RLI CORP Form 4 July 24, 2013

FORM 4

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

Washington, D.C. 20549
STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

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

Check this box

Form 5 obligations may continue. See Instruction

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

SECURITIES

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Bryant Todd Wayne Issuer Symbol RLI CORP [RLI] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner _X__ Officer (give title Other (specify 9025 N. LINDBERGH DRIVE 07/22/2013 below) Vice President, Controller (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line)

PEORIA, IL 61615

(City)	(State)	${\bf (Zip)} \qquad \qquad {\bf Table~I-Non-Derivative~Securities~Acquired, Disposed~of,~or~Beneficially~Owned}$								
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr. 8)	4. Securities Acquired (A) nor Disposed of (D) (Instr. 3, 4 and 5) (A) or		5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	Ownership Form: Direct (D)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
Common Stock	07/22/2013		Code V $M_{\underline{(1)}}$	Amount 700	(D)	Price \$ 30.51	700	D		
Common Stock	07/22/2013		M <u>(1)</u>	700	A	\$ 39.09	1,400	D		
Common Stock	07/22/2013		M(1)	750	A	\$ 33	2,150	D		
Common Stock	07/22/2013		M(1)	800	A	\$ 30.81	2,950	D		
Common Stock	07/22/2013		M(1)	2,800	A	\$ 29.9	5,750	D		

OMB APPROVAL

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January 31,

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X Form filed by One Reporting Person ____ Form filed by More than One Reporting

Person

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Common Stock	07/22/2013	F(1)	3,307	D	\$ 85.0032	2,443	D	
Common Stock	07/22/2013	S <u>(1)</u>	2,443	D	\$ 85.0032	0	D	
Common Stock						8,714.6544	I	Employee Stock Ownership Plan

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 on Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisab 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
Stock Option	\$ 30.51 (2) (3) (4)	07/22/2013		M(1)		700	08/28/2007(5)	08/28/2016	Common Stock	700
Stock Option	\$ 39.09 (2) (3) (4)	07/22/2013		M(1)		700	05/03/2008(5)	05/03/2017	Common Stock	700
Stock Option	\$ 33 <u>(2)</u> <u>(3)</u> <u>(4)</u>	07/22/2013		M(1)		750	05/01/2009(5)	05/01/2018	Common Stock	750
Stock Option	\$ 30.81 (2) (3) (4)	07/22/2013		M(1)		800	03/02/2010(5)	03/02/2019	Common Stock	800
Stock Option	\$ 29.9 (2) (3) (4)	07/22/2013		M(1)		2,800	05/07/2010(5)	05/07/2017	Common Stock	2,800
Stock Option	\$ 39.34 (2) (3) (4)						05/06/2011(5)	05/06/2018	Common Stock	4,500
Stock Option	\$ 48.73 (2) (3)						05/05/2012(5)	05/05/2019	Common Stock	6,000
	\$ 63.7 (2)						05/03/2013(5)	05/03/2020		6,000

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StockCommonOptionStock

Stock Option \$ 71.84 05/02/2014 (5) 05/02/2021 Common Stock 8,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Bryant Todd Wayne 9025 N. LINDBERGH DRIVE PEORIA, IL 61615

Vice President, Controller

Signatures

/s/ Todd W. 07/24/2013 Bryant

**Signature of
Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The transactions reported above in Table 1 reflect the broker-assisted cashless exercise of stock options. The transactions coded M report the number of shares issuable upon exercise of the options. The line coded F reports the number of shares which were deducted from the

- (1) total number of shares issuable to pay the exercise price of such options (2,139 shares)and required taxes (1,168 shares). The line coded S reports the shares sold after payment of the exercise price and required taxes. The number of shares reported on the Code F and Code S lines were rounded to the nearest whole share and at an aggregate average price of \$85.0032 on 07/22/13.
- (2) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/14/12.
- (3) Stock Option grant price adjusted to reflect \$5 RLI extraordinary dividend declared 11/17/11.
- (4) Stock Option grant price adjusted to reflect \$7 RLI extraordinary dividend paid 12/29/10.
- Pursuant to option schedule wherein 20% of the aggregate number of shares granted may be exercised commencing one year from grant date and each year thereafter in 20% increments.

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.

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