STONE MICHAEL J
Form 4
November 15, 2017

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

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 Number:	3235-0287
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(Print or Type Responses)

1. Name and Address of Reporting Person [*]
STONE MICHAEL J

(Last) (First) (Middle)

18808 GANTON AVENUE

(Street)

BRADENTON, FL 34202

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
RLI CORP [RLI]

3. Date of Earliest Transaction (Month/Day/Year)
11/14/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	11/14/2017		M		16,000	A	$ 22.295	286,701.0138	D (1)	
Common Stock	11/14/2017		M		16,000	A	$ 27.305	302,701.0138	D (1)	
Common Stock	11/14/2017		M		16,000	A	$ 25.35	318,701.0138	D (1)	
Common Stock	11/14/2017		M		16,000	A	$ 22.625	334,701.0138	D (1)	
Common Stock	11/14/2017		M		16,000	A	$ 24.915	350,701.0138	D (1)	
	11/14/2017		F		53,127	D	$ 59.42	297,574.0138	D (1)	

Common Stock			
Common Stock	40,203.851	I (1)	By Trust
Common Stock	880	I	By Wife, Custodian UTMA-FL
Common Stock	16,324.155	I (1)	M.J. Stone Grantor Retained Annuity Trust (M5) dtd. 10/31/11
Common Stock	22,347.55	I (1)	M.J. Stone Grantor Retained Annuity Trust (M6) dtd. 10/31/11
Common Stock	7,819	I	M.J. Stone Grantor Retained Annuity Trust (M9) dtd. 01/30/13

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 o Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number

								of Share
Stock Option	$ 22.295 (2) (3) (4) (5) (6) (7)	11/14/2017	M	16,000	11/01/2012 (8)	11/01/2019	Common Stock	16,000
Stock Option	$ 27.305 (2) (3) (4) (5) (7)	11/14/2017	M	16,000	02/01/2013 (8)	02/01/2020	Common Stock	16,000
Stock Option	$ 25.35 (2) (3) (4) (5) (7)	11/14/2017	M	16,000	05/03/2013 (8)	05/03/2020	Common Stock	16,000
Stock Option	$ 22.625 (2) (3) (4) (5) (7)	11/14/2017	M	16,000	08/01/2013 (8)	08/01/2020	Common Stock	16,000
Stock Option	$ 24.915 (2) (3) (4) (5) (7)	11/14/2017	M	16,000	11/01/2013 (8)	11/01/2020	Common Stock	16,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STONE MICHAEL J 18808 GANTON AVENUE BRADENTON, FL 34202	X			

Signatures

/s/ Michael J. Stone	11/15/2017
**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)** Stock option grant price adjusted to reflect $2.00 extraordinary dividend declared 11-12-15.
- **(3)** Stock option grant price adjusted to reflect $3.00 extraordinary dividend declared 11/13/14.
- **(4)** Stock option grant price adjusted to reflect $3.00 extraordinary dividend declared 11/14/13.
- **(5)** Stock option grant price adjusted to reflect $5 extraordinary dividend declared 11/14/12.
- **(6)** Stock Option grant price adjusted to reflect $5 RLI extraordinary dividend declared 11/17/11.
- **(7)** Stock option grant price and number of stock options adjusted to reflect 2-for-1 stock split on 01/15/14.
- **(8)** 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.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.