

XL CAPITAL LTD

Form 4

May 16, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
THORNTON JOHN T

(Last) (First) (Middle)

157 WAPOOS TRAIL

(Street)

CHATHAM, MA 02633

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
05/15/2007

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)

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 Indirect Beneficial Ownership (Instr. 4)
Class A Common Shares ⁽¹⁾	05/15/2007		J	1,963.62 A	\$ 76.3895	43,871.861 D	

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
number.**

SEC 1474
(9-02)

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

Edgar Filing: XL CAPITAL LTD - Form 4

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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Purchase Contract to acquire Class A Common Shares ⁽²⁾	\$ 25	05/15/2007		J		6,000		03/23/2004	05/17/2007	Class A Common Shares	1,963.62

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
THORNTON JOHN T 157 WAPOOS TRAIL CHATHAM, MA 02633	X			

Signatures

Nicholas West for John
Thornton 05/16/2007

**Signature of Reporting Person

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) Each security was acquired automatically as a result of the settlement, on May 15, 2007, of the issuer's 6.50% Equity Security Units which were originally issued on March 23, 2004. Each Unit consisted of (i) a contract to purchase Class A common shares and (ii) a 2.5% ownership interest in a senior note of the issuer with a principal amount of \$1,000. Each contract obligated the holder of the Unit to purchase (and the issuer to sell) 0.32727 Class A common shares at a price of \$25.00 on May 15, 2007.

(2) Each purchase contract was disposed of automatically as a result of the settlement, on May 15, 2007, of the issuer's 6.50% Equity Security Units which were originally issued on March 23, 2004. Each Unit consisted of (i) a contract to purchase Class A common shares and (ii) a 2.5% ownership interest in a senior note of the issuer with a principal amount of \$1,000. Each contract obligated the holder of the Unit to purchase (and the issuer to sell) 0.32727 Class A common shares at a price of \$25.00 on May 15, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.