

Effective as of: September 24, 2009

ARCH CAPITAL GROUP LTD.
Finance and Investment Committee Charter

Organization

The Finance and Investment Committee (the “Finance Committee”) of the Board of Directors of Arch Capital Group Ltd. (the “Company”) shall consist of no fewer than three members, each of whom shall have knowledge or experience relating to corporate and other financial matters.

The members of the Finance Committee shall be appointed by and may be replaced by the Board of Directors.

Purpose

The Finance Committee is appointed by the Board of Directors to oversee the Board of Directors’ responsibilities relating to the financial affairs of the Company and to recommend to the Board of Directors, financial policies, strategic investments and overall investment policy, including review of manager selection, benchmarks and investment performance. The Finance Committee will also review and make recommendations to the Board of Directors regarding capital management issues, including debt and equity issuances and overall dividend policy.

Meetings

The Finance Committee shall meet on a regular basis and is empowered to hold special meetings as circumstances require, and shall make regular reports to the Board of Directors.

Committee Authority and Responsibilities

1. The Finance Committee shall establish and recommend to the Board of Directors financial policies for the Company, including, but not limited to, those relating to asset-liability structure, guarantee capacity, collateral usage and leverage.
2. The Finance Committee shall review and make recommendations to the Board of Directors on all significant credit, letter of credit and other financing facilities.
3. The Finance Committee shall review and recommend to the Board of Directors overall investment policy, including asset allocation, and to review investment manager selection, benchmarks, duration and investment performance.
4. The Finance Committee shall review and make recommendations to the Board of Directors on all capital-related issues, including, but not limited to:

- (a) Capital Planning and Allocation;
 - (b) Long-Term Debt Issuances;
 - (c) Common and Preferred Equity Issuances; and
 - (d) Stock and Debt Redemptions or Buybacks.
5. The Capital Committee shall review and recommend to the Board of Directors overall dividend policy including special dividends and ordinary dividend declarations.
 6. The Finance Committee shall review and recommend to the Board of Directors strategic equity investments.
 7. The Finance Committee may form and delegate authority to subcommittees when appropriate.
 8. The Finance Committee may review and reassess the adequacy of this charter and recommend any proposed changes to the Board of Directors for approval.