

PROASSURANCE CORP  
Form 4  
March 07, 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)  
**03/03/2006**

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	03/03/2006		S	103 <sup>(1)</sup>	D \$ 52.28	D	Shares held in the ProAssurance Group Savings and Retirement Plan
Common Stock					4,755	I	Owned in Reporting
Common Stock					3,148	I	

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)	8. Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 41.15					09/10/2005 <sup>(2)</sup> 09/10/2015	Common Stock	12,500
Employee Stock Option (Right to Buy)	\$ 33.28					09/10/2004 <sup>(3)</sup> 09/10/2014	Common Stock	5,000
Employee Stock Option (Right to Buy)	\$ 22					09/04/2003 <sup>(4)</sup> 03/04/2013	Common Stock	2,500
Employee Stock Option (Right to Buy)	\$ 16.8					07/15/2002 <sup>(5)</sup> 01/15/2012	Common Stock	8,000
Employee Stock Option (Right to Buy)	\$ 41.5					06/29/2006 <sup>(6)</sup> 12/09/2009	Common Stock	1,279

Buy)					
Employee Stock Option (Right to Buy)	\$ 41.5	06/29/2006 <sup>(6)</sup>	12/01/2008	Common Stock	1,618
Employee Stock Option (Right to Buy)	\$ 41.5	06/29/2006 <sup>(6)</sup>	12/02/2007	Common 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

James J. Morello  
03/07/2006

\_\_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).
  - (1) Shares sold through the amended and restated ProAssurance Stock Ownership Plan ("the Plan") to satisfy tax obligations resulting from receipt of stock. Under terms of the Plan, this sale is exempt under Rule 16b-3(c)
  - (2) The options vest in five equal, yearly installments commencing on September 10, 2005
  - (3) The options vest in five equal, yearly installments commencing on September 10, 2004
  - (4) The options vest in five equal, yearly installments commencing on September 4, 2003
  - (5) 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
- (6) 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. 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.