

ARCH CAPITAL GROUP LTD.

SOCIAL MEDIA POLICY

September 2013

Purpose

The Arch Group¹ (“Arch”) recognizes that there are an increasing number of opportunities to participate in interactive discussions and share information on particular topics using a wide variety of social media platforms, such as Facebook, LinkedIn, Twitter, Glassdoor, Tumblr, blogs and other social forums. We recognize that social media may be an increasingly important tool in the promotion and marketing of products and the development of professional links. Arch encourages employees to participate in professional associations, publications, conventions and other gatherings which may advance and enhance their development as experts and leaders in our industry. However, employees' use of social media can pose risks to Arch's confidential and proprietary information, reputation and brands, can expose Arch to discrimination and harassment claims and can jeopardize our compliance with applicable laws and regulations.

To minimize these business and legal risks, to avoid loss of productivity and distraction from employees' job performance and to ensure that the company's IT resources and communications systems are used appropriately as explained below, Arch expects its employees to adhere to the following guidelines and rules regarding use of social media (“Social Media Policy”).

There are many examples of social media and this area is constantly changing. This Social Media Policy applies to any social media that employees use now or in the future.

Scope

The Social Media Policy should be read in conjunction with the Arch Capital Group Ltd. Code of Business Conduct and Compliance Program (the “Code”). Employees, directors and officers of Arch (“Employees”) are expected to comply with the Code and the Social Media Policy at all times. Where appropriate, agents of Arch also may be required to comply with the Social Media Policy. The Social Media Policy is consistent with the Code and is designed to supplement the Code by addressing specific issues relating to social media. All of Arch's other policies that might apply to use of social media remain in full force and effect.

¹ Arch Group refers to all of the subsidiaries of Arch Capital Group Ltd.

Business Use of Social Media

Principles

The Social Media Policy is based on an Employee's duty of loyalty, confidentiality obligations, expectation to engage in honest and fair dealing and Arch's policy against discrimination and harassment. These duties and obligations are not limited to working hours, but rather apply at all times. The following is an overview of such duties:

- *Confidentiality.* Our confidentiality policy provides that Employees of Arch must not discuss internal Arch group matters or developments with anyone outside Arch, except as required in the performance of regular corporate duties.
- *Duty of Loyalty.* Employees owe a duty of loyalty to Arch. As such, Employees have an obligation to not knowingly engage in actions which may conflict with interests of Arch, its employees, directors, officers and products.
- *Honest and Fair Dealing.* Employees are expected to deal honestly, ethically and fairly with the Company's customers, competitors and fellow employees.
- *No False or Misleading Statements.* Employees are expected not to make any false or misleading statements about Arch, including, but not limited to, its business, employees, directors, officers or products, as well as its competitors.
- *Policy Against Discrimination and Harassment.* It is Arch's policy that sexual, ethnic, racial, as well as any other form of harassment prohibited by law is unacceptable conduct in the workplace and will not be tolerated.

Policy

Arch does not permit Employees to use/post/partake of social media for **business purposes** (as specifically defined below) during or outside business/working hours without prior written consent of legal personnel of Arch Capital Services Inc. Arch permits limited use of social media for recruitment and marketing with prior written consent of Arch Capital Services Inc. This rule applies regardless of whether an Employee is using a device (laptop or desktop computer, mobile/smart phone, personal digital assistant, tablet, etc.) owned by Arch, the Employee or any third party ("Devices").

"Business purposes" means any situation where an Employee:

- uses his or her Arch email address or name and Arch title in any communication/posting and is engaged in activity in which the Employee indicates

directly or indirectly that the Employee is communicating in an official Arch capacity or on behalf of Arch or any of its affiliates; or

- does not necessarily use his or her Arch email address or name and Arch title, but indicates or otherwise implies that he or she is communicating in an official Arch capacity or on behalf of Arch or any of its affiliates; or
- creates any presentation, advertisement or other marketing piece of any kind for Arch or Arch products.

Examples of business purposes which require prior written consent include, but are not limited to, the following examples:

- creating a LinkedIn page for an Arch product line or Arch subsidiary;
- creating a Facebook page for an Arch product line or Arch subsidiary;
- Tweeting about Arch management in a manner which implies the author is speaking in an official Arch capacity;
- Tweeting about Arch confidential financial information;
- posting a video on YouTube about Arch products;
- posting a recommendation for a person or company on LinkedIn which explicitly states or implies that the recommendation is made in an Employee's official capacity as an Arch Employee; and
- posting an Arch job opening on an Employee's Facebook page.

These actions may in some cases create serious legal or regulatory issues for Arch and/or constitute a violation of the Code. In many states, posting a description of an insurance product on LinkedIn or Facebook may constitute an advertisement for insurance, which is subject to state regulations. As such, Arch must exercise the appropriate legal review of these postings in advance.

Social media should never be used in a way that violates any other Arch policies or Employee obligations. If your social media activity would violate any of Arch's policies in another forum, it will also violate them in an online forum. For example, Employees are prohibited from using social media to:

- violate Arch's IT resources and communications systems policies;
- violate Arch's confidentiality and proprietary rights policies;

- engage in unlawful harassment;
- circumvent policies prohibiting unlawful discrimination and harassment against current Employees or applicants for employment;
- violate Arch's privacy policies; or
- violate any other laws or ethical standards (for example, never use social media in a false or misleading way, such as by claiming to be someone other than yourself or by creating an artificial "buzz" around our business, products or stock).

Employees who violate Arch policies may be subject to serious discipline, up to and including termination of employment.

Approval Process

Employees who wish to use social media for business purposes should approach Arch Capital Services Inc. for written consent.² Arch will grant approval based on its assessment of the value of using social media and the risks of using social media to Arch and its Employees.

Personal Use of Social Media

Employee use of social media for personal purposes using Devices during working hours is permitted on a limited and reasonable basis. Employees should consult the "Policy Statement on the Use of the Company's Computer Network, Including E-mail Communications", which is part of the Code.

Policy

Employees are permitted to use social media for personal use as long as such usage does not violate the Social Media Policy or Code. Permitted uses by Employees include:

- maintaining a personal Facebook page with Employee's position at Arch listed in the profile;
- maintaining a LinkedIn profile with Employee's position at Arch listed in the profile;
- connecting with other persons on LinkedIn;

² Any Employee wishing to use social media for business purposes should contact Joy Huibonhoa of Arch Capital Services Inc.

- establishing and using a Twitter account;
- following a company or person on Twitter; and
- participating in legal online forums.

Arch encourages its Employees to use good judgment when using social media for personal use. You are personally responsible for what you communicate in social media. Remember that what you publish might be available to be read by the public (including Arch, future employers and social acquaintances) for a long time.

Make it clear in your social media activity that you are speaking on your own behalf. Write in the first person and use your personal e-mail address when communicating via social media. Never post anonymously to social media sites when your post could be attributed to Arch, its affiliates, customers, clients, business partners, suppliers, vendors or other stakeholders. Anonymous posts can be traced back to the original sender's email address. Follow all guidelines in this Social Media Policy regarding social media postings.

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