

RLI CORP

Form 4

January 31, 2005

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

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
STEPHENS GERALD D

(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)
01/28/2005

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 | 01/28/2005 | | M/K | 66,038 A | \$ 8.24 950,557.2145 (1) | D | |
| Common Stock | 01/28/2005 | | F/K | 15,247 D | \$ 41.87 935,310.2145 (1) | D | |
| Common Stock | | | | | 51.2365 | I | By Empl. Stock Ownership Plan |
| Common Stock | | | | | 12,364.4764 | I | By Executive Deferred Comp |
| Common | | | | | 114,028.3239 | I | By Key Emp. |

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| | | | |
|--------------|--------------------|---|--|
| Stock | (2) | | Benefit Plan |
| Common Stock | 33,413.5574 (3) | I | By Trust for Grandchildren |
| Common Stock | 3,692 | I | By Trust for Sister |
| Common Stock | 60,356 | I | By Wife |
| Common Stock | 152,006.5284 | I | G.D. Stephens Grantor Retained Annuity Trust |
| Common Stock | 10,133.7687 | I | H.M. Stephens Grantor Retained Annuity Trust |

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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Option | \$ 15.9063 | | | | | 05/06/2000 05/06/2009 | Common Stock 61,400 |
| Stock Option | \$ 9.15 | | | | | 05/02/1997 05/02/2006 | Common Stock 54,252 |
| Stock Option | \$ 13 | | | | | 05/01/1998 05/01/2007 | Common Stock 83,002 |
| Stock Option | \$ 15.7813 | | | | | 05/04/2001 05/04/2010 | Common Stock 56,000 |
| Stock Option | \$ 20.05 | | | | | 05/03/2001 05/03/2011 | Common Stock 1,800 |

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| | | | | | | | | | |
|--------------|-----------|------------|--|-----|--------|------------|------------|--------------|--------|
| Stock Option | \$ 21.1 | | | | | 05/07/1999 | 05/07/2008 | Common Stock | 82,500 |
| Stock Option | \$ 29.405 | | | | | 05/01/2003 | 05/01/2012 | Common Stock | 1,800 |
| Stock Option | \$ 29.55 | | | | | 05/01/2004 | 05/01/2013 | Common Stock | 1,800 |
| Stock Option | \$ 34.55 | | | | | 05/03/2005 | 05/03/2014 | Common Stock | 1,800 |
| Stock Option | \$ 40.39 | | | | | 02/02/2005 | 02/02/2014 | Common Stock | 1,800 |
| Stock Option | \$ 8.24 | 01/28/2005 | | M/K | 66,038 | 05/11/1996 | 05/11/2005 | Common Stock | 66,038 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| STEPHENS GERALD D 9025 N. LINDBERGH DRIVE PEORIA, IL 61615 | | | X | |

Signatures

Gerald D Stephens 01/31/2005

__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).
- (2) Ownership reflects dividend reinvestment.
- (3) Ownership reflects dividend reinvestment.
- (4) Options balance adjusted to reflect 2 additional options received pursuant to the 1995 and 1998 stock splits.
- (1) 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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