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XL CAPITAL LTD
Form SC 13G/A
February 14, 2005

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. 5)

XL Capital Ltd
(Name of Issuer)

Class A Ordinary Shares, par value \$.01
(Title of Class of Securities)

G98255105
(CUSIP Number)

December 31, 2004
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b) Rule 13d-1(c) Rule 13d-1(d)

*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 alter the disclosures provided in a prior cover page.

The information required in 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 ("Act") 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).

1. NAME OF REPORTING PERSONS/
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (entities only)

Franklin Resources, Inc. (13-2670991)

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) X

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

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5. SOLE VOTING POWER

(See Item 4)

6. SHARED VOTING POWER

0

7. SOLE DISPOSITIVE POWER

(See Item 4)

8. SHARED DISPOSITIVE POWER

0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11,454,385/1/

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

8.3%

12. TYPE OF REPORTING PERSON

HC (See Item 4)

/1/Includes 85,120 ordinary shares that would result upon the conversion of 320,000 Convertible Preferred (as computed under Rule 13(d)-3(d)(1)(i)).

1. NAME OF REPORTING PERSONS/

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (entities only)

Charles B. Johnson

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) X

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER

(See Item 4)

6. SHARED VOTING POWER

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0

7. SOLE DISPOSITIVE POWER

(See Item 4)

8. SHARED DISPOSITIVE POWER

0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11,454,385/1/

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

8.3%

12. TYPE OF REPORTING PERSON

HC (See Item 4)

1. NAME OF REPORTING PERSONS/

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (entities only)

Rupert H. Johnson, Jr.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) X

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER

(See Item 4)

6. SHARED VOTING POWER

0

7. SOLE DISPOSITIVE POWER

(See Item 4)

8. SHARED DISPOSITIVE POWER

0

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9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11,454,385/1/

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

8.3%

12. TYPE OF REPORTING PERSON

HC (See Item 4)

1. NAME OF REPORTING PERSONS/

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (entities only)

Templeton Global Advisors Limited

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) X

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Commonwealth of the Bahamas

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

5. SOLE VOTING POWER

7,774,026 (See Item 4)

6. SHARED VOTING POWER

0

7. SOLE DISPOSITIVE POWER

7,775,296 (See Item 4)

8. SHARED DISPOSITIVE POWER

0

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,775,296

10. CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

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5.6%

12. TYPE OF REPORTING PERSON

IA

Item 1.

(a) Name of Issuer:

XL Capital Ltd

(b) Address of Issuer's Principal Executive Offices:

XL House
One Bermudiana Road
Hamilton, Bermuda HM 11

Item 2.

(a) Name of Person Filing:

(i): Franklin Resources, Inc.
(ii): Charles B. Johnson
(iii): Rupert H. Johnson, Jr.
(iv): Templeton Global Advisors Limited

(b) Address of Principal Business Office:

(i), (ii), (iii):
One Franklin Parkway
San Mateo, CA 94403

(iv):
Lyford Cay, P.O. Box N-7759
Nassau, Bahamas

(c) Place of Organization or Citizenship:

(i): Delaware
(ii) and (iii): USA
(iv): Commonwealth of the Bahamas

(d) Title of Class of Securities:

Class A Ordinary Shares, par value \$.01

(e) CUSIP Number:

G98255105

Item 3. This statement is filed pursuant to Rule 13d-1(b) or 13d-2 and the persons filing are: Franklin Resources, Inc., a parent holding company in accordance with Section 240.13d-1(b)1(ii) (G); Charles B. Johnson, a control person in accordance with Section 240.13d-1(b)1(ii) (G); Rupert H. Johnson, Jr., a control person in accordance with Section 240.13d-1(b)1(ii) (G); and Templeton Global Advisors Limited, an investment adviser in accordance with Section 240.13d-1(b)1(ii) (E). (Note: See Item 4)

Item 4. Ownership

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The securities reported on herein are beneficially owned by one or more open or closed-end investment companies or other managed accounts which are advised by direct and indirect investment advisory subsidiaries, including any subsidiary(ies) set forth in Item 7 below, (the "Adviser Subsidiaries") of Franklin Resources, Inc. ("FRI"). Such advisory contracts grant to such Adviser Subsidiaries all investment and/or voting power over the securities owned by such advisory clients. Therefore, such Adviser Subsidiaries may be deemed to be, for purposes of Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "1934 Act") the beneficial owner of the securities covered by this statement.

Beneficial ownership by investment advisory subsidiaries and other affiliates of FRI is being reported in conformity with the guidelines articulated by the SEC staff in Release No. 34-39538 (January 12, 1998) relating to organizations, such as FRI, where related entities exercise voting and investment powers over the securities being reported independently from each other. The voting and investment powers held by Franklin Mutual Advisers, LLC ("FMA"), formerly Franklin Mutual Advisers, Inc., an indirect wholly owned investment advisory subsidiary of FRI, are exercised independently from FRI and from all other investment advisor subsidiaries of FRI (FRI, its affiliates and investment advisor subsidiaries other than FMA are collectively referred to herein as "FRI affiliates"). Furthermore, FMA and FRI internal policies and procedures establish informational barriers that prevent the flow between FMA and the FRI affiliates of information that relates to the voting and investment powers over the securities owned by their respective advisory clients. Consequently, FMA and the FRI affiliates are each reporting the securities over which they hold investment and voting power separately from each other.

Charles B. Johnson and Rupert H. Johnson, Jr. (the "Principal Shareholders") each own in excess of 10% of the outstanding Common Stock of FRI and are the principal shareholders of FRI. FRI and the Principal Shareholders may be deemed to be, for purposes of Rule 13d-3 under the 1934 Act, the beneficial owner of securities held by persons and entities advised by FRI subsidiaries. FRI, the Principal Shareholders and each of the Adviser Subsidiaries disclaim any economic interest or beneficial ownership in any of the securities covered by this statement.

FRI, the Principal Shareholders, and each of the Adviser Subsidiaries are of the view that they are not acting as a "group" for purposes of Section 13(d) under the 1934 Act and that they are not otherwise required to attribute to each other the "beneficial ownership" of securities held by any of them or by any persons or entities advised by FRI subsidiaries.

(a) Amount Beneficially Owned:

11,454,385/1/

(b) Percent of Class:

8.3%

(c) Number of Shares as to which the person has:

(i) Sole power to vote or to direct the vote

Franklin Resources, Inc.:	0
Charles B. Johnson:	0
Rupert H. Johnson, Jr.:	0
Templeton Global Advisors Limited:	7,774,026
Templeton Investment Counsel, LLC:	2,573,973
Franklin Templeton Investment Management Limited:	255,463

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Franklin Templeton Portfolio Advisors, Inc./2/:	342,035
Franklin Templeton Investments Corp.:	160,200
Franklin Advisers, Inc.:	85,120
Fiduciary Trust Company International:	30,733
Franklin Templeton Alternative Strategies, Inc.:	16,349
Templeton Asset Management, Ltd.:	14,198

(ii) Shared power to vote or to direct the vote:

0

(iii) Sole power to dispose or to direct the disposition of

Franklin Resources, Inc.:	0
Charles B. Johnson:	0
Rupert H. Johnson, Jr.:	0
Templeton Global Advisors Limited:	7,775,296
Templeton Investment Counsel, LLC:	2,686,203
Franklin Templeton Investment Management Limited:	344,251
Franklin Templeton Portfolio Advisors, Inc.:	342,035
Franklin Templeton Investments Corp.:	160,200
Franklin Advisers, Inc.:	85,120
Fiduciary Trust Company International:	30,733
Franklin Templeton Alternative Strategies, Inc.:	16,349
Templeton Asset Management, Ltd.:	14,198

(iv) Shared power to dispose or to direct the disposition of:

0

Item 5. Ownership of Five Percent or Less of a Class If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [].

Not Applicable

/2/Franklin Templeton Portfolio Advisors, Inc. (FTPA) may hold some or all of such shares under various "wrap fee" investment management arrangements. Under these arrangements, the underlying clients may, from time to time, either retain, delegate to FTPA entirely, or delegate on a client-by-client basis, the power to vote the shares beneficially held by FTPA. To the extent any underlying clients retain voting power of any shares, FTPA disclaims sole power to vote or direct the vote for such shares.

Item 6. Ownership of More than Five Percent on Behalf of Another Person

The clients of the Adviser Subsidiaries, including investment companies registered under the Investment Company Act of 1940 and other managed accounts, have the right to receive or power to direct the receipt of dividends from, as well as the proceeds from the sale of, such securities reported on in this statement.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person

Templeton Global Advisors Limited	Item 3 classification: 3(e)
Templeton Investment Counsel, LLC	Item 3 classification: 3(e)
Franklin Templeton Investment Management Limited	Item 3 classification: 3(e)
Franklin Templeton Portfolio Advisors, Inc.	Item 3 classification: 3(e)

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Franklin Templeton Investments Corp. Item 3 classification: 3(e)
Franklin Advisers, Inc. Item 3 classification: 3(e)
Fiduciary Trust Company International Item 3 classification: 3(b)
Franklin Templeton Alternative Strategies,
Inc. Item 3 classification: 3(e)
Templeton Asset Management, Ltd. Item 3 classification: 3(e)
(See also Item 4)

Item 8. Identification and Classification of Members of the Group

Not Applicable (See also Item 4)

Item 9. Notice of Dissolution of Group

Not Applicable

Item 10. Certification

By signing below we certify that, to the best of our knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purposes or effect.

This report shall not be construed as an admission by the persons filing the report that they are the beneficial owner of any securities covered by this report.

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

Dated: February 11, 2005

Franklin Resources, Inc.
Charles B. Johnson
Rupert H. Johnson, Jr.

By: /s/BARBARA J. GREEN

Barbara J. Green
Vice President, Deputy General Counsel,
and Secretary of Franklin Resources, Inc.

Attorney-in-Fact for Charles B. Johnson pursuant to Power of Attorney
attached to this Schedule 13G

Attorney-in-Fact for Rupert H. Johnson, Jr. pursuant to Power of Attorney
attached to this Schedule 13G

Templeton Global Advisors Limited

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By: /s/GREGORY E. MCGOWAN

Gregory E. McGowan
Executive Vice President and Secretary of
Templeton Global Advisors Limited

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, the undersigned hereby agree to the joint filing with each other of the attached statement on Schedule 13G and to all amendments to such statement and that such statement and all amendments to such statement are made on behalf of each of them.

IN WITNESS WHEREOF, the undersigned hereby execute this agreement on February 11, 2005.

Franklin Resources, Inc.
Charles B. Johnson
Rupert H. Johnson, Jr.

By: /s/BARBARA J. GREEN

Barbara J. Green
Vice President, Deputy General Counsel,
and Secretary of Franklin Resources, Inc.

Attorney-in-Fact for Charles B. Johnson pursuant to Power of Attorney
attached to this Schedule 13G

Attorney-in-Fact for Rupert H. Johnson, Jr. pursuant to Power of Attorney
attached to this Schedule 13G

Templeton Global Advisors Limited

By: /s/GREGORY E. MCGOWAN

Gregory E. McGowan
Executive Vice President and Secretary of
Templeton Global Advisors Limited

