RLI CORP Form 4 March 07, 2014

FORM 4

OMB APPROVAL

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

Washington, D.C. 20549

January 31, Expires: 2005

Form 4 or Form 5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Brown Thomas Lynn			2. Issuer Name and Ticker or Trading Symbol RLI CORP [RLI]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last) (First) (Middle)		(Middle)	3. Date of Earliest Transaction	(Check all applicable)			
			(Month/Day/Year)	Director 10% Owner			
9025 N. LINDBERGH DRIVE			03/07/2014	_X_ Officer (give title Other (specify below)			
				VP, CFO/Treasurer			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line)			
PEORIA, IL 61615				_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State)	(Zip) Ta	ble I - Nor	n-Derivative Sec	urities A	cquire	d, Disposed of, o	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transacti Code (Instr. 8)	4. Securities AcorDisposed of (D) (Instr. 3, 4 and	(A) or	A) or 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)
									Dy Evecutive

	Code V	Amount	or (D)	Price	Transaction(s) (Instr. 3 and 4)	(Instr. 4)	
Common Stock 03/07/2014	<u>J(1)</u>	1,852.8044		\$ 44.93	4,116.2597	I (2)	By Executive Deferred Compensation
Common Stock					8,417.114	D (2)	
Common Stock					489.6281	I (2)	Employee Stock Ownership Plan - ESOP

Edgar Filing: RLI CORP - Form 4

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)

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. Transactic Code (Instr. 8)	5. orNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and A Underlying S (Instr. 3 and	Securities 1
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 24.25 (4) (5) (6) (7)					10/03/2012(8)	10/03/2019	Common Stock	14,000
Stock Option	\$ 30.35 (4) (5) (7)					05/03/2013(8)	05/03/2020	Common Stock	36,000
Stock Option	\$ 34.42 (4) (7)					05/02/2014(8)	05/02/2021	Common Stock	40,000

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	100% Oxymor	Officer	Other		

Brown Thomas Lynn

9025 N. LINDBERGH DRIVE VP, CFO/Treasurer

PEORIA, IL 61615

Signatures

/s/ Thomas Lynn Brown 03/07/2014

**Signature of Reporting Date
Person

Reporting Owners 2

Edgar Filing: RLI CORP - Form 4

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) The securities herein were allocated to my account pursuant to the RLI Corp. Executive Deferred Compensation Agreement.
- (2) Ownership reflects dividend reinvestment
- (3) Balance reflects 2012 contribution.
- (4) Stock option grant price adjusted to reflect \$3.00 extraordinary dividend declared 11/14/13.
- (5) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/14/12.
- (6) Stock Option grant price adjusted to reflect \$5 RLI extraordinary dividend declared 11/17/11.
- (7) Stock option grant price and number of stock options adjusted to reflect 2-for-1 stock split on 01/15/14.
- 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.