

RLI CORP
Form 4
June 21, 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 *
VIETS ROBERT O

(Last) (First) (Middle)

11305 NORTH PAWNEE ROAD

(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)
06/20/2006

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)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 06/20/2006 | | A ⁽¹⁾ | V Amount \$ 160 A 46.7 | 3,289.639 | D | |
| Common Stock | | | | | 31,329.6919 ⁽²⁾ | I | By Trust |
| Common Stock | | | | | 20,203 | I | K. Viets, Trustee of ROV Florida Intangible Trust |
| Common Stock | | | | | 4,183.5274 ⁽³⁾ | I | ROV IRA Rollover |

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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. Price or Value of Underlying Securities (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V | (A) | (D) |
| Stock Option | \$ 13.95 | | | | | 02/03/1998 | 02/03/2007 | Common Stock | 1,500 |
| Stock Option | \$ 16.5938 | | | | | 02/01/2000 | 02/01/2009 | Common Stock | 3,000 |
| Stock Option | \$ 19.6 | | | | | 02/02/1999 | 02/02/2008 | Common Stock | 1,500 |
| Stock Option | \$ 22.7 | | | | | 02/01/2001 | 02/01/2011 | Common Stock | 3,600 |
| Stock Option | \$ 22.75 | | | | | 02/01/2003 | 02/01/2012 | Common Stock | 1,800 |
| Stock Option | \$ 27.51 | | | | | 02/03/2003 | 02/03/2013 | Common Stock | 1,800 |
| Stock Option | \$ 40.39 | | | | | 02/02/2004 | 02/02/2014 | Common Stock | 3,600 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| VIETS ROBERT O 11305 NORTH PAWNEE ROAD PEORIA, IL 61615 | | X | | |

Signatures

Robert O Viets

06/21/2006

**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).
- (1) Issued pursuant to the Omnibus Stock Plan Outside Directors Fee Award Agreement
 - (2) Ownership reflects dividend reinvestment.
 - (3) Ownership reflects dividend reinvestment.

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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