UNITRIN INC Form 4 May 08, 2006

FORM 4

OMB APPROVAL

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

OMB Number: 3235-0287

if no longer subject to Section 16. Form 4 or

Check this box

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Expires: January 31, 2005
Estimated average

0.5

Form 4 or Form 5 obligations may continue.

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

burden hours per response...

See Instruction 1(b).

(Print or Type Responses)

1. Name and AdDRAUT ER	^	orting Person *	2. Issuer Name and Ticker or Trading Symbol UNITRIN INC [UTR]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction			
ONE EAST WACKER DRIVE			(Month/Day/Year) 05/04/2006	_X_ Director 10% Owner _X_ Officer (give title Other (specify below) Executive Vice President & CFO		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
CHICAGO, IL 60601			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		
(City)	(State)	(Zin)				

(City)	(State)	(Zip) Tabl	le I - Non-I	Derivative	Securi	ities Acqu	iired, Disposed of	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)				5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount	(D)	Price	(Instr. 3 and 4)		
Common Stock	05/04/2006		M	32,761	A	\$ 42	102,964	D	
Common Stock	05/04/2006		F	29,629 (1)	D	\$ 48.58	73,335	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474

(9-02)

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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 orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amo Underlying Secu (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	An or Nu of S
Employee Stock Options (2)	\$ 42	05/04/2006		M		32,761	11/01/2005	05/01/2012	Common Stock	32
Employee Stock Options (2)	\$ 48.58	05/04/2006		A	29,629		11/04/2006	05/01/2012	Common Stock	29

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
DRAUT ERIC JOHN							
ONE EAST WACKER DRIVE	X		Executive Vice President & CFO				
CHICAGO, IL 60601							

Signatures

Eric J. Draut 05/08/2006

**Signature of Person

**Buttle Date

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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) This reflects shares withheld or surrendered, either actually or constructively, to the Issuer in payment of the exercise price and/or taxes due in connection with the exercise of options disclosed in Table II.
- (2) Rights to buy.
- (3) Following the last transaction reported in this table, the reporting person holds a total of 386,658 options under the Unitrin, Inc. stock option plans.

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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