

ARCH CAPITAL GROUP LTD  
Form SC 13G/A  
July 10, 2003

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)

Arch Capital Group Ltd

-----  
(Name of Issuer)

Common Stock

-----  
(Title of Class of Securities)

G0450A105

-----  
(CUSIP Number)

Check the following box if a fee is being paid with this statement [ ].  
(A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.)  
(See Rule 13d-7.)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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Amendment Number 1 to Schedule 13G (continued)

CUSIP No. G0450A105

-----  
1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Baron Capital Group, Inc.

-----  
2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

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(a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER 20,000
	6	SHARED VOTING POWER 2,948,700
	7	SOLE DISPOSITIVE POWER 20,000
	8	SHARED DISPOSITIVE POWER 3,040,600

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,060,600

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

10.9%

12 TYPE OF REPORTING PERSON\*

HC, CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT

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Amendment Number 1 to Schedule 13G (continued)

CUSIP No. G0450A105

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON  
  
BAMCO, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) [ ]  
(b) [ ]

3 SEC USE ONLY

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4 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

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NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER
	6	SHARED VOTING POWER 2,624,600
	7	SOLE DISPOSITIVE POWER
	8	SHARED DISPOSITIVE POWER 2,710,500

---

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,710,500

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

9.7%

12 TYPE OF REPORTING PERSON\*

IA, CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT

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Amendment Number 1 to Schedule 13G (continued)

CUSIP No. G0450A105

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1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON  
  
Baron Capital Management, Inc.

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

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NUMBER OF SHARES BENEFICIALLY	5	SOLE VOTING POWER 20,000
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OWNED BY EACH REPORTING PERSON WITH 6 SHARED VOTING POWER 324,100

7 SOLE DISPOSITIVE POWER 20,000

8 SHARED DISPOSITIVE POWER 330,100

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 350,100

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 1.3%

12 TYPE OF REPORTING PERSON\* IA, CO

\*SEE INSTRUCTIONS BEFORE FILLING OUT

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Amendment Number 1 to Schedule 13G (continued)

CUSIP No. 731572103

1 NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Baron Growth Fund

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 5 SOLE VOTING POWER

6 SHARED VOTING POWER 1,441,997

7 SOLE DISPOSITIVE POWER

8 SHARED DISPOSITIVE POWER

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1,441,997

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,441,997

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

5.2%

12 TYPE OF REPORTING PERSON\*

HC, IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT

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Amendment Number 1 to Schedule 13G (continued)

CUSIP No. G0450A105

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Ronald Baron

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5	SOLE VOTING POWER 20,000
	6	SHARED VOTING POWER 2,948,700
	7	SOLE DISPOSITIVE POWER 20,000

	8	SHARED DISPOSITIVE POWER 3,040,600
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9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,060,600

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10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

-----  
11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

10.9%

-----  
12 TYPE OF REPORTING PERSON\*

HC, IN  
-----

\*SEE INSTRUCTIONS BEFORE FILLING OUT

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Item 1.

- (a) Name of Issuer:  
Arch Capital Group Ltd
- (b) Address of Issuer's Principal Executive Offices:  
Wessex House, 3rd Floor  
45 Reid Street  
Hamilton, Bermuda HM 12

Item 2.

- (a) Name of Persons Filing:  
Baron Capital Group, Inc. ("BCG")  
BAMCO, Inc. ("BAMCO")  
Baron Capital Management, Inc. ("BCM")  
Baron Growth Fund ("BGF")  
Ronald Baron
- (b) Address of Principal Business Office:  
767 Fifth Avenue  
New York, NY 10153
- (c) Citizenship:  
BCG, BAMCO and BCM are New York corporations.  
BGF is a Massachusetts business trust  
and Ronald Baron is a citizen of the United States.
- (d) Title of Class Securities:  
Common Stock
- (e) CUSIP Number: G0450A105

Item 3. PERSONS FILING:

BCG and Ronald Baron are:

- (g) Parent holding companies, in accordance with  
Section 240.13d-1(b)(ii)(G)

BAMCO and BCM are:

- (e) Investment Advisers registered under Section 203 of  
the Investment Advisers Act of 1940

BGF is:

- (d) Investment Company registered under Section 8 of the  
Investment Company Act

All persons filing are:

- (h) Group, in accordance with Rule 13d-1(b)(1)(ii)(F)

## Item 4. OWNERSHIP^

## (a) Amount Beneficially Owned as of June 30, 2003:

BCG:	3,060,600 shares
BAMCO:	2,710,500 shares
BCM:	350,100 shares
BGF:	1,441,997 shares
Ronald Baron:	3,060,600 shares

## (b) Percent of Class:

BCG:	10.9%
BAMCO:	9.7%
BCM:	1.3%
BAF:	5.2%
Ronald Baron:	10.9%

^BCG and Ronald Baron disclaim beneficial ownership of shares held by their controlled entities (or the investment advisory clients thereof) to the extent such shares are held by persons other than BCG and Ronald Baron. BAMCO and BCM disclaim beneficial ownership of shares held by their investment advisory clients to the extent such shares are held by persons other than BAMCO, BCM and their affiliates.

## (c) Number of shares as to which such person has:

## (i) sole power to vote or direct the vote:

BCG:	20,000
BAMCO:	0
BCM:	20,000
BGF:	0
Ronald Baron:	20,000

## (ii) shared power to vote or direct the vote:

BCG:	2,948,700
BAMCO:	2,624,600
BCM:	324,100
BGF:	1,441,997
Ronald Baron:	2,948,700

## (iii) sole power to dispose or to direct the disposition of:\*

BCG:	20,000
BAMCO:	0
BCM:	20,000
BGF:	0
Ronald Baron:	20,000

## (iv) shared power to dispose or direct the disposition of:\*

BCG:	3,040,600
BAMCO:	2,710,500

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BCM: 330,100  
BAF: 1,441,997  
Ronald Baron: 3,040,600

Item 5. OWNERSHIP OF 5% OR LESS OF A CLASS  
Not applicable.

Item 6. OWNERSHIP OF MORE THAN 5% ON BEHALF OF ANOTHER PERSON  
No Material Change

Item 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH  
ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT  
HOLDING COMPANY

BAMCO and BCM are subsidiaries of BCG. BGF is an investment advisory  
client of BAMCO. Ronald Baron owns a controlling interest in BCG.

Item 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

See Item 3.

\* By virtue of investment advisory agreements with their respective  
clients, BAMCO and BCM have been given the discretion to dispose  
or the disposition of the securities in the advisory accounts.  
All such discretionary agreements, are however, revocable.

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Item 9. NOTICE OF DISSOLUTION OF GROUP

Not applicable.

Item 10. Certification

By signing below I certify that, to the best of my knowledge  
and belief, the securities referred to above were acquired in the  
ordinary course of business and were not acquired for the purpose  
of and do not have the effect of changing or influencing the control  
of the issuer of such securities and were not acquired in connection  
with or as a participant in any transaction having such purposes or  
effect.

Signature

After reasonable inquiry and to the best of my knowledge and belief,  
I certify that the information set forth in this statement is true,  
complete and correct.

Date: July 10, 2003

Baron Capital Group, Inc.,  
BAMCO, Inc., Baron Growth Fund and  
Baron Capital Management, Inc.  
By:

/s/ Ronald Baron

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Ronald Baron, Chairman and CEO



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Ronald Baron, Individually

By:

/s/ Ronald Baron

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Ronald Baron

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Joint Filing Agreement

The undersigned each hereby agree that the Schedule 13G dated July 10, 2003, which relates to the common stock of Arch Capital Group Ltd. is to be filed jointly on behalf of each of them for the reasons stated therein, and any amendments thereto shall be filed jointly by the undersigned.

Dated: July 10, 2003

Baron Capital Group, Inc., Baron Growth Fund,  
BAMCO, Inc., and Baron Capital Management, Inc.

By:

/s/ Ronald Baron

---

Ronald Baron, Chairman and CEO

Ronald Baron, Individually

By:

/s/ Ronald Baron

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Ronald Baron