**RLI CORP** Form 4 October 23, 2014

# FORM 4

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

OMB 3235-0287 Number:

**OMB APPROVAL** 

Check this box if no longer subject to

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

January 31, Expires: 2005 Estimated average

Section 16. Form 4 or Form 5 obligations

**SECURITIES** Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, burden hours per 0.5 response...

may continue. See Instruction

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).

Common Stock

(Print or Type Responses)

1. Name and Addr STONE MICH	*	ng Person *	2. Issuer Name <b>and</b> Ticker or Trading Symbol RLI CORP [RLI]	5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(encon an approach)
9025 N. LINDI	BERGH DR	IVE	(Month/Day/Year) 10/22/2014	X Director 10% Owner Officer (give titleX Other (specify below) President RLI Insurance Compan
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check
PEORIA, IL 6	1615		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

(City)	(State)	(Zip) Tal	ole I - Non-	Derivative	Secu	rities Aco	quired, Disposed of	, or Beneficia	ally 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. Securit on(A) or Dis (Instr. 3, 4)	sposed	of (D)	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	10/22/2014		M	12,800	A	\$ 13.45	238,694.6051	D (1)	
Common Stock	10/22/2014		F	7,981	D	\$ 46.34	230,713.6051	D (1)	
Common Stock							47,223.7438	I	By Empl. Stock Ownership Plan (2)

47,223.7438	I	By Empl. Stock Ownership Plan (2)
52,945.0281	I (1)	By Trust
9,492	I	

## Edgar Filing: RLI CORP - Form 4

Common Stock		M.J. Stone Grantor Retained Annuity Trust (M4) dtd. 10/31/11
Common Stock	20,610.896	M.J. Stone Grantor Retained Annuity Trust (M5) dtd. 10/31/11
Common Stock	22,825.308	M.J. Stone Grantor Retained Annuity Trust (M6) dtd. 10/31/11
Common Stock	8,130	M.J. Stone Grantor Retained Annuity Trust (M7) dtd. 01/30/13
Common Stock	8,722	M.J. Stone Grantor Retained Annuity Trust (M8) dtd. 01/30/13
Common Stock	9,072	M.J. Stone Grantor Retained Annuity Trust (M9) dtd. 01/30/13
Reminder: Report on a separate line for each class of securities benefic	ially owned directly or indirectly.  Persons who respond to the collectic information contained in this form as required to respond unless the form displays a currently valid OMB control number.	re not (9-02)

### Edgar Filing: RLI CORP - Form 4

#### 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. Transactio Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisab Expiration Date (Month/Day/Year		7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Stock Option	\$ 13.45 (3) (4) (5) (6) (7)	10/22/2014		M	12,800	05/07/2010(8)	05/07/2017	Common Stock	12,800

Relationships

# **Reporting Owners**

Reporting Owner Name / Address	<u>-</u> -						
	Director	10% Owner	Officer	Other			
STONE MICHAEL J							

9025 N. LINDBERGH DRIVE

X

President RLI Insurance Compan

## **Signatures**

**PEORIA, IL 61615** 

/s/ Michael J.

Stone 10/23/2014 \*\*Signature of 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)** Balance reflects annual company contributions and dividend reinvestment.
- (3)Stock option grant price adjusted to reflect \$3.00 extraordinary dividend declared 11/14/13.
- 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)**
- **(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 **(8)** date and each year thereafter in 20% increments.

#### **Remarks:**

Reporting Owners 3

### Edgar Filing: RLI CORP - Form 4

Historically, each outstanding stock option grant has been reflected under Table II on all Form 4 filings. Those previously report 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.