

PROASSURANCE CORP  
Form 4  
March 09, 2006

**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 \*  
**MORELLO JAMES J**

(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)  
**03/08/2006**

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)  
**Treasurer / Senior Vice-President**

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 Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	03/08/2006		A	973 <sup>(1)</sup> A \$ 51.38	20,271	D	Shares held in the
Common Stock					4,755	I	ProAssurance Group Savings and Retirement Plan
Common Stock					3,148	I	Owned in Reporting

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 (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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 51.38	03/08/2006		A	6,250	09/11/2006 <sup>(2)</sup>	09/11/2016	Common Stock	6,250
Employee Stock Option (Right to Buy)	\$ 41.15					09/10/2005 <sup>(3)</sup>	09/10/2015	Common Stock	12,500
Employee Stock Option (Right to Buy)	\$ 33.28					09/10/2004 <sup>(4)</sup>	09/10/2014	Common Stock	5,000
Employee Stock Option (Right to Buy)	\$ 22					09/04/2003 <sup>(5)</sup>	03/04/2013	Common Stock	2,500
Employee Stock Option (Right to Buy)	\$ 16.8					07/15/2002 <sup>(6)</sup>	01/15/2012	Common Stock	8,000

Employee  
StockOption       \$ 41.5  
(Right to  
Buy)06/29/2006<sup>(7)</sup> 12/09/2009Common  
Stock

1,279

Employee  
StockOption       \$ 41.5  
(Right to  
Buy)06/29/2006<sup>(7)</sup> 12/01/2008Common  
Stock

1,618

Employee  
StockOption       \$ 41.5  
(Right to  
Buy)06/29/2006<sup>(7)</sup> 12/02/2007Common  
Stock

1,886

## Reporting Owners

**Reporting Owner Name / Address****Relationships**

Director   10% Owner   Officer       Other

MORELLO JAMES J  
C/O PROASSURANCE CORPORATION  
100 BROOKWOOD PLACE  
BIRMINGHAM, AL 35209-6811

Treasurer   Senior Vice-President

## Signatures

Frank B. O'Neil, Attorney-in-fact of the Reporting  
Person

03/09/2006

\*\*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).

These shares are exempt under Rule 16b-3. Bonus shares awarded to the reporting person under the terms of the ProAssurance 2004

- (1) Equity Incentive Plan by the ProAssurance Board of Directors on March 8, 2006, pursuant to the recommendation of the Compensation Committee, which is composed entirely of Non-Employee Directors.
- (2) The options vest in five equal, yearly installments commencing on September 11, 2006
- (3) The options vest in five equal, yearly installments commencing on September 10, 2005
- (4) The options vest in five equal, yearly installments commencing on September 10, 2004
- (5) The options vest in five equal, yearly installments commencing on September 4, 2003
- (6) The options vest in five equal, yearly installments commencing on July 15, 2002

These are automatic reload rights resulting from the exercise of options under an existing grant to purchase shares under the

ProAssurance Corporation Incentive Compensation Stock Plan. These reload options vest one year from the date of grant, provided that

- (7) the Reporting Person maintains ownership of the ProAssurance shares that were purchased upon the exercise of the subject options. The grant of reload options to purchase ProAssurance shares reported herein is exempt from Section 16(b) of the Securities Exchange Act, as amended ("the Act") by virtue of Rule 16v-3(d) promulgated under the Act.

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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