

XL CAPITAL LTD
Form 4
March 08, 2005

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 *
ESPOSITO MICHAEL P JR

(Last) (First) (Middle)
435 L'AMBIANCE DRIVE, SUITE 706
(Street)

LONGBOAT KEY, FL 34228

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
XL CAPITAL LTD [XL]

3. Date of Earliest Transaction (Month/Day/Year)
03/04/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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)
			Code	V	Amount	(D)	Price
Class A Common Shares	03/04/2005		A		15,000	A	\$ 0
					211,823.97	D	(1)

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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)
Employee Stock Option (Right to Buy)	\$ 75.48	03/04/2005		A	100,000	(2) 03/04/2015	Class A Common Shares
Employee Stock Option (Right to Buy)	\$ 75.48	03/04/2005		G	15,000	(2) 03/04/2015	Class A Common Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ESPOSITO MICHAEL P JR 435 L'AMBIANCE DRIVE SUITE 706 LONGBOAT KEY, FL 34228	X		Chairman	

Signatures

Michael P. Esposito, Jr. 03/08/2005

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).

Since the reporting person's last report, 6,750 shares previously owned through Esposito Co. have been distributed and are now owned (1) directly. All shares previously owned by Esposito Co. were reported by the reporting person, but the reporting person had disclaimed beneficial ownership of such shares to the extent in excess of his pecuniary interest.

(2) Exercisable in four annual installments commencing on first anniversary of the grant

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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