RLI CORP
Form 4
May 07, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

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

(Last) (First) (Middle)

9025 N. LINDBERGH DRIVE

(Street)

PEORIA, IL 61615

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
RLI CORP [RLI]

3. Date of Earliest Transaction (Month/Day/Year)
05/06/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								188,412.7475	D (2)	
Common Stock								66,908.3344	I	By Empl. Stock Ownership Plan (3)
Common Stock								36,769.1773	I	By Key Employee Benefit Plan (2)
Common								14,837.4501	I	By Trust (2)

Stock					
Common Stock			7,467	I	J.E. Michael 2009 Grantor Retained Annuity Trust Dtd 02/24/09

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

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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 Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	$ 56.34	05/06/2010		A		8,500		05/06/2011[(1)]	05/06/2018	Common Stock	8,500
Stock Option	$ 20.05							05/03/2002	05/03/2011	Common Stock	1
Stock Option	$ 29.335							05/02/2003	05/02/2012	Common Stock	0
Stock Option	$ 29.55							05/01/2004	05/01/2013	Common Stock	60,000
Stock Option	$ 35.08							05/06/2005	05/06/2014	Common Stock	60,000
Stock Option	$ 44.54							05/05/2006	05/05/2015	Common Stock	45,000
Stock Option	$ 50.15							05/04/2007[(1)]	05/04/2016	Common Stock	10,500
Stock Option	$ 47.44							08/04/2007[(1)]	08/04/2016	Common Stock	10,500

Stock Option	$ 54.04	11/03/2007[(1)]	11/03/2016	Common Stock	10,500	
Stock Option	$ 56.21	02/02/2008[(1)]	02/02/2017	Common Stock	10,500	
Stock Option	$ 56.09	05/03/2008[(1)]	05/03/2017	Common Stock	10,500	
Stock Option	$ 56.67	08/03/2008[(1)]	08/03/2017	Common Stock	10,500	
Stock Option	$ 56.03	11/02/2008[(1)]	11/02/2017	Common Stock	10,500	
Stock Option	$ 55.41	02/01/2009[(1)]	02/01/2018	Common Stock	10,500	
Stock Option	$ 50	05/01/2009[(1)]	05/01/2018	Common Stock	10,500	
Stock Option	$ 54.36	08/01/2009[(1)]	08/01/2018	Common Stock	10,500	
Stock Option	$ 56.73	11/03/2009[(1)]	11/03/2018	Common Stock	10,500	
Stock Option	$ 56.89	02/02/2010[(1)]	02/02/2019	Common Stock	10,500	
Stock Option	$ 46.9	05/07/2010[(1)]	05/07/2017	Common Stock	9,750	
Stock Option	$ 50.49	08/03/2010[(1)]	08/03/2017	Common Stock	9,750	
Stock Option	$ 51.62	02/01/2011[(1)]	02/01/2018	Common Stock	9,750	
Stock Option	$ 49.9	11/02/2010[(1)]	11/02/2017	Common Stock	9,750	

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	05/07/2010
**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) 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.

(2) Ownership reflects dividend reinvestment.

(3) Ownership reflects shares allocated to ESOP participant's account and dividend reinvestment.

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