

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

---

SCHEDULE 13G  
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULES 13d-1(b), (c) AND (d) AND AMENDMENTS THERETO FILED  
PURSUANT TO RULE 13d-2(b)  
(Amendment No. 3)\*

KCAP Financial, Inc.

---

(Name of Issuer)

---

Common Stock  
(Title of Class of Securities)

---

500233101  
(CUSIP Number)

---

December 31, 2014  
(Date of Event That Requires Filing of This Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1 (b)  
 Rule 13d-1 (c)  
 Rule 13d-1 (d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

---

- (1) NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
- Virginia Retirement System  
1200 East Main Street  
Richmond, VA 23219
- (I.R.S. Identification No.: 54-6001808)
- (2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions):  
(a)   
(b)
- (3) SEC USE ONLY
- (4) CITIZENSHIP OR PLACE OF ORGANIZATION  
Virginia, USA
- NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON WITH
- (5) SOLE VOTING POWER 1,993,274.21 (see item 4)
- (6) SHARED VOTING POWER
- (7) SOLE DISPOSITIVE POWER 1,993,274.21 (see item 4)
- (8) SHARED DISPOSITIVE POWER
- (9) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,993,274.21 (see item 4)
- (10) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES  
CERTAIN SHARES
- (11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
5.14% (see item 4)
- (12) TYPE OF REPORTING PERSON  
EP
-

Item 1(a). Name of Issuer:

KCAP Financial, Inc. (formerly Kohlberg Capital Corp)

Item 1(b). Address of Issuer's Principal Executive Offices:

295 Madison Avenue, 6<sup>th</sup> Floor  
New York, New York 10017

Item 2(a). Name of Person(s) Filing:

Virginia Retirement System

Item 2(b). Address of Principal Business Office, or, if None, Residence:

1200 East Main Street  
Richmond, VA 23219

Item 2(c). Citizenship:

Virginia

Item 2(d). Title of Class of Securities:

Common Stock of the Issuer

Item 2(e). CUSIP Number:

500233101

Item 3. If This Statement is Filed Pursuant to Sections 240.13d-1(b) or 240.13d-2(b), Check Whether the Person Filing is a:

- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
  - (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
  - (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
  - (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
  - (e)  An investment adviser in accordance with Section 240.13d-1(b)(1)(ii)(E);
  - (f)  An employee benefit plan or endowment fund in accordance with Section 240.13d-1(b)(1)(ii)(F);
  - (g)  A parent holding company or control person in accordance with Section 240.13d-1(b)(1)(ii)(G);
  - (h)  A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
  - (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
  - (j)  Group, in accordance with Section 240.13d-1(b)(1)(ii)(J);
-

Item 4. Ownership:

(a) Amount beneficially owned:

1,993,274.21 shares of common stock, which includes  
1,993,274.21 shares issuable upon the conversion of KCAP Financial, Inc.  
KCAP Financial, Inc. 8.75% convertible Notes Due 03-15-2016  
(the "Convertible Securities").

(b) Percent of class:

5.14%, calculated based on 38,746,946.21 shares of common stock  
outstanding, which number is calculated by adding (i)  
36,753,672.00 (the number of shares of common stock  
outstanding as reported on the Company's most recent  
Form 10-Q filed with the SEC) and (ii) 1,993,274.21  
(the number of shares of common stock deemed  
held under Rule 240.13d (1) as a result of the beneficial  
ownership of the Convertible Securities).

(c) Number of shares as to which the person has:

- (i) Sole power to vote or to direct the vote: 1,993,274.21
- (ii) Shared power to vote or to direct the vote: 0
- (iii) Sole power to dispose or to direct the disposition of: 1,993,274.21
- (iv) Shared power to dispose or to direct the disposition of: 0

Item 5. Ownership of Five Percent or Less of a Class.

N/A

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

N/A

Item 7. Identification and Classification of the Subsidiary That Acquired the Security Being Reported by the Parent Holding Company or Control Person.

N/A

Item 8. Identification and Classification of Members of the Group.

N/A

Item 9. Notice of Dissolution of the Group.

N/A

Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

---

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 9, 2015

**Virginia Retirement System**

By: /s/ Curtis M. Mattson

Name: Curtis M. Mattson

Title: Chief Administration Officer

---