

RLI CORP

Form 4

May 17, 2011

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
MICHAEL JONATHAN E

(Last) (First) (Middle)

9025 N. LINDBERGH DRIVE

(Street)

PEORIA, IL 61615

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

RLI CORP [RLI]

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

05/16/2011

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)

President

6. Individual or Joint/Group Filing(Check
Applicable Line)

☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

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)
Common Stock	05/16/2011		J ⁽²⁾	V Amount (D) Price 33.51 A \$ 59.684	213,342.7644	D ⁽¹⁾	
Common Stock					77,687.868	I	By Empl. Stock Ownership Plan ⁽³⁾
Common Stock					42,461.299	I	By Key Employee Benefit Plan ⁽¹⁾
					17,134.2882	I	By Trust ⁽¹⁾

Common
StockCommon
Stock

5,696.4502 I

J.E.
Michael
2009
Grantor
Retained
Annuity
Trust Dtd
02/24/09

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
required to respond unless the form
displays a currently valid OMB control
number.**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)	8. De Se (In
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 28.08 (4)					05/06/2005 05/06/2014	Common Stock	60,000
Stock Option	\$ 37.54 (4)					05/05/2006 05/05/2015	Common Stock	45,000
Stock Option	\$ 43.15 (4)					05/04/2007 ⁽⁵⁾ 05/04/2016	Common Stock	10,500
Stock Option	\$ 40.44 (4)					08/04/2007 ⁽⁵⁾ 08/04/2016	Common Stock	10,500
Stock Option	\$ 47.04 (4)					11/03/2007 ⁽⁵⁾ 11/03/2016	Common Stock	10,500
Stock Option	\$ 49.21 (4)					02/02/2008 ⁽⁵⁾ 02/02/2017	Common Stock	10,500
						05/03/2008 ⁽⁵⁾ 05/03/2017		10,500

Stock Option	\$ 49.09 <u>(4)</u>				Common Stock	
Stock Option	\$ 49.67 <u>(4)</u>	08/03/2008 ⁽⁵⁾	08/03/2017		Common Stock	10,500
Stock Option	\$ 49.03 <u>(4)</u>	11/02/2008 ⁽⁵⁾	11/02/2017		Common Stock	10,500
Stock Option	\$ 48.41 <u>(4)</u>	02/01/2009 ⁽⁵⁾	02/01/2018		Common Stock	10,500
Stock Option	\$ 43 ⁽⁴⁾ <u>(4)</u>	05/01/2009 ⁽⁵⁾	05/01/2018		Common Stock	10,500
Stock Option	\$ 47.36 <u>(4)</u>	08/01/2009 ⁽⁵⁾	08/01/2018		Common Stock	10,500
Stock Option	\$ 49.73 <u>(4)</u>	11/03/2009 ⁽⁵⁾	11/03/2018		Common Stock	10,500
Stock Option	\$ 49.89 <u>(4)</u>	02/02/2010 ⁽⁵⁾	02/02/2019		Common Stock	10,500
Stock Option	\$ 39.9 ⁽⁴⁾ <u>(4)</u>	05/07/2010 ⁽⁵⁾	05/07/2017		Common Stock	9,750
Stock Option	\$ 43.49 <u>(4)</u>	08/03/2010 ⁽⁵⁾	08/03/2017		Common Stock	9,750
Stock Option	\$ 42.9 ⁽⁴⁾ <u>(4)</u>	11/02/2010 ⁽⁵⁾	11/02/2017		Common Stock	9,750
Stock Option	\$ 44.62 <u>(4)</u>	02/01/2011 ⁽⁵⁾	02/01/2018		Common Stock	9,750
Stock Option	\$ 49.34 <u>(4)</u>	05/06/2011 ⁽⁵⁾	05/06/2018		Common Stock	8,500
Stock Option	\$ 49.2 ⁽⁴⁾ <u>(4)</u>	08/02/2011 ⁽⁵⁾	08/02/2018		Common Stock	8,500
Stock Option	\$ 50.26 <u>(4)</u>	11/01/2011 ⁽⁵⁾	11/01/2018		Common Stock	8,500
Stock Option	\$ 55.28	02/01/2012 ⁽⁵⁾	02/01/2019		Common Stock	8,500
Stock Option	\$ 58.73	05/05/2012 ⁽⁵⁾	05/05/2019		Common Stock	15,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MICHAEL JONATHAN E 9025 N. LINDBERGH DRIVE	X		President	

PEORIA, IL 61615

Signatures

/s/ Jonathan E.

05/17/2011

Michael

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).
- (1) Ownership reflects dividend reinvestment.
- (2) Shares purchased through payroll deduction feature of the RLI Dividend Reinvestment Plan.
- (3) Ownership reflects shares allocated to ESOP participant's account and dividend reinvestment.
- (4) Stock Option grant price adjusted to reflect \$7 RLI extraordinary dividend paid 12/29/10.
- (5) 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.

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