

ADMINISTRATIVE SUPPORT SERVICES AGREEMENT

ADMINISTRATIVE SUPPORT SERVICES AGREEMENT ("Agreement"), effective as of April 1, 2002 by and among ARCH CAPITAL SERVICES INC., a Delaware corporation ("Arch Services"), ARCH CAPITAL GROUP LTD, a Bermuda company ("ACGL"), and the other direct or indirect subsidiaries of ACGL that are signatories hereto (each, an "Arch Subsidiary").

WHEREAS, ACGL and each Arch Subsidiary desire to receive administrative support services from Arch Services and Arch Services desires to provide administrative support services to such parties on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the respective agreements hereinafter set forth and the mutual benefits to be derived herefrom, the parties agree as follows:

Section 1. Engagement

ACGL and each Arch Subsidiary hereby engage Arch Services to provide administrative support services, and Arch Services agrees to provide administrative support services to ACGL and each Arch Subsidiary, on the terms and conditions set forth herein.

Section 2. Services To Be Provided

Arch Services agrees during the term of this Agreement to provide various administrative support services as ACGL and the Arch Subsidiaries shall from time to time request, including but not limited to:

- (a) bookkeeping and accounting services;
- (b) payroll-related administrative support services;
- (c) assistance with the preparation of SEC reports and filings;
- (d) assistance with the preparation of federal, state and local tax returns;
- (e) information technology services;
- (f) arranging of separate insurance coverage;
- (g) employee benefit plan and human resources consulting;
- (h) legal services; and
- (i) maintaining data bases of objective factual information to facilitate conflicts checks.

Section 3. Compensation

ACGL and each Arch Subsidiary each agree to pay to Arch Services as compensation for services rendered to such party under this Agreement such arm's-length amounts as such party and Arch Services shall agree to from time to time.

Section 4. Term

This Agreement shall be in effect for a period of one year from the date hereof; provided that this Agreement shall automatically be extended for consecutive one-year periods until such time as any party provides the other parties with 30 days written notice prior to the then termination date of its intention to terminate this Agreement as to such party, in which event this Agreement shall not be extended as to such party; provided further that, solely with respect to American Independent Insurance Company, Arch Reinsurance Company, Arch Specialty Insurance Company, Arch Excess & Surplus Insurance Company and Arch Insurance Company, this Agreement shall not be effective unless and until all requisite approvals from insurance regulatory authorities have been obtained.

Section 5. Indemnification

ACGL and each Arch Subsidiary each agree (on a several and not joint basis) to indemnify and hold harmless Arch Services, its directors, officers, employees, shareholders, agents and majority-owned subsidiaries from and against any and all loss, liability, claims, causes of action, costs, damages and expenses (including reasonable attorneys' fees) arising from the performance of this Agreement in respect of ACGL or such Arch Subsidiary, as the case may be (collectively, "Losses"), except Losses arising as a result of Arch Services' gross negligence or intentional wrongdoing.

Section 6. Independent Contractor Status

The parties agree that Arch Services shall perform services hereunder as an independent contractor, retaining control over the responsibility for its own operations and personnel. Neither Arch Services nor its officers or employees shall be considered employees or agents of ACGL or any Arch Subsidiary as a result of this Agreement, nor shall any such person (a) represent himself, herself or itself as an agent or representative of ACGL or any Arch Subsidiary or as having any power or authority to incur any obligation of any nature, express or implied, on behalf of ACGL or any Arch Subsidiary or (b) have the authority to contract in the name of or bind ACGL or any Arch Subsidiary.

Section 7. Entire Agreement; Modification

This Agreement (i) contains the complete and entire understanding and agreement of the parties with respect to the subject matter hereof, (ii) supersedes all prior and contemporaneous understandings, conditions and agreements, oral or written, express or implied, with respect to the engagement of Arch Services for administrative support services, and (iii) may not be modified with respect to any party hereunder except by an instrument in writing executed by such party.

Section 8. Waiver of Breach

The waiver by any party of a breach of any provision of this Agreement by any other party shall not operate or be construed as a waiver of any subsequent breach of that provision or any other provision hereof.

Section 9. Assignment

No party hereunder may assign its respective rights or obligations under this Agreement without the prior written consent of each other party affected by such assignment.

Section 10. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but which together shall constitute one and the same instrument.

Section 11. New Members

Each party hereto recognizes that from time to time additional subsidiaries of ACGL may become parties to this Agreement. Each party hereto agrees that each such additional subsidiary shall automatically become a party to this Agreement upon signing this Agreement, and shall constitute an Arch Subsidiary for all purposes of this Agreement.

Section 12. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of law.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date written above.

ARCH SERVICES:

ARCH CAPITAL SERVICES INC.

By: _____

Name: Louis T. Petrillo

Title:

[ADD SUBSIDIARY NAME]

By: _____

Name:

Title: