

Hele John C.R.
Form 4
November 30, 2011

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 *
Hele John C.R.

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)
ARCH CAPITAL GROUP LTD., 45
REID STREET, 5TH FLOOR

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
11/28/2011

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

HAMILTON, D0 HM 12

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

(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 Ownership (Instr. 4)	
				Code V	Amount	(A) or (D)	Price	
Common Shares, \$.0033 par value per share	11/28/2011		M	32,000	A	\$ 18.58	137,998	D
Common Shares, \$.0033 par value per share	11/28/2011		F	16,263 (2)	D	\$ 36.56	121,735	D
	11/29/2011		S		D		114,198	D

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Common Shares, \$.0033 par value per share	7,537 <u>(5)</u>	\$ 36.9669 <u>(3)</u>
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Common Shares, \$.0033 par value per share	11/29/2011	S	8,200 <u>(5)</u>	D	\$ 37.01 <u>(4)</u>	105,998	D
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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 Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Option (right to buy)	\$ 18.58	11/28/2011		M	32,000	<u>(1)</u> 04/01/2019	Common Shares, \$.0033 par value per share	32,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hele John C.R. ARCH CAPITAL GROUP LTD. 45 REID STREET, 5TH FLOOR HAMILTON, D0 HM 12			EVP,CFO & Treasurer	

Signatures

/s/ Louis T. Petrillo, Attorney
in fact

11/29/2011

__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) The stock option became exercisable in three equal annual installments, with the first installment becoming exercisable on April 1, 2010 and the next two installments on April 1, 2011 and April 1, 2012, subject to the applicable award agreement.
- (2) On November 28, 2011, the reporting person exercised 32,000 stock options and, under the net settlement provisions of the applicable stock option agreement, 16,263 common shares were withheld in payment of the exercise price.
- (3) Represents a weighted average sale price; the sales prices range from \$36.93 to \$36.99. Upon request, the full sale information regarding the number of shares sold at each price increment will be provided to the Commission or to a security holder of the issuer.
- (4) Represents a weighted average sale price; the sales prices range from \$37 to \$37.03. Upon request, the full sale information regarding the number of shares sold at each price increment will be provided to the Commission or to a security holder of the issuer.
- (5) The shares were sold in order to satisfy state and federal income tax obligations.

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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