

RLI CORP
Form 4
October 31, 2016

FORM 4

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

OMB APPROVAL

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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).

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 *
Kennedy Daniel O

(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)
10/31/2016

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)
Vice President General Counsel

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					56,169.731	D ⁽¹⁾	
Common Stock					9,016.4542	I	By Esop ⁽²⁾
Common Stock					1,300.5823	I ⁽³⁾	By Executive Deferred Compensation

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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
Stock Option	\$ 25.35 <u>(4) (5) (6)</u> <u>(7) (8)</u>					05/03/2013 ⁽⁹⁾ 05/03/2020	Common Stock	4,000
Stock Option	\$ 29.42 <u>(4) (5) (6)</u> <u>(8)</u>					05/02/2014 ⁽⁹⁾ 05/02/2021	Common Stock	8,000
Stock Option	\$ 38.21 <u>(4) (5)</u>					05/01/2015 ⁽⁹⁾ 05/01/2022	Common Stock	8,100
Stock Option ⁽⁹⁾	\$ 47.61 <u>(4)</u>					05/07/2016 05/07/2023	Common Stock	13,500
Stock Option	\$ 64.09					05/05/2017 ⁽⁹⁾ 05/05/2024	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kennedy Daniel O 9025 N. LINDBERGH DRIVE PEORIA, IL 61615			Vice President General Counsel	

Signatures

/s/ Daniel O.
Kennedy

10/31/2016

**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) Ownership reflects dividend reinvestment
- (4) Stock option grant price adjusted to reflect \$2.00 extraordinary dividend declared 11-12-15.
- (5) Stock option grant price adjusted to reflect \$3.00 extraordinary dividend declared 11/13/14.
- (6) Stock option grant price adjusted to reflect \$3.00 extraordinary dividend declared 11/14/13.
- (7) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/14/12.
- (8) Stock option grant price and number of stock options adjusted to reflect 2-for-1 stock split on 01/15/14.
- (9) 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.

Remarks:

This Form 4 is being filed to reflect that Daniel O. Kennedy is no longer subject to Section 16 reporting, effective October 28,

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.