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XL CAPITAL LTD
Form 8-K
September 05, 2001

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities
Exchange Act of 1934

September 4, 2001
Date of Report (Date of earliest event reported)

XL CAPITAL LTD
(Exact name of registrant as specified in its charter)

Cayman Islands	1-10809	98-0191089
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(I.R.S. Employer Identification No.)

XL House, One Bermudiana Road, Hamilton, Bermuda HM11
(Address of principal executive offices)

(441) 292-8515
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

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Item 5. Other events.

On September 4, 2001, XL Capital Ltd issued the press releases attached as Exhibits 99 (a) and (b) and incorporated by reference herein.

Item 7. Financial Statements and Exhibits.

(c) Exhibits. The following exhibits are filed herewith:

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Exhibit No.	Description
99(a)	Press Release ("XL Capital Announces Plans to Issue Zero-Coupon Convertible Debentures and Place Long-Term Debt") dated September 4, 2001.
99(b)	Press Release ("XL Capital Prices Zero-Coupon Convertible Debentures") dated September 4, 2001.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 5, 2001

XL CAPITAL LTD

By: /s/ Paul S. Giordano

Name: Paul S. Giordano
Title: Executive Vice President and
General Counsel and Secretary

Exhibit 99(a)

XL Capital Ltd

XL House
One Bermudiana Road
Hamilton HM 11
Bermuda

Phone: (441) 292-8515
Fax: (441) 292-5280

NEWS RELEASE

IMMEDIATE

Contact: Gavin R. Arton
Investor Relations
441-294-7104

Roger R. Scotton
Media Relations
441-294-7165

XL CAPITAL ANNOUNCES PLANS TO ISSUE

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ZERO-COUPON CONVERTIBLE DEBENTURES AND PLACE LONG-TERM DEBT

HAMILTON, Bermuda (September 4, 2001) - XL Capital Ltd ("XL") (NYSE: XL) announced today that it has commenced an offering of its 20-year zero-coupon convertible senior debentures due 2021 which are being issued in a private offering. The initial purchaser of the convertible debentures will have an option to purchase additional convertible debentures to cover over-allotments.

XL expects to use the net proceeds of the offering of the convertible debentures to fund its purchase of XL ordinary shares and for general corporate purposes, which may include the repayment of a portion of its outstanding indebtedness, acquisitions and additional share pur-

chases.

XL also intends to place up to approximately \$500 million of long-term debt. XL expects to use the net proceeds of the placement of the long-term debt for general corporate purposes, which may include the repayment of a portion of its outstanding indebtedness, acquisitions and additional purchases of outstanding ordinary shares. Any such additional purchases from the proceeds of the convertible debentures or the long-term debt will be determined based upon prevailing market conditions.

XL Capital Ltd, through its operating subsidiaries, is a leading provider of insurance and reinsurance coverages and financial products to industrial, commercial and professional service firms, insurance companies, and other enterprises on a worldwide basis. As at June 30, 2001, XL had consolidated assets of approximately \$18.7 billion and consolidated shareholders' equity of approximately \$5.7 billion. More information about XL is available on www.xlcapital.com.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any of the convertible debentures or any other securities, nor will there be any sale of the convertible debentures or any other securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state. The convertible debentures will be issued in reliance on the exemption from the registration requirements provided by Rule 144A. None of the convertible debentures, the underlying ordinary shares or the long-term debt have been registered under the Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws.

This press release may contain forward-looking statements which involve inherent risks and uncertainties. Statements that are not historical facts, including statements about XL's beliefs, plans or expectations, are forward-looking statements. These statements are based on current plans, estimates and expectations. Actual results may differ materially from those projected in such forward-looking statements and therefore you should not place undue reliance on them. A non-exclusive list of the important factors that could cause actual results to differ materially from those in such forward-looking statements is set forth in XL's most re-

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cent report on Form 10-K and XL's other documents on file with the Securities and Exchange Commission. XL undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

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Exhibit 99(b)

XL Capital Ltd
XL House
One Bermudiana Road
Hamilton HM 11 Bermuda
Phone: (441) 292-8515
Fax: (441) 292-5280

NEWS RELEASE

IMMEDIATE

Contact:	Gavin R. Arton	Roger R. Scotton
	Investor Relations	Media Relations
	441-294-7104	441-294-7165

XL CAPITAL PRICES ZERO-COUPON CONVERTIBLE DEBENTURES

HAMILTON, Bermuda (September 4, 2001) - XL Capital Ltd ("XL") (NYSE: XL) announced today that it has agreed to sell its 20-year zero-coupon convertible senior debentures due 2021 which are being issued in a private offering that will result in net proceeds of approximately \$250 million. The convertible debentures will be convertible into XL ordinary shares at an initial conversion price of \$107.07 and will carry a 2 7/8% yield to maturity. The initial purchaser of the convertible debentures will have an option to purchase up to an additional \$37.5 million of convertible debentures to cover over-allotments.

XL expects to use the net proceeds of the offering of the convertible debentures to fund its purchase of approximately \$66.4 million of XL ordinary shares and for general corporate purposes, which may include the repayment of a portion of its outstanding indebtedness, acquisitions and additional share purchases.

As announced earlier today, XL also intends to place up to approximately \$500 million of long-term debt. XL expects to use the net proceeds of the placement of the long-term debt for general corporate purposes, which may include the repayment of a portion of its outstanding indebtedness, acquisitions and additional purchases of outstanding ordinary shares. Any such additional purchases from the proceeds of the convertible debentures or the long-term debt will be determined based upon prevailing market conditions.

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