

MERCURY GENERAL CORP
 Form 4
 May 18, 2006

FORM 4

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

OMB APPROVAL

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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 *
STALICK THEODORE R

2. Issuer Name and Ticker or Trading Symbol
**MERCURY GENERAL CORP
 [MCY]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
4484 WILSHIRE BLVD.
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/17/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
CFO-Vice President

LOS ANGELES, CA 90010

(City) (State) (Zip)

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

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 | | | | | 471 | I | ESOP Plan |
| Common Stock | 05/17/2006 | | M | | 3,500 | A | \$ 22.0625 |
| Common Stock | 05/17/2006 | | S | | 3,500 | D | \$ 58.65 |
| Common Stock | 05/17/2006 | | M | | 4,000 | A | \$ 29.77 |
| Common Stock | 05/17/2006 | | S | | 4,000 | D | \$ 58.65 |

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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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Common Stock | \$ 51.43 | | | | | 10/29/2005 10/29/2014 | Commo Stock | 7,500 |
| Common Stock | \$ 42.3091 | | | | | 08/07/1999 08/07/2008 | Common Stock | 5,000 |
| Common Stock | \$ 22.0625 | 05/17/2006 | | S | 3,500 | 12/10/2000 12/10/2009 | Common Stock | 3,500 |
| Common Stock | \$ 29.77 | 05/17/2006 | | S | 4,000 | 10/27/2001 10/27/2010 | Common Stock | 4,000 |
| Common Stock | \$ 41.56 | | | | | 10/26/2002 10/26/2011 | Common Stock | 5,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| STALICK THEODORE R 4484 WILSHIRE BLVD. LOS ANGELES, CA 90010 | | | CFO-Vice President | |

Signatures

Judy Walters, Attorney-In-Fact for Theodore Stalick 05/18/2006

**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).

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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