

PROASSURANCE CORP

Form 4

May 29, 2014

**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 \*  
MCMAHON JOHN J JR

(Last) (First) (Middle)

C/O PROASSURANCE  
CORPORATION, 100  
BROOKWOOD PLACE

(Street)

BIRMINGHAM, AL 35209-6811

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

PROASSURANCE CORP [PRA]

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

05/28/2014

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)
Common Stock	05/28/2014		A	(A) or (D) Amount 1,250 (1)	\$ 44.8	27,110	D
Common Stock	05/28/2014		A	425 (2)	\$ 44.8	27,535	D

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  
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SEC 1474  
(9-02)

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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 of Derivative Security (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Units	(3)					(3)	(3)	Common Stock	114	
Restricted Stock Units	(4)					(4)	(4)	Common Stock	116	
Restricted Stock Units	(5)					(5)	(5)	Common Stock	82	

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MCMAHON JOHN J JR C/O PROASSURANCE CORPORATION 100 BROOKWOOD PLACE BIRMINGHAM, AL 35209-6811	X

## Signatures

Frank B. O'Neil with Power of Attorney for the Reporting Person 05/29/2014

\_\_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) These shares are awarded under the ProAssurance Corporation Director Deferred Stock Compensation Plan and are exempt under Rule 16b-3. This grant was recommended by the Compensation Committee, which is composed entirely independent directors (as disclosed on page 17 of our 2014 Proxy Statement), and was approved by our Board of Directors at its meeting on May 28, 2014. This year, the recommended and approved stock compensation grant was for shares having a value not to exceed \$56,000. The number of whole shares

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is determined using the closing price of a share of stock on the New York Stock Exchange (NYSE) on the day of the Board of Directors meeting following the Annual Meeting of Shareholders. The NYSE closing price on May 28, 2014 was \$44.80, resulting in a distribution to each non-management director of 1,250 shares.

Shares acquired from ProAssurance Corporation under its Director Deferred Stock Compensation Plan which are exempt under Rule 16b-3. The plan was amended in 2013 to provide that dividends accumulated on deferred stock will be invested in shares of our stock and

(2) paid solely in our shares of stock when the deferred stock is payable to the directors. Only whole shares are purchased and remaining cash remains in the non-management director's deferred account for future purchase. Any future purchases of this nature will be made yearly, on the date of the Annual Meeting of Shareholders, under the same terms and conditions set forth in this footnote.

RSU's are equal in value to one share of Common Stock, issued on October 7, 2013 under the 2008 Equity Plan and acquired under terms of the ProAssurance Corporation 2011 Employee Stock Ownership Plan. The RSUs will vest upon the sooner of three years of continuous employment, termination of employment by reason of death or disability or for "good reason," or a change of control of the Company. If a participant terminates employment more than twelve months but less than three years from the date of grant, the RSUs will partially vest based on the number of days that the participant was employed in the vesting period. Any RSUs that are unvested on termination of employment will be forfeited. In addition, if a participant withdraws shares purchased for his or her account, matching unvested RSUs will be forfeited. Upon vesting, we will pay the RSUs in shares of our Common Stock from those shares reserved for issuance under the 2008 Equity Plan. Value to be established upon vesting.

(3)

RSU's are equal in value to one share of Common Stock, issued on October 5, 2012 under the 2008 Equity Plan and acquired under terms of the ProAssurance Corporation 2011 Employee Stock Ownership Plan. The RSUs will vest upon the sooner of three years of continuous employment, termination of employment by reason of death or disability or for "good reason," or a change of control of the Company. If a participant terminates employment more than twelve months but less than three years from the date of grant, the RSUs will partially vest based on the number of days that the participant was employed in the vesting period. Any RSUs that are unvested on termination of employment will be forfeited. In addition, if a participant withdraws shares purchased for his or her account, matching unvested RSUs will be forfeited. Upon vesting, we will pay the RSUs in shares of our Common Stock from those shares reserved for issuance under the 2008 Equity Plan. Value to be established upon vesting.

(4)

RSU's are equal in value to one share of Common Stock, issued on October 5, 2011 under the 2008 Equity Plan and acquired under terms of the ProAssurance Corporation 2011 Employee Stock Ownership Plan. The RSUs will vest upon the sooner of three years of continuous employment, termination of employment by reason of death or disability or for "good reason," or a change of control of the Company. If a participant terminates employment more than twelve months but less than three years from the date of grant, the RSUs will partially vest based on the number of days that the participant was employed in the vesting period. Any RSUs that are unvested on termination of employment will be forfeited. In addition, if a participant withdraws shares purchased for his or her account, matching unvested RSUs will be forfeited. Upon vesting, we will pay the RSUs in shares of our Common Stock from those shares reserved for issuance under the 2008 Equity Plan. Value to be established upon vesting.

(5)

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.