

PETRILLO LOUIS T  
Form 4  
February 24, 2006

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

OMB APPROVAL  
OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
PETRILLO LOUIS T

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

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Pres & Gen Counsel of sub.

(Last) (First) (Middle)  
ARCH CAPITAL SERVICES  
INC., 360 HAMILTON AVENUE,  
SUITE 600

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/23/2006

(Street)  
WHITE PLAINS, NY 10601

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

| 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) |
|  |                                      |  | Code                           | V   | Amount (A) or (D)   | Price  |                                   |
| Common Shares, \$.01 par value per share   | 02/23/2006                           |  | A                              |   | 2,250<br>(1)  | A (1) 13,276   | 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.**

SEC 1474  
(9-02)

Edgar Filing: PETRILLO LOUIS T - Form 4

**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)                | \$ 56.27   | 02/23/2006                           |  | A                              | 14,000  | <u>(2)</u> 02/23/2016                                    | Common Shares, \$.01 par value per share                      | 14,000                        |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                            |       |
|--|---------------|-----------|----------------------------|-------|
|  | Director      | 10% Owner | Officer                    | Other |
| PETRILLO LOUIS T<br>ARCH CAPITAL SERVICES INC.<br>360 HAMILTON AVENUE, SUITE 600<br>WHITE PLAINS, NY 10601 |               |           | Pres & Gen Counsel of sub. |       |

## Signatures

/s/ Louis T. Petrillo 02/24/2006

\_\_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) Represents restricted shares that vest in three equal annual installments on February 23rd in each of 2007, 2008 and 2009, subject to the applicable award agreement.
- (2) 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 February 23, 2009, subject to the applicable award agreement.

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.