

SCHARMER NEAL R  
Form 4  
February 22, 2011

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
SCHARMER NEAL R

2. Issuer Name and Ticker or Trading Symbol  
UNITED FIRE & CASUALTY CO  
[UFCS]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
VP/General Counsel/Corp Sec

(Last) (First) (Middle)  
118 SECOND AVENUE SE, P.O.  
BOX 73909  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/15/2011

CEDAR RAPIDS, IA 52407-3909

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

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

(City) (State) (Zip)

**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 Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/15/2011	02/16/2011 <sup>(1)</sup>	P	V <sup>(2)</sup>	5 <sup>(3)</sup>	A	\$ 19.73 <sup>(4)</sup>	210 <sup>(5)</sup>	I	By 401(k) account for self
Common Stock	02/18/2011		A		1,974	A	\$ 20.54	3,242 <sup>(6)</sup>	D	
Common Stock								679	I	By Issuer's Employee Stock Ownership Plan for self

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

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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. 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)	8. Amount or Number of Shares
Stock Option (right to buy)	\$ 20.54 (7)	02/18/2011		A	4,799	(8) 02/18/2021	Common Stock	4,799
Stock Option (right to buy)	\$ 22.42 (7)					(9) 05/19/2020	Common Stock	3,000
Stock Option (right to buy)	\$ 33.43 (7)					(10) 05/21/2018	Common Stock	4,639
Stock Option (right to buy)	\$ 35.23 (7)					(11) 02/16/2017	Common Stock	5,000
Stock Option (right to buy)	\$ 39.13 (7)					(12) 02/17/2016	Common Stock	2,500
Stock Option (right to buy)	\$ 32.39 (7)					(12) 02/18/2015	Common Stock	2,500
Stock Option	\$ 21.66 (7)					(12) 02/20/2014	Common Stock	2,000

(right to buy)

Stock

Option \$ 15.85  
(right to buy) (7)

(12)

02/21/2013

Common Stock 1,600

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHARMER NEAL R 118 SECOND AVENUE SE P.O. BOX 73909 CEDAR RAPIDS, IA 52407-3909			VP/General Counsel/Corp Sec	

## Signatures

/s/ Neal R. Scharmer by Dianne M. Lyons,  
Attorney-in-Fact

02/22/2011

\_\_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) The deemed execution date of this transaction is the statement date as provided by the Company's 401(k) Plan trustee/administrator.
- (2) This transaction qualifies as a non-discretionary transaction from a tax-qualified plan and is voluntarily reported on Form 4.
- (3) Represents the approximate number of shares acquired by the trustee/administrator of the Company's 401(k) Plan for the reporting person's benefit, based on a statement of the plan trustee/administrator.
- (4) The price per share is based on a statement provided by the Company's 401(k) Plan trustee/administrator.
- (5) The number of securities shown as being held in or acquired by the Company 401(k) account for Mr. Scharmer's benefit are the approximate number of shares of common stock for which Mr. Scharmer has the right to direct the vote under the 401(k) plan. Such shares are not directly allocated to plan participants, but are instead held in a unitized fund consisting primarily of common stock, together with a small percentage of short-term investments. Participants acquire units of this fund.
- (6) The total number of securities beneficially held directly by the reporting person following the reported transaction includes: 1,974 shares of restricted stock issued under the Company's 2008 Stock Plan which vest, subject to certain conditions, on 02/18/2016 and 1,268 shares of restricted stock issued under the Company's 2008 Stock Plan which vest, subject to certain conditions, on 05/21/2013.
- (7) The exercise price of these stock options represents the closing price of issuer's common stock on the grant date.
- (8) 4,799 options become exercisable in four equal installments of 960 options each on 02/18/2012, 02/18/2013, 02/18/2014 and 02/18/2015 and 959 options on 02/18/2016.
- (9) 3,000 options become exercisable in five equal installments of 600 option shares each on 05/19/2011, 05/19/2012, 05/19/2013, 05/19/2014 and 05/19/2015.
- (10) 1,856 options currently exercisable; 928 options become exercisable on 05/21/2011; 928 options become exercisable on 05/21/2012; and 927 options become exercisable on 05/21/2013.
- (11) 4,000 options currently exercisable and 1,000 options become exercisable on 02/16/2012.
- (12) All options currently exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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