

Kliethermes Craig W  
 Form 5  
 January 22, 2019

**FORM 5**

**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).  
 Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL 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

1. Name and Address of Reporting Person \*  
 Kliethermes Craig W  
 (Last) (First) (Middle)

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 \_\_\_\_ Officer (give title below)  Other (specify below)  
 President & COO-RLI Ins

9025 N. LINDBERGH DRIVE  
 (Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
 12/31/2018

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

6. Individual or Joint/Group Reporting (check applicable line)

PEORIA, IL 61615

Form Filed by One Reporting Person  
 Form Filed by More than One Reporting Person

| 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) | (A) or (D) | Price | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|-------|--|--|---|
| Common Stock                    | Â                                    | Â  | Â                              | Â   | Â          | Â     | 11,894.6116  | I <sup>(1)</sup>   | By Esop   |
| Common Stock                    | Â                                    | Â  | Â                              | Â   | Â          | Â     | 19,285.3946  | I <sup>(2)</sup>   | By Executive Deferred Comp                            |
| Common Stock                    | Â                                    | Â  | Â                              | Â   | Â          | Â     | 92,250.14  | D <sup>(2)</sup>   | Â   |

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

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(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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  |                                | (A) (D)   | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                              |
| Stock Option                               | \$ 38.21<br>(3) (4)                                    | Â                                    | Â  | Â                              | Â Â   | 05/01/2015(5) 05/01/2022                                 | Common Stock 7,600  |
| Stock Option                               | \$ 47.61<br>(3)  | Â                                    | Â  | Â                              | Â Â   | 05/07/2016(5) 05/07/2023                                 | Common Stock 16,000   |
| Stock Option                               | \$ 64.09   | Â                                    | Â  | Â                              | Â Â   | 05/05/2017(5) 05/05/2024                                 | Common Stock 30,000   |
| Stock Option                               | \$ 56.71   | Â                                    | Â  | Â                              | Â Â   | 05/04/2018(5) 05/04/2025                                 | Common Stock 42,000   |
| Stock Option                               | \$ 63.14   | Â                                    | Â  | Â                              | Â Â   | 05/03/2019(5) 05/03/2026                                 | Common Stock 40,000   |

## Reporting Owners

| Reporting Owner Name / Address                                     | Relationships |           |         |                         |
|--|---------------|-----------|---------|-------------------------|
|  | Director      | 10% Owner | Officer | Other                   |
| Kliethermes Craig W<br>9025 N. LINDBERGH DRIVE<br>PEORIA, IL 61615 | Â             | Â         | Â       | President & COO-RLI Ins |

## Signatures

/s/ Craig W.  
Kliethermes  
01/22/2019  
Date

\*\*Signature of 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 shares allocated to ESOP participant's account and dividend reinvestment.
- (2) Ownership reflects dividend reinvestment.
- (3) Stock option grant price adjusted to reflect \$2.00 extraordinary dividend declared 11-12-15.
- (4) Stock option grant price adjusted to reflect \$3.00 extraordinary dividend declared 11/13/14.
- (5) 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 provided 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.