

RLI CORP  
Form 4  
July 24, 2013

**FORM 4**

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

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).

**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Bryant Todd Wayne

(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)  
07/22/2013

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Vice President, Controller

6. Individual or Joint/Group Filing (Check Applicable Line)  
 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 Ownership (Instr. 4)	
				Code	V	Amount				(A) or (D)
Common Stock	07/22/2013		M <sup>(1)</sup>			700	\$ 30.51	700	D	Indirect Beneficial Ownership
Common Stock	07/22/2013		M <sup>(1)</sup>			700	\$ 39.09	1,400	D	Indirect Beneficial Ownership
Common Stock	07/22/2013		M <sup>(1)</sup>			750	\$ 33	2,150	D	Indirect Beneficial Ownership
Common Stock	07/22/2013		M <sup>(1)</sup>			800	\$ 30.81	2,950	D	Indirect Beneficial Ownership
Common Stock	07/22/2013		M <sup>(1)</sup>			2,800	\$ 29.9	5,750	D	Indirect Beneficial Ownership

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Common Stock	07/22/2013	F <sup>(1)</sup>	3,307	D	\$ 85.0032	2,443	D	
Common Stock	07/22/2013	S <sup>(1)</sup>	2,443	D	\$ 85.0032	0	D	
Common Stock						8,714.6544	I	Employee Stock Ownership Plan

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

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(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. 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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Option	\$ 30.51 (2) (3) (4)	07/22/2013		M <sup>(1)</sup>	700	08/28/2007 <sup>(5)</sup>	08/28/2016	Common Stock	700
Stock Option	\$ 39.09 (2) (3) (4)	07/22/2013		M <sup>(1)</sup>	700	05/03/2008 <sup>(5)</sup>	05/03/2017	Common Stock	700
Stock Option	\$ 33 (2) (3) (4)	07/22/2013		M <sup>(1)</sup>	750	05/01/2009 <sup>(5)</sup>	05/01/2018	Common Stock	750
Stock Option	\$ 30.81 (2) (3) (4)	07/22/2013		M <sup>(1)</sup>	800	03/02/2010 <sup>(5)</sup>	03/02/2019	Common Stock	800
Stock Option	\$ 29.9 (3) (4)	07/22/2013		M <sup>(1)</sup>	2,800	05/07/2010 <sup>(5)</sup>	05/07/2017	Common Stock	2,800
Stock Option	\$ 39.34 (2) (3) (4)					05/06/2011 <sup>(5)</sup>	05/06/2018	Common Stock	4,500
Stock Option	\$ 48.73 (2) (3)					05/05/2012 <sup>(5)</sup>	05/05/2019	Common Stock	6,000
	\$ 63.7 (2)					05/03/2013 <sup>(5)</sup>	05/03/2020		6,000

Stock Option				Common Stock
Stock Option	\$ 71.84	05/02/2014 <sup>(5)</sup>	05/02/2021	Common Stock 8,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bryant Todd Wayne 9025 N. LINDBERGH DRIVE PEORIA, IL 61615			Vice President, Controller	

## Signatures

/s/ Todd W. Bryant	07/24/2013
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<small>**Signature of Reporting Person</small>	<small>Date</small>
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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).
- The transactions reported above in Table 1 reflect the broker-assisted cashless exercise of stock options. The transactions coded M report the number of shares issuable upon exercise of the options. The line coded F reports the number of shares which were deducted from the
- (1) total number of shares issuable to pay the exercise price of such options (2,139 shares) and required taxes (1,168 shares). The line coded S reports the shares sold after payment of the exercise price and required taxes. The number of shares reported on the Code F and Code S lines were rounded to the nearest whole share and at an aggregate average price of \$85.0032 on 07/22/13.
  - (2) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/14/12.
  - (3) Stock Option grant price adjusted to reflect \$5 RLI extraordinary dividend declared 11/17/11.
  - (4) Stock Option grant price adjusted to reflect \$7 RLI extraordinary dividend paid 12/29/10.
  - (5) 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.