

XL CAPITAL LTD
Form 4
October 14, 2008

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
OHARA BRIAN M

(Last) (First) (Middle)

C/O XL CAPITAL LTD, XL HOUSE

(Street)

HAMILTON, D0 HM 11

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
10/09/2008

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)
Chairman

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)
			Code	V	Amount		
					(A) or (D)		
					Price		
Class A Common Shares	10/09/2008		S		470,874 (1)	D	\$ 3.8 (2) 250,500
Class A Common Shares	10/09/2008		S		139,000 (1)	D	\$ 4.94 (3) 111,500
Class A Common Shares	10/09/2008		S		33,500 (1)	D	\$ 5.62 (4) 78,500

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

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(9-02)

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

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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
OHARA BRIAN M C/O XL CAPITAL LTD XL HOUSE HAMILTON, D0 HM 11	X		Chairman	

Signatures

Brian M. O'Hara 10/14/2008

**Signature of Reporting Person

Date

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) Shares sold involuntarily. These shares were held as collateral for a loan. The brokerage firm that provided the loan sold the shares as a result of a decline in the Company's stock price which resulted in a default under the terms of the loan agreement.
 - (2) Shares sold involuntarily (See footnote 1). Shares were sold in 97 blocks with a price range from \$3.45 to \$4.45. Full details are available upon request to the SEC, the Issuer or a Security holder of the Issuer.
 - (3) Shares sold involuntarily (See Footnote 1). Shares were sold in 88 blocks with a price range from \$4.45 to \$5.42 Full details are available upon request to the SEC, the Issuer or a Security holder of the Issuer.
 - (4) Shares sold involuntarily (See Footnote 1). Shares were sold in 41 blocks with a price range from \$5.43 to \$6.19. Full details are available upon request to the SEC, the Issuer or a Security holder of the Issuer.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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