

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|---|---|--|----------------------|
| 1 Issuer's name JAMES RIVER GROUP HOLDINGS, LTD. | | 2 Issuer's employer identification number (EIN) 98-0585280 | |
| 3 Name of contact for additional information INVESTOR RELATIONS | 4 Telephone No. of contact 1-441-278-4583 | 5 Email address of contact INVESTORRELATIONS@JRGH.NET | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact PO BOX 1502 | | 7 City, town, or post office, state, and ZIP code of contact HAMILTON HMFX BERMUDA | |
| 8 Date of action 3/29/2019, 6/28/2019, 9/30/2019, 12/31/2019 | 9 Classification and description DISTRIBUTION CATEGORIZED AS NON-DIVIDEND | | |
| 10 CUSIP number G5005R107 | 11 Serial number(s) | 12 Ticker symbol JRVR | 13 Account number(s) |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ON MARCH 29, JUNE 28, SEPTEMBER 30, AND DECEMBER 31, 2018 JAMES RIVER GROUP HOLDINGS, LTD (JRGH) MADE CASH DISTRIBUTIONS TO SHAREHOLDERS IN THE AMOUNT OF \$0.30, \$0.30, \$0.30, AND \$0.30 PER SHARE, RESPECTIVELY. THE TAX CONSEQUENCES OF THE DISTRIBUTIONS DEPEND ON EACH SHAREHOLDER'S PARTICULAR TAX SITUATION. SHAREHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE POTENTIAL TAX CONSEQUENCES OF THE DISTRIBUTIONS.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE NON-DIVIDEND PORTION IS 100% PER SHARE FOR DISTRIBUTIONS MADE ON MARCH 29, JUNE 28 SEPTEMBER 30, AND DECEMBER 31, 2019.**

THE NON-DIVIDEND PORTION OF THE DISTRIBUTIONS ARE TREATED FIRST AS A RETURN OF BASIS TO THE EXTENT OF THE RECIPIENT SHAREHOLDER'S BASIS UNDER SECTION 301 (c)(2). THE AMOUNT IN EXCESS OF THE SHAREHOLDER'S BASIS IS TREATED AS GAIN FROM THE SALE OR EXCHANGE OF PROPERTY UNDER SECTION 301(c)(3).

EACH SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISOR TO DETERMINE THEIR TAX CONSEQUENCES ASSOCIATED WITH THE DISTRIBUTIONS.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **CURRENT EARNINGS AND PROFIT IS ALLOCATED TO EACH DISTRIBUTION BASED ON THE PROPORTION THAT CURRENT EARNINGS AND PROFIT BEARS TO THE TOTAL OF ALL DISTRIBUTIONS MADE DURING THE YEAR, AFTER CERTAIN PREVIOUSLY TAXED INCOME ADJUSTMENTS. THE RESULT IS ZERO (NIL) OF DISTRIBUTIONS BEING DIVIDEND INCOME AND ALL (100%) NON-DIVIDEND DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL TO THE EXTENT OF THE RECIPIENT SHAREHOLDER'S BASIS.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
TAX TREATMENT IS BASED ON IRC SECTIONS 301, 959(a), (c), AND (d) ALONG WITH TREASURY REGULATIONS 1.959-3(c), 1.959-3(b)(3) AND 1.316-2(b).

18 Can any resulting loss be recognized? ▶
SHAREHOLDER'S BASIS IS REDUCED BY THE AMOUNT OF RETURN OF CAPITAL DISTRIBUTIONS BUT NOT BELOW ZERO. ANY AMOUNT OF THE RETURN OF CAPITAL IN EXCESS OF A SHAREHOLDER'S BASIS IS A GAIN TO THE SHAREHOLDER.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
DISTRIBUTIONS WERE MADE IN THE 2019 TAX YEAR.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶ [Handwritten Signature] Date ▶ 02/13/2020
Print your name ▶ Sarah Casey Doran Title ▶ CFO

| | | | | | |
|-------------------------------|----------------------------|----------------------|------|---|------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | Firm's name ▶ | | | Firm's EIN ▶ | |
| | Firm's address ▶ | | | Phone no. | |

Instructions for Form 8937

(Rev. December 2017)



Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 8937 and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form8937.

General Instructions

Who Must File

File Form 8937 if you are an issuer of a specified security that takes an organizational action that affects the basis of that security. A specified security is:

- Any share of stock in an entity organized as, or treated for federal tax purposes as, a corporation;
- Any interest treated as stock, including, for example, an American Depositary Receipt;
- An option, warrant, or stock right described in Regulations section 1.6045-1(m)(2);
- A securities futures contract; or
- A debt instrument (other than a debt instrument subject to section 1272(a)(6) or a short-term obligation).

File Form 8937 when an organizational action affects the basis of holders of a security or holders of a class of the security. For example, you must file Form 8937 if you make a nontaxable cash distribution to shareholders or if you make a nontaxable stock distribution to shareholders, including a stock split. In addition, if a conversion rate adjustment on a convertible debt instrument results in a distribution under section 305(c) (for example, because of a cash distribution to shareholders), you must file Form 8937 if the adjustment occurs after December 31, 2015. Do not file Form 8937 if you distribute stock to someone exercising a previously granted right to purchase stock. While this action bears on the basis of the stock being distributed, it does not affect the basis of stock held by others. You must instead report the basis of the stock being distributed when you purchase back or transfer custody of the stock. You do not need to file Form 8937 for an initial public offering or an issuance of a debt instrument. However, you may need to file Form 8937 for an issuance of a debt instrument in a recapitalization, including a recapitalization resulting from a significant modification or a bankruptcy reorganization.

Do not report a distribution on Form 8937 if the distribution is reportable as a dividend on Form 1099-DIV.

The requirement to file Form 8937 applies to both domestic and foreign issuers of securities if the security is owned by U.S. taxpayers, either directly or as a depository receipt.

This filing requirement applies to organizational actions occurring after 2010 for a specified security as follows.

- Organizational actions occurring after 2010 affecting stock other than regulated investment company stock.
- Organizational actions occurring after 2011 affecting regulated investment company stock.
- Organizational actions occurring after 2013 affecting options, warrants, or stock rights.

- Organizational actions occurring after 2013 affecting securities futures contracts.
- Organizational actions occurring after 2013 affecting fixed yield, fixed term debt instruments described in Regulations section 1.6045-1(n)(2)(i) (other than debt instruments described in Regulations section 1.6045-1(n)(2)(ii)).
- Organizational actions occurring after 2015 affecting debt instruments described in Regulations section 1.6045-1(n)(3) (for example, a variable rate debt instrument, a contingent payment debt instrument, a convertible debt instrument, a payment-in-kind debt instrument, or an inflation-indexed debt instrument).

Exceptions

Public reporting. You are not required to file Form 8937 with the IRS if, by the due date, you post a completed and signed Form 8937 in a readily accessible format in an area of your primary public website dedicated to this purpose and you keep it accessible to the public on this website or the primary website of any successor organization for 10 years. You may electronically sign the Form 8937 that is posted to your website as long as you identify the individual who is signing the penalties of perjury declaration.

Exempt recipients. No reporting is required if you determine that all the holders of the security are exempt recipients, including C corporations, charitable organizations, foreign holders, IRAs, Archer MSAs, health savings accounts (HSAs), the United States, a state, or political subdivisions, as defined in Regulations section 1.6045B-1(b)(5).

Certain money market funds. No reporting is required by a regulated investment company (RIC) that can hold itself out as a money market fund under Rule 2a-7 under the Investment Company Act of 1940.

Special Rules

S corporations. If an S corporation reports the effect of any organizational action affecting the basis of its stock on a Schedule K-1 (Form 1120S) timely filed for each shareholder and timely gives a copy to all proper parties, no Form 8937 is required to be filed with regard to that organizational action.

Certain RICs and REITs. A regulated investment company (RIC) or a real estate investment trust (REIT) that reports undistributed capital gains to shareholders on Form 2439 can satisfy the organizational action reporting requirements for those undistributed gains if the RIC or REIT timely files and gives Form 2439 to all proper parties for the organizational action. RICs, REITs, and brokers holding custody of RIC and REIT stock must then adjust basis in accordance with the information reported on Form 2439.

When To File

Form 8937 must be filed with the IRS on or before the 45th day following the organizational action or, if earlier, January 15 of the year following the calendar year of the organizational action. You may file the return before the organizational action if the quantitative effect on basis is

determinable. For purposes of determining this deadline, a redemption occurs on the last day a holder may redeem a security.



To report the quantitative effect on basis by the due date, you may make reasonable assumptions about facts that cannot be determined before the due date.

You must file a corrected return within 45 days of determining facts that result in a different quantitative effect on basis from what was previously reported. For additional information, see Regulations sections 1.6045B-1(a)(2)(ii) and 1.6045B-1(g), Example 2.

Where To File

Send Form 8937 to Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054.

Issuer Statements

If you are required to file Form 8937, you must give a copy of Form 8937 to each security holder of record as of the date of the organizational action and all subsequent holders of record up to the date you give the copy of Form 8937. If you record the security on your books in the name of a nominee, you must give the copy of Form 8937 to the nominee in lieu of the holder. However, if you, your agent, or a plan you operate is listed as the nominee, you must give the copy of Form 8937 to the holder.

You are considered to have given a copy of Form 8937 to all holders and nominees if you post a completed Form 8937 to your primary public website under the rules listed under Public reporting, earlier.

You are not required to, but may, give a copy of Form 8937 to a holder or nominee if the holder is an exempt recipient. See Exempt recipients, earlier.

You may give holders and nominees a written statement instead of a copy of Form 8937. The written statement must include the same information as provided on Form 8937 and must indicate that the information is being reported to the IRS.

Time for furnishing statements. You must give holders or nominees an issuer statement on or before January 15 of the year following the calendar year of the organizational action. For purposes of determining this deadline, a redemption occurs on the last day a holder may redeem a security. You can give an issuer statement before the organizational action if you have determined the quantitative effect on basis. If you file a corrected Form 8937 with the IRS, you must give a corrected issuer statement by the later of the January 15 due date above or 45 days after you determine the facts that result in a different quantitative effect on basis from what was previously reported.

Penalties

Agents. An issuer may use an agent, including a depository, to satisfy these reporting requirements. However, the issuer remains liable for any penalty for any failure to comply unless

it is shown that the failure is due to reasonable cause and not willful neglect. See sections 6721 through 6724.

Acquiring and successor entities. An acquiring or successor entity of an issuer must satisfy these reporting obligations if the issuer has not done so. If neither the issuer nor the acquiring or successor entity satisfies the reporting obligations, both are jointly and severally liable for any applicable penalties.

Specific Instructions

Part I

Boxes 1 and 2. Enter the issuer's name and employer identification number (EIN).

Boxes 3, 4, 5, 6, and 7. Enter the name, telephone number, email address, and mailing address of a contact person.

Boxes 8, 9, 10, 11, 12, and 13. For each security involved in the organizational action, enter the requested information. Complete all boxes that apply.

Note. If a box does not apply, leave it blank.

In box 9, enter the classification of the security (such as stock) and include any description about the class of security affected.

Part II

For each security involved in the organizational action, enter the requested information.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

| | |
|--|----------------|
| Learning about the law or the form | 35 min. |
| Preparing the form | 40 min. |
| Recordkeeping | 2 hr., 52 min. |