

RLI CORP  
Form 4  
June 12, 2012

**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 \*  
**VIETS ROBERT O**

(Last) (First) (Middle)  
  
313 NEAPOLITAN WAY  
  
(Street)  
  
NAPLES, FL 34103

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**06/11/2012**

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	06/11/2012		S		500	D	\$ 68.6
					29,060.3177	D	(1)
Common Stock	06/11/2012		S		200	D	\$ 68.7
					28,860.3177	D	(1)
Common Stock	06/11/2012		S		200	D	\$ 68.65
					28,660.3177	D	(1)
Common Stock	06/11/2012		S		200	D	\$ 68.58
					28,460.3177	D	(1)
Common Stock	06/11/2012		S		100	D	\$ 68.45
					28,360.3177	D	(1)
	06/11/2012		S		100	D	
					28,260.3177	D	(1)

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Common Stock					\$ 68.59			
Common Stock	06/11/2012		S	100	D	\$ 68.61	28,160.3177	D <sup>(1)</sup>
Common Stock	06/11/2012		S	100	D	\$ 68.55	28,060.3177	D <sup>(1)</sup>
Common Stock							46,850.78	I By Trust <sup>(1)</sup>
Common Stock							13,691.5302	I R.O.Viets 2010 Grantor Retained Annuity Trust dtd 12/06/10

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. Price or Value of Underlying Securities (Instr. 3 and 4)
Stock Option	\$ 28.39 <sup>(2) (3)</sup>					Date Exercisable: 02/02/2004 Expiration Date: 02/02/2014	Common Stock	Amount or Number of Shares: 3,600

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

VIETS ROBERT O  
313 NEAPOLITAN WAY X  
NAPLES, FL 34103

## Signatures

/s/ Robert O. 06/12/2012  
Viets

    \*\*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) Ownership reflects dividend reinvestment.
  - (2) Stock option grant price adjusted to reflect \$5 extraordinary dividend declared 11/17/11.
  - (3) Stock Option grant price adjusted to reflect \$7 RLI extraordinary dividend paid 12/29/10.

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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