RLI CORP Form 4 July 26, 2013

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction

Check this box

if no longer

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(b).

(Last)

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

9025 N. LINDBERGH DRIVE

(First)

(Middle)

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

RLI CORP [RLI]

3. Date of Earliest Transaction

(Month/Day/Year) 07/25/2013

(Check all applicable)

10% Owner

Other (specify X_ Officer (give title below) below)

President

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

_X__ Director

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

Person

PEORIA, IL 61615

(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)	Code (Instr. 8)	4. Securit or(A) or Dis (Instr. 3, 4	sposed 4 and 3 (A) or	of (D) 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	07/25/2013		Code V M	Amount 10,500	(D)	Price \$ 33.15	247,527.5528	D (1)	
Common Stock	07/25/2013		M	10,500	A	\$ 30.44	258,027.5528	D (1)	
Common Stock	07/25/2013		M	10,500	A	\$ 33	268,527.5528	D (1)	
Common Stock	07/25/2013		M	7,800	A	\$ 29.9	276,327.5528	D (1)	
Common Stock	07/25/2013		M	5,850	A	\$ 33.49	282,177.5528	D (1)	

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Common Stock	07/25/2013	M	5,850	A	\$ 32.9	288,027.5528	D (1)	
Common Stock	07/25/2013	F	34,216	D	\$ 84.49	253,811.5528	D (1)	
Common Stock						93,689.0319	I	By Empl. Stock Ownership Plan (2)
Common Stock						50,891.344	I	By Key Employee Benefit Plan (1)
Common Stock						20,538.4036	I	By Trust (1)
Common Stock						6,667.8084	I	J.E. Michael 2011 Grantor Retained Annuity Trust Dtd 08/02/11
Common Stock						6,034.9199	I	J.E. Michael 2012 Grantor Retained Annuity Trust Dtd 07/24/12
Common Stock						5,060	I	Michael Charitable Fund dtd 08/30/11
Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. Persons who respond to the collection of 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)								

4.

Code

5. Number of

Securities

1. Title of 2.

or Exercise

Security

3. Transaction Date 3A. Deemed

Derivative Conversion (Month/Day/Year) Execution Date, if TransactionDerivative

any

Underlying Securities (Instr. 3 and 4)

7. Title and Amount of

6. Date Exercisable and

Expiration Date

(Month/Day/Year)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)				
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Stock Option	\$ 33.15 (3) (4) (5)	07/25/2013		M	10,500	05/04/2007(6)	05/04/2016	Common Stock	10,500
Stock Option	\$ 30.44 (3) (4) (5)	07/25/2013		M	10,500	08/04/2007(6)	08/04/2016	Common Stock	10,500
Stock Option	\$ 33 <u>(3)</u> <u>(4)</u> <u>(5)</u>	07/25/2013		M	10,500	05/01/2009(6)	05/01/2018	Common Stock	10,500
Stock Option	\$ 29.9 (3) (4) (5)	07/25/2013		M	7,800	05/07/2010 <u>(6)</u>	05/07/2017	Common Stock	7,800
Stock Option	\$ 33.49 (3) (4) (5)	07/25/2013		M	5,850	08/03/2010(6)	08/03/2017	Common Stock	5,850
Stock Option	\$ 32.9 (3) (4) (5)	07/25/2013		M	5,850	11/02/2010(6)	11/02/2017	Common Stock	5,850
Stock Option	\$ 34.62 (3) (4) (5)					02/01/2011(6)	02/01/2018	Common Stock	9,750
Stock Option	\$ 39.34 (3) (4) (5)					05/06/2011(6)	05/06/2018	Common Stock	8,500
Stock Option	\$ 39.2 (3) (4) (5)					08/02/2011(6)	08/02/2018	Common Stock	8,500
Stock Option	\$ 40.26 (3) (4) (5)					11/01/2011(6)	11/01/2018	Common Stock	8,500
Stock Option	\$ 45.28 (3) (4)					02/01/2012(6)	02/01/2019	Common Stock	8,500
Stock Option	\$ 48.73 (3) (4)					05/05/2012(6)	05/05/2019	Common Stock	15,000
Stock Option	\$ 52.62 (3) (4)					08/01/2012(6)	08/01/2019	Common Stock	15,000
Stock Option	\$ 57.59 (3) (4)					11/01/2012(6)	11/01/2019	Common Stock	15,000
Stock Option	\$ 67.61 (3)					02/01/2013(6)	02/01/2020	Common Stock	15,000
Stock Option	\$ 63.7 (3)					05/03/2013(6)	05/03/2020	Common Stock	15,000
Stock Option	\$ 58.25 (3)					08/01/2013 <u>(6)</u>	08/01/2020	Common Stock	15,000

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Stock Option	\$ 62.83 (3)	11/01/2013 <u>(6)</u>	11/01/2020	Common Stock	15,000
Stock Option	\$ 69.48	02/01/2014(6)	02/01/2021	Common Stock	15,000
Stock Option	\$ 71.84	05/02/2014(6)	05/02/2021	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships						
· · · · · · · · · · · · · · · · · · ·	Director	10% Owner	Officer	Other			
MICHAEL JONATHAN E 9025 N. LINDBERGH DRIVE PEORIA, IL 61615	X		President				

Signatures

/s/ Jonathan E.
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) Ownership reflects shares allocated to ESOP participant's account and dividend reinvestment.
- (3) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/14/12.
- (4) Stock Option grant price adjusted to reflect \$5 RLI extraordinary dividend declared 11/17/11.
- (5) Stock Option grant price adjusted to reflect \$7 RLI extraordinary dividend paid 12/29/10.
- (6) 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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