PROASSURANCE CORP

Form 4 March 07, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB Number: 3235-0287

OMB APPROVAL

Expires: January 31, 2005

Estimated average burden hours per response... 0.5

5. Relationship of Reporting Person(s) to

Issuer

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

See Instruction

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

2. Issuer Name and Ticker or Trading

1(b).

(Print or Type Responses)

MORELLO JAMES J

1. Name and Address of Reporting Person *

MORELLO	O JAMES J	Symbol PRO A	I ASSURANCE CORP [PR <i>A</i>	155001	issuei								
(Last)	(First)		of Earliest Transaction	(C	(Check all applicable)								
C/O PROA	ASSURANCE ATION, 100 OOD PLACE	, , , =	n/Day/Year)	below)	X Officer (give titleX Other (specify								
	(Street)	4. If Ar	mendment, Date Original	6. Individual o	6. Individual or Joint/Group Filing(Check								
BIRMING	HAM, AL 35209	`	Ionth/Day/Year)	_X_ Form filed b	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting								
(C)													
(City)	, ,			•	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)	\$	(D) 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)							
Stock	03/03/2006		S $103 \frac{(1)}{52}$ D 52	19,298	D								
Common Stock				4,755	I	Shares held in the ProAssurance Group Savings and Retirement Plan							
Common Stock				3,148	I	Owned in Reporting							

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Person's IRA

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)

(e.g., puts, cans, 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. Transactic Code (Instr. 8)	5. orNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			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				
Employee Stock Option (Right to Buy)	\$ 41.15					09/10/2005(2)	09/10/2015	Common Stock	12,500				
Employee Stock Option (Right to Buy)	\$ 33.28					09/10/2004(3)	09/10/2014	Common Stock	5,000				
Employee Stock Option (Right to Buy)	\$ 22					09/04/2003(4)	03/04/2013	Common Stock	2,500				
Employee Stock Option (Right to Buy)	\$ 16.8					07/15/2002(5)	01/15/2012	Common Stock	8,000				
Employee Stock Option (Right to	\$ 41.5					06/29/2006 <u>(6)</u>	12/09/2009	Common Stock	1,279				

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Buy)

Employee

Stock

Option \$41.5 06/29/2006(6) 12/01/2008 Common Stock 1,618

(Right to Buy)

Employee

Stock

Option \$41.5 \quad \text{Objoin} \quad \text{Option} \quad \text{\$\frac{12}{2007} \text{Common Stock}} \quad \text{\$\frac{1,886}{29/2006} \text{\frac{6}{29/2006}} \quad \text{\$\frac{12}{2007} \text{\$\frac{1}{2007} \text{\$\frac{1}{2007}} \quad \text{\$\frac{1}{2007} \text{\$\frac{1}{2007} \text{\$\frac{1}{2007} \text{\$\frac{1}{2007}} \quad \text{\$\frac{1}{2007} \text{\$\frac{1

(Right to Buy)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

MORELLO JAMES J C/O PROASSURANCE CORPORATION 100 BROOKWOOD PLACE BIRMINGHAM, AL 35209-6811

Treasurer Senior Vice-President

Signatures

James J. 03/07/2006 Morello

**Signature of Date
Reporting Person

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) Shares sold through the amended and restated ProAssurance Stock Ownership Plan ("the Plan") to satisfy tax obligations resulting from receipt of stock. Under terms of the Plan, this sale is exempt under Rule 16b-3(c)
- (2) The options vest in five equal, yearly installments commencing on September 10, 2005
- (3) The options vest in five equal, yearly installments commencing on September 10, 2004
- (4) The options vest in five equal, yearly installments commencing on September 4, 2003
- (5) The options vest in five equal, yearly installments commencing on July 15, 2002

These are automatic reload rights resulting from the exercise of options under an existing grant to purchase shares under the ProAssurance Corporation Incentive Compensation Stock Plan. These reload options vest one year from the date of grant, provided that

(6) the Reporting Person maintains ownership of the ProAssurance shares that were purchased upon the exercise of the subject options. The grant of reload options to purchase ProAssurance shares reported herein is exempt from Section 16(b) of the Securities Exchange Act, as amended ("the Act") by virtue of Rule 16v-3(d) promulgated under the Act.

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.

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