

Kehoe Michael P
Form 4
December 11, 2007

FORM 4

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

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Kehoe Michael P

2. Issuer Name **and** Ticker or Trading
Symbol
JAMES RIVER GROUP, INC
[JRVV]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
300 MEADOWMONT VILLAGE
CIRCLE, SUITE 333

3. Date of Earliest Transaction
(Month/Day/Year)
12/11/2007

____ Director ____ 10% Owner
X Officer (give title below) ____ Other (specify below)
Pres & CEO- James River Mgt Co

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

CHAPEL HILL, NC 27517

(City) (State) (Zip)

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$0.01 per share	12/11/2007		D		64,777	D	\$ 34.50 (1)

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

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information contained in this form are not
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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. 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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options to purchase common stock	\$ 10	12/11/2007		D		243,630		<u>(2)</u>	05/14/2013	Common Stock	243,630
Options to purchase common stock	\$ 18	12/11/2007		D		20,000		<u>(3)</u>	08/07/2015	Common Stock	20,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Kehoe Michael P 300 MEADOWMONT VILLAGE CIRCLE SUITE 333 CHAPEL HILL, NC 27517	Pres & CEO- James River Mgt Co

Signatures

/s/ E. Caperton Lauver,
Attorney-in-Fact
12/11/2007

**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).

- On November 6, 2007, the Company's stockholders approved the Agreement and Plan of Merger, dated as of June 11, 2007, among the issuer, Franklin Holdings (Bermuda), Ltd. and Franklin Acquisition Corp. (the merger agreement). Pursuant to the merger agreement, the issuer was acquired by Franklin Holdings (Bermuda), Ltd., effective December 11, 2007 (the merger). Subsequent to the closing of the
- (1) merger, the issuer's common stock ceased to be publicly traded and its registration was terminated with the SEC and NASDAQ. Pursuant to the terms of the merger agreement, each option to purchase shares of the issuer's common stock, whether vested or unvested, was cancelled in exchange for either a cash payment or for options in Franklin Holdings II (Bermuda), Ltd. (a private company and wholly-owned subsidiary of Franklin Holdings (Bermuda), Ltd.).
 - (2) This option provided for vesting in four equal annual installments beginning 5/15/03. The right to purchase 10,000 shares pursuant to this option was cancelled in connection with the merger in exchange for an option to purchase common stock in Franklin Holdings II

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(Bermuda), Ltd., pursuant to an agreement between the reporting person and Franklin Holdings (Bermuda), Ltd. such new option having the same value as the portion of the option cancelled in exchange therefor. The right to purchase the remaining 233,630 shares covered by this option was cancelled pursuant to which the reporting person is entitled to receive a cash payment equal to the difference between \$34.50 and the strike price of the underlying option multiplied by the number of options cancelled in connection with the merger, without interest, and less any required withholding taxes. Reflects 10-for-1 common stock split effective 8/08/2005.

- (3) This option, which provided for vesting in four equal annual installments beginning 8/08/2005, was cancelled in accordance with the merger agreement pursuant to which the reporting person is entitled to receive a cash payment equal to the difference between \$34.50 and the strike price of the underlying option multiplied by the number of options cancelled in connection with the merger, without interest, and less any required withholding taxes.

Remarks:

Ms. E. Caperton Lauver was granted power of attorney to sign this Form 4 on behalf of Mr. Kehoe.

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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