RLI CORP Form 4 February 04, 2013

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL

OMB Number: 3235-0287 Expired: January 31,

Expires: 2005
Estimated average

burden hours per response... 0.5

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

obligations

may continue.

Check this box

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

See Instruction 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 STONE MICHAEL J Issuer Symbol RLI CORP [RLI] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) _X__ Director 10% Owner Officer (give title __X_ Other (specify 9025 N. LINDBERGH DRIVE 02/01/2013 below) below) President RLI Insurance Compan (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting **PEORIA, IL 61615** Person

(City)	(State)	(Zip) Tab	le I - Non-	Derivative Securities	Acquired, Dispose	ed of, or Bene	ficially 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)	4. Securities onAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5) (A) or Amount (D) Price	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					80,977.7414	D (1)	
Common Stock					21,754.8769	I	By Empl. Stock Ownership Plan (2)
Common Stock					24,958.4678	I	By Trust (1)
Common Stock					7,592.621	I	M.J. Stone Grantor

Retained

Edgar Filing: RLI CORP - Form 4

			Annuity Trust (M3)			
Common Stock	7,180	I	M.J. Stone Grantor Retained Annuity Trust (M4) dtd. 10/31/11			
Common Stock	10,614.081	I	M.J. Stone Grantor Retained Annuity Trust (M5) dtd. 10/31/11			
Common Stock	5,000	I	M.J. Stone Grantor Retained Annuity Trust (M7) dtd. 01/30/13			
Common Stock	5,000	I	M.J. Stone Grantor Retained Annuity Trust (M8) dtd. 01/30/13			
Common Stock	5,000	I	M.J. Stone Grantor Retained Annuity Trust (M9) dtd. 01/30/13			
Common Stock	3,862.3865	I	M.J. Stone Grantor Retained AnnuityTrust (M2)			
Common Stock	11,198.451	I	M.J. Stone Grantor Retained Annuuity Trust (M6) dtd. 10/31/11			
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						

Edgar Filing: RLI CORP - Form 4

required to respond unless the form displays a currently valid OMB control number.

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. Transacti Code (Instr. 8)	ionof Derivative Expiration Date Undo Securities (Month/Day/Year) (Inst		Expiration Date		7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 69.48	02/01/2013		A	8,000		02/01/2014(3)	02/01/2021	Common Stock	8,000
Stock Option	\$ 39.09 (4) (5) (6)						05/03/2008(3)	05/03/2017	Common Stock	31,500
Stock Option	\$ 33 (4) (5) (6)						05/01/2009(3)	05/01/2018	Common Stock	34,000
Stock Option	\$ 29.9 (4) (5) (6)						05/07/2010(3)	05/07/2017	Common Stock	19,200
Stock Option	\$ 39.34 (4) (5) (6)						05/06/2011(3)	05/06/2018	Common Stock	6,000
Stock Option	\$ 39.2 (4) (5) (6)						08/02/2011 <u>(3)</u>	08/02/2018	Common Stock	6,000
Stock Option	\$ 40.26 (4) (5) (6)						11/01/2011(3)	11/01/2018	Common Stock	6,000
Stock Option	\$ 45.28 (4) (5)						02/01/2012(3)	02/01/2019	Common Stock	6,000
Stock Option	\$ 48.73 (4) (5)						05/05/2012(3)	05/05/2019	Common Stock	8,000
Stock Option	\$ 52.62 (4) (5)						08/01/2012 <u>(3)</u>	08/01/2019	Common Stock	8,000
Stock Option	\$ 57.59 (4) (5)						11/01/2012(3)	11/01/2019	Common Stock	8,000
Stock Option	\$ 67.61 (4)						02/01/2013(3)	02/01/2020	Common Stock	8,000
Stock Option	\$ 63.7 (4)						05/03/2013(3)	05/03/2020	Common Stock	8,000

Edgar Filing: RLI CORP - Form 4

Stock Option	\$ 58.25 (4)	08/01/2013 <u>(3)</u> 08/01/2020	Common Stock	8,000
Stock Option	\$ 62.83 (4)	11/01/2013 <u>(3)</u> 11/01/2020	Common Stock	8,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

STONE MICHAEL J

9025 N. LINDBERGH DRIVE X President RLI Insurance Compan

PEORIA, IL 61615

Signatures

/s/ Michael J.

Stone 02/04/2013

**Signature of Person Date

Reporting Person

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) 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.
- (4) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/14/12.
- (5) Stock Option grant price adjusted to reflect \$5 RLI extraordinary dividend declared 11/17/11.
- (6) Stock Option grant price adjusted to reflect \$7 RLI extraordinary dividend paid 12/29/10.

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.

Reporting Owners 4