ARCH CAPITAL GROUP LTD.
Form 4
March 15, 2006

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
PETRILLO LOUIS T

(Last) (First) (Middle)

ARCH CAPITAL SERVICES INC., 360 HAMILTON AVENUE, SUITE 600

(Street)

WHITE PLAINS, NY 10601

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
ARCH CAPITAL GROUP LTD. [ACGL]

3. Date of Earliest Transaction (Month/Day/Year)
03/13/2006

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Pres & Gen Counsel of sub.

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Shares, $.01 par value per share	03/13/2006		M		5,000	A	$ 23.125	18,276	D	
Common Shares, $.01 par value per share	03/13/2006		M		4,400	A	$ 17.625	22,676	D	

Common Shares, $.01 par value per share	03/13/2006	M	2,653	A	$ 23	25,329	D
Common Shares, $.01 par value per share	03/13/2006	M	4,347	A	$ 23	29,676	D
Common Shares, $.01 par value per share	03/13/2006	M	2,676	A	$ 22.438	32,352	D
Common Shares, $.01 par value per share	03/13/2006	M	5,144	A	$ 22.438	37,496	D
Common Shares, $.01 par value per share	03/13/2006	M	1,780	A	$ 22.438	39,276	D
Common Shares, $.01 par value per share	03/13/2006	S	26,000	D	$ 55.6754	13,276	D

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)

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. D Sec (Ins

			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	$ 23.125	03/13/2006	M			5,000	(1)	05/05/2007	Common Shares, $.01 par value per share	5,000
Stock Option (right to buy)	$ 17.625	03/13/2006	M			4,400	(1)	05/05/2007	Common Shares, $.01 par value per share	4,400
Stock Option (right to buy)	$ 23	03/13/2006	M			2,653	(1)	05/05/2007	Common Shares, $.01 par value per share	2,653
Stock Option (right to buy)	$ 23	03/13/2006	M			4,347	(1)	11/18/2007	Common Shares, $.01 par value per share	4,347
Stock Option (right to buy)	$ 22.438	03/13/2006	M			2,676	(1)	11/17/2008	Common Shares, $.01 par value per share	2,676
Stock Option (right to buy)	$ 22.438	03/13/2006	M			5,144	(1)	05/05/2007	Common Shares, $.01 par value per share	5,144
Stock Option (right to buy)	$ 22.438	03/13/2006	M			1,780	(1)	11/17/2008	Common Shares, $.01 par value per share	1,780

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

PETRILLO LOUIS T
ARCH CAPITAL SERVICES INC.
360 HAMILTON AVENUE, SUITE 600
WHITE PLAINS, NY 10601

Pres & Gen Counsel of sub.

Signatures

/s/ Louis T. Petrillo	03/15/2006
**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) Pursuant to the applicable agreements, such options vested and became exercisable on or before May 5, 2000.

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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