ACA Capital Holdings Inc Form 4/A March 22, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL

OMB Number: 3235-0287

Expires: January 31, 2005

0.5

Estimated average burden hours per response...

if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

See Instruction

Check this box

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * FW ACA Investors, L.P.			2. Issuer Name and Ticker or Trading Symbol ACA Capital Holdings Inc [ACA]						5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First) (STREET, SUITI	(Middle)		Date of Earliest Transaction onth/Day/Year)					(Check all applicable) Director 10% Owner Officer (give titleX Other (specify			
201 MAIN	STREET, SOTTI	2 3100	11/13/2	2000				be	elow)	below) emarks Below	``1	
	(Street)			onth/Day/Ye		te Original		A ₁	Individual or Join pplicable Line) _ Form filed by One	e Reporting Per	son	
FORT WORTH, TX 76012								_	_X_ Form filed by More than One Reporting Person			
(City)	(State)	(Zip)	Tab	le I - Non	-D	erivative Secu	rities	Acquir	red, Disposed of,	or Beneficiall	y Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	E 2A. Deem Execution any (Month/D	Date, if	Code (Instr. 8)	ion (4. Securities Actor Disposed of (Instr. 3, 4 and	(D) 5) (A) or	, ,	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)	
Common Stock (1)	11/15/2006			Code V		Amount 105,956.01	(D)	Price (2)	105,956	D (4)		
Common Stock (1)	11/15/2006			C	4	527,324.18	A	<u>(3)</u>	633,280.19	D (4)		

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

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SEC 1474

(9-02)

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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. Transactio Code (Instr. 8)	5. Number of or Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Derivative Expiration Date ecurities (Month/Day/Year) acquired (A) or bisposed of (D)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)		ate xercisable	Expiration Date	Title	Amount or Number of Shares
Series B Senior Convertible Preferred Stock (1)	\$ 0	11/15/2006		С	17,659	.34	(2)	(2)	Comm Stock	105,956.
Senior Convertible Preferred Stock (1)	\$ 0	11/15/2006		С	87.89)	(3)	<u>(3)</u>	Comm Stock	527,324.

Reporting Owners

Reporting Owner Name / Address		R	ips					
Topozona o water tame, seasons	Director	10% Owner	Officer	Other				
FW ACA Investors, L.P. 201 MAIN STREET, SUITE 3100 FORT WORTH, TX 76012				See Remarks Below				
GROUP III 31 LLC 201 MAIN STREET, SUITE 3100 FORT WORTH, TX 76012				See Remarks Below				
CRANDALL J TAYLOR 201 MAIN STREET, SUITE 3100 FORT WORTH, TX 76012		See Remarks Below						
Signatures								
/s/ Kevin G. Levy, Vice President of Investors, L.P.	03/22/2007							
*	*Signature of	Reporting Persor	1		Date			
/s/ Kevin G. Levy, Vice President of	03/22/2007							
* -	Date							
/s/ Kevin G. Levy, Attorney-in-Fac	03/22/2007							
*	*Signature of	Reporting Person	1		Date			

Reporting Owners 2

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) This amendment is being filed to reflect the appropriate beneficial ownership structure.
- (2) The Series B Senior Convertible Preferred Stock converted into shares of the issuer's common stock on a 6-for-1 basis upon the closing of the initial public offering of the issuer's common stock and had no expiration date.
- (3) The Convertible Preferred Stock converted into shares of the issuer's common stock on a 6,000-for-1 basis upon the closing of the initial public offering of the issuer's common stock and had no expiration date.
- (4) Group III 31, L.L.C. is the general partner of FW ACA Investors, L.P. and Mr. Crandall is the sole member of Group III 31, L.L.C.

Remarks:

(5) A Power of Attorney authorizing Kevin G. Levy to act on behalf of J. Taylor Crandall previously has been filed with the Securities and Exchange Commission.

The reporting persons may be deemed members of Section 13(d) "group" pursuant to the issuer's stockholders agreement. This filing shall not be deemed an admission that any reporting person is, for purposes of Section 13(d) or Section 16 of the Securities Exchange Act of 1934, as amended or otherwise, a member of a group or the beneficial owner of any securities in excess of the amount in which the reporting person has a pecuniary interest.

Group III 31, L.L.C. and Mr. Crandall may be deemed to be the beneficial owner of the securities reported herein only to the extent of his or its pecuniary interest therein. Pursuant to Rule 16a-1(a)(4) under the Act, this filing shall not be deemed an admission that Group III 31, L.L.C. or Mr. Crandall is, for purposes of Section 16 of the Act or otherwise, the beneficial owners of any securities reported herein in excess of such amount.

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.