

Oakes Michael T  
 Form 4  
 December 11, 2007

**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 \*  
 Oakes Michael T

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

\_\_\_ Director \_\_\_ 10% Owner  
 \_\_\_X\_\_\_ Officer (give title below) \_\_\_ Other (specify below)  
 Exec V. Pres & Chief Fin. Off.

CHAPEL HILL, NC 27517

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

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$0.01 per share	12/11/2007		D		146,469	D	\$ 34.50 <u>(1)</u>

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

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SEC 1474  
 (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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options to purchase common stock	\$ 10	12/11/2007		D	88,500	(2) 04/18/2014	Common Stock	88,500	
Options to purchase common stock	\$ 18	12/11/2007		D	50,000	(3) 08/07/2015	Common Stock	50,000	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Oakes Michael T 300 MEADOWMONT VILLAGE CIRCLE SUITE 333 CHAPEL HILL, NC 27517			Exec V. Pres & Chief Fin. Off.	

## Signatures

/s/ E. Caperton Lauver,  
Attorney-in-Fact  
Date: 12/11/2007  
\*\*Signature of Reporting Person

## 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) 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 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.).

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- This option provided for vesting in four equal annual installments beginning 4/19/04. The right to purchase 37,760 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 (Bermuda), Ltd., pursuant to an agreement between the reporting person and Franklin Holdings (Bermuda), Ltd. such new option having
- (2) the same value as the portion of the option cancelled in exchange therefor. The right to purchase the remaining 50,740 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.

- This option, which provided for vesting in four equal annual installments beginning 8/08/05, was cancelled in connection with the merger in exchange for an option to purchase common stock in Franklin Holdings II (Bermuda), Ltd., pursuant to an agreement between the
- (3) reporting person and Franklin Holdings (Bermuda), Ltd. in accordance with the merger agreement, the parties having agreed that the number and exercise price thereof be such as to give the new option the same value as the option cancelled in exchange therefor in connection with the merger. Reflects 10-for-1 common stock split effective 8/08/2005.

### Remarks:

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

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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