MICHAEL JONATHAN E
Form 4
September 14, 2018

# 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

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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)
09/13/2018

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 & CEO

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 | 09/13/2018 | | M | | 6,000 | A | $ 28.24 | 705,393.8988 | D (1) | |
| Common Stock | 09/13/2018 | | M | | 4,000 | A | $ 29.42 | 709,393.8988 | D (1) | |
| Common Stock | 09/13/2018 | | M | | 8,000 | A | $ 35.27 | 717,393.8988 | D (1) | |
| Common Stock | 09/13/2018 | | M | | 16,000 | A | $ 40.55 | 733,393.8988 | D (1) | |
| Common Stock | 09/13/2018 | | M | | 16,000 | A | $ 35.43 | 749,393.8988 | D (1) | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Common Stock | 09/13/2018 | M | 12,000 | A | $ 38.21 | 761,393.8988 | D (1) | |
| Common Stock | 09/13/2018 | M | 12,000 | A | $ 38.15 | 773,393.8988 | D (1) | |
| Common Stock | 09/13/2018 | F | 51,819 | D | $ 79.04 | 721,574.8988 | D (1) | |
| Common Stock | | | | | | 243,160.3288 | I | By Empl. Stock Ownership Plan (2) |
| Common Stock | | | | | | 130,973.894 | I (1) | By Key Employee Benefit Plan |
| Common Stock | | | | | | 52,857.9317 | I (1) | By Trust |
| Common Stock | | | | | | 14,354.7542 | I (1) | Jonathan E. Michael Family Trust Number 1 |
| Common Stock | | | | | | 22,570.7124 | I (1) | Jonathan E. Michael Family Trust Number 2 |

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 o Underlying Securities (Instr. 3 and 4) | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Share |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Stock Option | $ 28.24 (3) (4) (5) (6) | 09/13/2018 | M | 6,000 | 02/01/2014(7) | 02/01/2021 | Common Stock | 6,000 |
| Stock Option | $ 29.42 (3) (4) (5) (6) | 09/13/2018 | M | 4,000 | 05/02/2014(7) | 05/02/2021 | Common Stock | 4,000 |
| Stock Option | $ 35.27 (3) (4) (5) (6) | 09/13/2018 | M | 8,000 | 08/01/2014(7) | 08/01/2021 | Common Stock | 8,000 |
| Stock Option | $ 40.55 (3) (4) (5) (6) | 09/13/2018 | M | 16,000 | 11/01/2014(7) | 11/01/2021 | Common Stock | 16,000 |
| Stock Option | $ 35.43 (3) (4) | 09/13/2018 | M | 16,000 | 02/03/2015(7) | 02/03/2022 | Common Stock | 16,000 |
| Stock Option | $ 38.21 (3) (4) | 09/13/2018 | M | 12,000 | 05/01/2015(7) | 05/01/2022 | Common Stock | 12,000 |
| Stock Option | $ 38.15 (3) (4) | 09/13/2018 | M | 12,000 | 08/01/2015(7) | 08/01/2022 | Common Stock | 12,000 |

# Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| MICHAEL JONATHAN E<br>9025 N. LINDBERGH DRIVE<br>PEORIA, IL 61615 | X | | President & CEO | |

# Signatures

| | |
|---|---|
| /s/ Jonathan E. Michael | 09/14/2018 |
| **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)** Ownership reflects dividend reinvestment

**(2)** Balance reflects annual company contributions and dividend reinvestment.

**(3)** Stock option grant price adjusted to reflect $2.00 extraordinary dividend declared 11-12-15.

**(4)** Stock option grant price adjusted to reflect $3.00 extraordinary dividend declared 11/13/14.

**(5)** Stock option grant price adjusted to reflect $3.00 extraordinary dividend declared 11/14/13.

**(6)** Stock option grant price and number of stock options adjusted to reflect 2-for-1 stock split on 01/15/14.

**(7)** 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.

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Explanation of Responses: