9	SOLE DISPOSITIVE POWER	R			
		10	SHARED DISPOSITIVE POV	WER			
11 R	AGGREGATE EPORTING P 6,710,040		BENEFICIALLY OWNED BY EA	СН			
12 E	CHECK BOX XCLUDES CERTAIN SH		GREGATE AMOUNT IN ROW (2	11)			
	PERCENT OF 9.1%	F CLASS RE	PRESENTED BY AMOUNT IN I	ROW (11)			
14	TYPE OF RE	PORTING P	ERSON				

CUSI	P No. 011576290			13D	(Page 4 of 12)
1	-	erlands I	SONS nternational Partners I, TON NOS. OF ABOVE		
2	CHECK THE APPRO	 PRIATE	BOX IF A MEMBER (OF A GROUP	(a) " (b) x
3	SEC USE ONLY				
1	SOURCE OF FUNDS	3			
5	CHECK BOX IF DIS TO ITEM 2(d) or 2		EE OF LEGAL PROCEE	DINGS IS REQUIR	ED PURSUANT
6	CITIZENSHIP OR P	LACE OI	F ORGANIZATION		
	NUMBER OF	7	SOLE VOTING POV	WER	
]	SHARES BENEFICIALLY OWNED BY	8	SHARED VOTING 0	POWER	
	EACH REPORTING PERSON WITH	9	SOLE DISPOSITIV 279,583	E POWER	
		10	SHARED DISPOSI	TIVE POWER	
1	AGGREGATE AMOU REPORTING PERSON 279,583		EFICIALLY OWNED B	BY EACH	
2	CHECK BOX IF THE EXCLUDES CERTAIN SHARES	AGGRE	GATE AMOUNT IN RO	OW (11)	
3	PERCENT OF CLASS Less than 1%	S REPRI	ESENTED BY AMOUNT	Γ IN ROW (11)	
4	TYPE OF REPORTIN	G PERS			

CUSIP	No.	011576290

13D

(Page 5 of 12)

	110. 0115702	50		(Tuge 5 of 12)
1	NAME OF RE Warburg Pincu Ltd.		PERSONS) Private Equity	
		. IDENTIFI	CATION NOS. OF ABOVE PERSONS	
2	СНЕСК ТНЕ	APPROPRI	ATE BOX IF A MEMBER OF A GROUP	(a) " (b) x
3	SEC USE ON	LY		
4	SOURCE OF I	FUNDS		
5	CHECK BOX TO ITEM 2(SURE OF LEGAL PROCEEDINGS IS REQUIRE	D PURSUANT
6	CITIZENSHII Bermuda	P OR PLAC	E OF ORGANIZATION	
 NU	UMBER OF	7	SOLE VOTING POWER 6,969,662	
	SHARES NEFICIALLY WNED BY	8	SHARED VOTING POWER 0	
	EACH EPORTING RSON WITH	9	SOLE DISPOSITIVE POWER 6,969,662	
		10	SHARED DISPOSITIVE POWER 0	
<u> </u>	AGGREGATE REPORTING P 6,969,662		BENEFICIALLY OWNED BY EACH	
12	CHECK BOX EXCLUDES CERTAIN SH		GREGATE AMOUNT IN ROW (11)	
13	PERCENT OF 9.5%	CLASS RE	PRESENTED BY AMOUNT IN ROW (11)	

14 TYPE OF REPORTING PERSON

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USI	IP No. 011576290 13	D	(Page 6 of 12)	
1	NAME OF REPORTING PERSONS Warburg Pincus (Bermuda) International Ltd. S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PER	SONS		
	13-4194502			
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A	GROUP	(a) (b) :	
3	SEC USE ONLY			
4	SOURCE OF FUNDS WC			
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING TO ITEM 2(d) or 2(e)	GS IS REQUIR	ED PURSUANT	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda			

2	CHECK THE	APPROPRI	ATE BOX IF A MEMBER OF A GROUP	(a) " (b) x
3	SEC USE ONI	LY		
1	SOURCE OF I	FUNDS		
5	CHECK BOX TO ITEM 2(SURE OF LEGAL PROCEEDINGS IS REQUIRED PURS	UANT
5	CITIZENSHII Bermuda	P OR PLAC	E OF ORGANIZATION	
	UMBER OF	7	SOLE VOTING POWER 6,710,040	
SHARES BENEFICIALLY OWNED BY		8	SHARED VOTING POWER 0	
	EACH EPORTING RSON WITH	9	SOLE DISPOSITIVE POWER 6,710,040	
		10	SHARED DISPOSITIVE POWER 0	
1	AGGREGATE REPORTING P		BENEFICIALLY OWNED BY EACH	
2	CHECK BOX EXCLUDES CERTAIN SH		GREGATE AMOUNT IN ROW (11)	
3	PERCENT OF	CLASS RE	EPRESENTED BY AMOUNT IN ROW (11)	

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CUSII	P No. 01157629	0	13D	(Page 7 of 12)
1	NAME OF REPO Warburg, Pincus S.S. OR I.R.S. II 13-6358475	& Co.	ERSONS ATION NOS. OF ABOVE PERSONS	
2	CHECK THE AF	——— PPROPRIA	TE BOX IF A MEMBER OF A GROUP	(a)" (b) x
3	SEC USE ONLY			
4	SOURCE OF FU WC	NDS		
5	CHECK BOX IF TO ITEM 2(d)		URE OF LEGAL PROCEEDINGS IS REQUIRE	D PURSUANT
6	CITIZENSHIP (OR PLACE	OF ORGANIZATION	
 N	UMBER OF	7	SOLE VOTING POWER 279,583	
	SHARES NEFICIALLY DWNED BY	8	SHARED VOTING POWER 0	
	EACH EPORTING ERSON WITH	9	SOLE DISPOSITIVE POWER 279,583	
		10	SHARED DISPOSITIVE POWER 0	
11	AGGREGATE AI REPORTING PER 279,583		ENEFICIALLY OWNED BY EACH	
12	CHECK BOX IF EXCLUDES CERTAIN SHAP		REGATE AMOUNT IN ROW (11)	
13	PERCENT OF C	LASS REP	RESENTED BY AMOUNT IN ROW (11)	
14	TYPE OF REPO	 RTING PE	RSON	

CUSII	P No. 01157629	00		13D	(Page 8 of 12)
1	NAME OF REP Warburg Pincus S.S. OR I.R.S. 13-4069737	Partners, L		E PERSONS	
2	CHECK THE A	PPROPRIA	TE BOX IF A MEMBER	OF A GROUP	(a) " (b) x
3	SEC USE ONL	Y			
4	SOURCE OF F	UNDS			
5	CHECK BOX II		URE OF LEGAL PROCE	EEDINGS IS REQUIR	ED PURSUANT
6	CITIZENSHIP New York	OR PLACE	OF ORGANIZATION		
_ N	UMBER OF	7	SOLE VOTING POW 279,583	VER	
	SHARES NEFICIALLY OWNED BY	8	SHARED VOTING E	POWER	
	EACH EPORTING RSON WITH	9	SOLE DISPOSITIVE 279,583	E POWER	
		10	SHARED DISPOSIT	TIVE POWER	
.1	AGGREGATE A REPORTING PE 279,583		ENEFICIALLY OWNED	BY EACH	
2	CHECK BOX II EXCLUDES CERTAIN SHA		REGATE AMOUNT IN	ROW (11)	
.3	PERCENT OF CLESS than 1%	CLASS REP	RESENTED BY AMOU	NT IN ROW (11)	
<u> </u>	TYPE OF REPO	—— ORTING PE	RSON		_

CUSI	P No. 0115762	90	13D (Page 9 of 12
1	NAME OF REI Warburg Pincu S.S. OR I.R.S. 13-3536050	s LLC	PERSONS ICATION NOS. OF ABOVE PERSONS
2	CHECK THE A	APPROPRI	IATE BOX IF A MEMBER OF A GROUP (a) (b)
3	SEC USE ONI	.Y	
4	SOURCE OF F	TUNDS	
5	CHECK BOX I		OSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
6	CITIZENSHIP New York	OR PLAC	EE OF ORGANIZATION
N	UMBER OF	7	SOLE VOTING POWER 13,959,285
	SHARES NEFICIALLY WNED BY	8	SHARED VOTING POWER
	EACH EPORTING RSON WITH	9	SOLE DISPOSITIVE POWER 13,959,285
		10	SHARED DISPOSITIVE POWER
11	AGGREGATE REPORTING PE		BENEFICIALLY OWNED BY EACH
12	CHECK BOX I EXCLUDES CERTAIN SHA		GGREGATE AMOUNT IN ROW (11)
13	PERCENT OF 18.9%	CLASS RI	EPRESENTED BY AMOUNT IN ROW (11)
14	TYPE OF REP	ORTING P	PERSON

CUSIP No. 011576290 **13D**

(Page 10 of 12)

Reference is made to the Statement on Schedule 13D filed on November 20, 2001, as amended by Amendment No. 1 thereto filed September 20, 2002, Amendment No. 2 thereto filed December 18, 2002, and Amendment No. 3 thereto filed May 5, 2006 (as so amended, the $\lceil Schedule\ 13D \rceil$), on behalf of Warburg Pin-cus (Bermuda) Private Equity VIII, L.P., a limited partnership organized under the laws of Bermuda (□WP VIII Bermuda□), Warburg Pincus (Bermuda) International Partners, L.P., a limited partnership organized under the laws of Bermuda ([WPIP Bermuda]), Warburg Pincus Netherlands International Partners I, C.V., a limited partnership organized under the laws of The Netherlands (\(\prec{\pi}\) WPIP Netherlands I□ and together with WP VIII Bermuda, WPIP Bermuda, the □Investors□), Warburg Pincus (Bermuda) Private Equity Ltd., a company organized under the laws of Bermuda (\(\subseteq \text{WP VIII} \) Bermuda Ltd. []), Warburg Pincus (Bermuda) International Ltd., a company organized under the laws of Bermuda ([WPIP Bermuda Ltd.]), Warburg, Pincus & Co., a New York general partnership (□WP□), Warburg Pincus LLC, a New York limited liability company (□WP LLC□), and Warburg Pincus Partners, LLC, a New York limited liability company (☐WPP LLC☐). Charles R. Kaye and Joseph P. Landy are Managing General Partners of WP and Managing Members and Co-Presidents of WP LLC and may be deemed to control the Investors, WP VIII Bermuda Ltd., WPIP Bermuda Ltd., WP, WP LLC and WPP LLC. The Investors, together with WP VIII Bermuda Ltd., WPIP Bermuda Ltd., WP, WP LLC and WPP LLC, are referred to herein as the □Warburg Pincus Reporting Persons. □ All capitalized terms used without definition in this Amendment No. 4 to Schedule 13D shall have the meanings set forth in the Schedule 13D.

This Amendment No. 4 to Schedule 13D amends the Schedule 13D as follows.

ITEM 5.	Interest in Securities	of the	Issuer.

Item 5 of the Schedule 13D is hereby amended and supplemented by adding the following:

On April 30, 2007, the Warburg Pincus Reporting Persons distributed an aggregate of 4,922,860 Common Shares of the Company to their limited and general partners.

As of April 30, 2007, the Investors collectively beneficially owned an aggregate of 13,959,285 Common Shares, which represent approximately 18.9% of the outstanding Common Shares based on 73,738,470 Common Shares outstanding as of March 29, 2007, as reported in the Company Schedule 14A. By reason of its relationship with the Investors under Rule 13d-3 of the Exchange Act, the Warburg Pincus Reporting Persons may be deemed to beneficially own all of the Common Shares that are beneficially owned by the Investors.

Each Investor exercises voting power and dispositive power over its holdings of such shares through its respective general partner, which, in turn, acts through its respective general partner.

CUSIP No. 011576290 (Page 11 of 12)

13D

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated May 2, 2007

WARBURG PINCUS (BERMUDA) PRIVATE EQUITY VIII, L.P.

By: Warburg Pincus (Bermuda) Private Equity Ltd., Its General Partner

By: /s/ Scott A. Arenare

Name: Scott A. Arenare Title: Authorized Signatory

WARBURG PINCUS (BERMUDA) INTERNATIONAL PARTNERS, L.P.

By: Warburg Pincus (Bermuda) International Ltd., Its General Partner

By: /s/ Scott A. Arenare

Name: Scott A. Arenare Title: Authorized Signatory

WARBURG PINCUS NETHERLANDS INTERNATIONAL PARTNERS I, C.V.

By: Warburg Pincus Partners, LLC, Its General Partner

By: Warburg, Pincus & Co., Its Managing Member

By: /s/ Scott A. Arenare

Name: Scott A. Arenare

Title: Partner

CUSIP No. 011576290 **13D**

(Page 12 of 12)

WARBURG PINCUS (BERMUDA) PRIVATE EQUITY LTD. By: /s/ Scott A. Arenare Name: Scott A. Arenare Title: **Authorized Signatory** WARBURG PINCUS (BERMUDA) **INTERNATIONAL** LTD. By: /s/ Scott A. Arenare Name: Scott A. Arenare Title: **Authorized Signatory** WARBURG, PINCUS & CO. By: /s/ Scott A. Arenare Scott A. Arenare Name: Title: Partner WARBURG, PINCUS PARTNERS LLC Warburg Pincus & Co., Its Managing Member By: /s/ Scott A. Arenare By: Name: Scott A. Arenare Title: Partner WARBURG PINCUS LLC By: /s/ Scott A. Arenare

Name:

Title:

Scott A. Arenare

Managing Director