

BUNCE JOHN L JR
 Form 4
 December 01, 2006

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 *
 BUNCE JOHN L JR

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)
 11/29/2006

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

HELLMAN & FRIEDMAN
 LLC, ONE MARITIME PLAZA
 12TH FLOOR

(Street)

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

SAN FRANCISCO, CA 94111

(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 Ownership (Instr. 4)
Common Shares, \$.01 par value per share (1) (2)	11/29/2006		J	81,954 A (1)	146,084 (3)	D	

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

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number.

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. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code V (A) (D)		Date Exercisable Expiration Date	Title Number of Shares		

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BUNCE JOHN L JR
HELLMAN & FRIEDMAN LLC
ONE MARITIME PLAZA 12TH FLOOR
SAN FRANCISCO, CA 94111

X

Signatures

/s/ John L.
Bunce, Jr. 11/30/2006

**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) On November 29, 2006, HFCP IV (Bermuda), L.P., H&F International Partners IV-A (Bermuda), L.P., H&F International Partners IV-B (Bermuda), L.P. and H&F Executive Fund IV (Bermuda), L.P. (collectively, the Partnerships) distributed in the aggregate 4,674,022 Common Shares to their respective limited partners in accordance with the applicable partnership agreements of the Partnerships. As a result of that distribution, the Partnerships continue to own 4,674,022 Common Shares (excluding Common Shares and options to acquire Common Shares held for their benefit by the Partnerships' designees to the Board of Directors of the Issuer). The Partnerships are controlled by their sole general partner, H&F Investors IV (Bermuda), L.P. (HF Investors IV LP). HF Investors IV LP in turn is controlled by its sole general partner, H&F Corporate Investors IV (Bermuda), Ltd. (HF Investors IV Ltd.).

(2) A five member investment committee elected by the shareholders of HF Investors IV Ltd. (Investment Committee) has investment discretion over the Common Shares. Mr. Bunce is a 9.9% shareholder of HF Investors IV Ltd., but he is not a member of the Investment Committee. Mr. Bunce and the members of the Investment Committee disclaim beneficial ownership of the securities held by the Partnerships, except to the extent of their respective indirect pecuniary interests in the Issuer through the Partnerships.

(3)

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Of the 146,084 shares that Mr. Bunce owns, 7,001 Common Shares have been granted to Mr. Bunce in consideration for his service as a director of the Issuer. In addition, Mr. Bunce was granted 3,300 options to purchase Common shares in consideration for his service as a director of the Issuer. The 7,001 Common Shares and 3,300 options are held by Mr. Bunce for the benefit of the Partnerships. Mr. Bunce disclaims beneficial ownership of these 7,001 Common Shares and 3,300 options except to the extent of his indirect pecuniary interest in the Issuer through the Partnerships.

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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