

ARCH CAPITAL GROUP LTD.  
Form 4  
May 17, 2016

**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 \*  
Lyons Mark Donald

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)  
05/13/2016

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
EVP,CFO & Treasurer

C/O ARCH CAPITAL GROUP LTD., 100 PITTS BAY ROAD, GROUND 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

PEMBROKE, D0 HM 08

(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)  | Price   |  |   |
| Common Shares, \$.0033 par value per share | 05/13/2016                           |  | A                              | 8,080   | A   | 202,676 <sup>(1)</sup>                                   | D   |
| Common Shares, \$.0033 par value per share | 05/13/2016                           |  | M                              | 7,950   | A   | \$ 23.707  | 210,626 <sup>(1)</sup> D                              |

|   |            |   |        |   |          |                        |   |
|---|------------|---|--------|---|----------|------------------------|---|
| Common Shares, \$0.0033 par value per share | 05/13/2016 | M | 5,000  | A | \$ 25.01 | 215,626 <sup>(1)</sup> | D |
| Common Shares, \$0.0033 par value per share | 05/13/2016 | M | 5,000  | A | \$ 23.1  | 220,626 <sup>(1)</sup> | D |
| Common Shares, \$0.0033 par value per share | 05/13/2016 | F | 11,796 | D | \$ 71.7  | 208,830                | D |

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

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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 Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
|  |  |                                      |  | Code V (A) (D)                 |   | Date Exercisable Expiration Date                         | Title   |                            |
| Stock Option (right to buy)                | \$ 71.7  | 05/13/2016                           |  | A                              | 8,080   | <sup>(3)</sup> 05/13/2026                                | Common Shares, \$0.0033 par value per share                 | 8,080                      |
| Share Appreciation Right                   | \$ 23.707  | 05/13/2016                           |  | M                              | 7,950   | <sup>(4)</sup> 05/11/2017                                | Common Shares, \$0.0033 par value per share                 | 7,950                      |
| Share Appreciation                         | \$ 25.01   | 05/13/2016                           |  | M                              | 5,000   | <sup>(5)</sup> 05/05/2020                                | Common Shares,  | 5,000                      |

Right

\$.0033  
par value  
per share

Share

Appreciation \$ 23.1 05/13/2016

M

5,000

(6)

05/09/2018

Common  
Shares,  
\$.0033  
par value  
per share

Right

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                     |       |
|--|---------------|-----------|---------------------|-------|
|  | Director      | 10% Owner | Officer             | Other |
| Lyons Mark Donald<br>C/O ARCH CAPITAL GROUP LTD.<br>100 PITTS BAY ROAD, GROUND FLOOR<br>PEMBROKE, D0 HM 08 |               |           | EVP,CFO & Treasurer |       |

## Signatures

/s/ Mark D.

05/16/2016

Lyons

\_\_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) 86,722 of such amount will settle in Issuer's common shares upon the termination of the Reporting Person's employment, as specifically provided in the award agreements.
- (2) Represents restricted shares that vest in three equal annual installments on May 13th in each of 2017, 2018 and 2019, subject to the applicable award agreement.
- (3) The stock option will become exercisable in three equal annual installments, with the first installment becoming exercisable on May 13, 2017 and the next two installments on May 13, 2018 and May 13, 2019, subject to the applicable award agreement.
- (4) The share appreciation right became exercisable in three equal annual installments commencing May 11, 2008, subject to the applicable award agreement.
- (5) The share appreciation right became exercisable in three equal annual installments commencing May 5, 2011, subject to the applicable award agreement.
- (6) The share appreciation right became exercisable in three equal annual installments commencing May 9, 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.

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