

ARCH CAPITAL GROUP LTD.
Form 8-K
March 27, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**Current Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

March 27, 2007 (March 26, 2007)

Date of Report (Date of earliest event reported)

Arch Capital Group Ltd.

(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction of
incorporation or organization)

0-26456
(Commission File Number)

N/A
(I.R.S. Employer
Identification No.)

Wessex House, 45 Reid Street, Hamilton HM 12, Bermuda

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code:

(441) 278-9250

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 8.01 Other Events.

When Constantine Iordanou, President and Chief Executive Officer of Arch Capital Group Ltd. (ACGL), joined the company on January 1, 2002, he received a grant of 325,000 restricted common shares of ACGL (ACGL Common Shares), which shares vested to him on December 31, 2006. As previously disclosed, Mr. Iordanou had informed the Company that he intended to sell ACGL Common Shares to fund the income taxes associated with the vesting of this award. In that connection, Mr. Iordanou sold 135,000 ACGL Common Shares on March 26, 2007 pursuant to an existing 10b5-1 plan. The 10b5-1 plan has now terminated due to the fact that all shares covered by the plan have been sold.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned.

ARCH CAPITAL GROUP LTD.

Date: March 27, 2007

By:

/s/ John D. Vollaro

Name:

John D. Vollaro

Title:

Executive Vice President,
Chief Financial Officer and Treasurer