PROASSURANCE CORP

Form 4

February 27, 2012

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL OMB

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Rand Edward Lewis Jr

Symbol PROASSURANCE CORP [PRA] 5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

C/OPROASSURANCE CORPORATION, 100

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

2. Issuer Name and Ticker or Trading

02/27/2012

Director 10% Owner _X__ Officer (give title __X__ Other (specify

below) below) Chief Financial Officer / Senior Vice

President

BROOKWOOD PLACE (Street)

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

BIRMINGHAM, AL 35209

(City)	(State)	(Zip) Table	e I - Non-D	erivative	Secur	ities Acq	uired, Disposed o	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2. Transaction Date (Month/Day/Year) 2A. Deemed Execution Date, if any (Month/Day/Year)			ispose 4 and (A) or	cquired d of (D) 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 Beneficial Ownership (Instr. 4)
Common Stock	02/27/2012		Code V A	Amount 500 (1)	` ′	\$ 89.28	21,918	D	
Common Stock	02/27/2012		F	3,126 (2)	A	\$ 89.28	21,418	D	
Common Stock	02/27/2012		F	1,251 (3)	A	\$ 89.28	18,292	D	

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 on 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 Amo Underlying Sect (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	An or Nu of
Restricted Stock Units	<u>(4)</u>	02/27/2012		A	2,085		<u>(4)</u>	<u>(4)</u>	Common Stock	2
Restricted Stock Units	<u>(5)</u>						<u>(5)</u>	(5)	Common Stock	
Restricted Stock Units	<u>(6)</u>						<u>(6)</u>	<u>(6)</u>	Common Stock	2
Restricted Stock Units	<u>(7)</u>						<u>(7)</u>	<u>(7)</u>	Common Stock	2
Restricted Stock Unit	\$ 89.28 (8)	02/27/2012		F		2,085	(8)	<u>(8)</u>	Common Stock	2
Employee Stock Option (Right to Buy)	\$ 54.28						09/01/2008(9)	09/01/2018	Common Stock	1:
Employee Stock Option (Right to Buy)	\$ 51.48						09/10/2007(10)	09/10/2017	Common Stock	1:
Employee Stock Option (Right to Buy)	\$ 51.38						09/11/2006(11)	09/11/2016	Common Stock	1:
Employee Stock	\$ 41.15						09/10/2005(12)	09/10/2015	Common Stock	2.

Option (Right to Buy)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Rand Edward Lewis Jr C/OPROASSURANCE CORPORATION 100 BROOKWOOD PLACE BIRMINGHAM, AL 35209

Chief Financial Officer Senior Vice President

Signatures

Edward L. 02/27/2012 Rand, Jr.

**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).
- These shares are exempt under Rule 16b-3. Bonus shares awarded to the reporting person under the terms of the ProAssurance 2008

 (1) Equity Incentive Plan by the Compensation Committee of the Board of Directors. The Compensation Committee is comprised solely of independent, non-employee directors
- Payout of Performance Shares awarded to the reporting person upon completion of a three year performance period at year-end 2011.

 (2) The Compensation Committee of the ProAssurance Corporation Board of Directors reviewed the company's performance against the defined criteria and approved this award. The Compensation Committee is comprised solely of independent, non-employee directors.
- Payout of Restricted Shares awarded to the reporting person upon completion of a three year vesting period. Vesting of 2,084 shares reduced by withholding of 834 shares to cover tax liability resulting from the maturation of this award.
 - Each Restricted Stock Unit (RSU) represents a contingent right to receive one share of ProAssurance Corporation common stock, issuable from the ProAssurance 2008 Equity Incentive Plan. The RSUs will vest if the reporting person remains continuously employed by ProAssurance or one of its subsidiaries until December 31, 2014 (three years from date of grant). Vesting will accelerate upon
- (4) termination of employment as the result of (i) death; (ii) disability; or (iii) Good Reason, as defined in the reporting person's employment agreement with ProAssurance Corporation, or by action of the Compensation Committee of the ProAssurance Corporation Board of Directors. The RSUs will be settled in shares of ProAssurance Common Stock and in cash, with the cash portion being approximately equal to the federal, state, and local taxes.
 - RSU's are equal in value to one share of Common Stock, are issued 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.
- (6) Each Restricted Stock Unit (RSU) represents a contingent right to receive one share of ProAssurance Corporation common stock, issuable from the ProAssurance 2008 Equity Incentive Plan. The RSUs will vest if the reporting person remains continuously employed by ProAssurance or one of its subsidiaries until December 31, 2013 (three years from date of grant). Vesting will accelerate upon termination of employment as the result of (i) death; (ii) disability; or (iii) Good Reason, as defined in the reporting person's employment agreement with ProAssurance Corporation, or by action of the Compensation Committee of the ProAssurance Corporation Board of Directors. The RSUs will be settled in shares of ProAssurance Common Stock and in cash, with the cash portion being

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approximately equal to the federal, state, and local taxes.

Each Restricted Stock Unit (RSU) represents a contingent right to receive one share of ProAssurance Corporation common stock, issueable from the ProAssurance 2008 Equity Incentive Plan. The RSUs will vest if the reporting person remains continuously employed by ProAssurance or one of its subsidiaries until December 31, 2012 (three years from date of grant). Vesting will accelerate upon

- (7) termination of employment as the result of (i) death; (ii) disability; or (iii) Good Reason, as defined in the reporting person's employment agreement with ProAssurance Corporation, or by action of the Compensation Committee of the ProAssurance Corporation Board of Directors. The RSUs will be settled in shares of ProAssurance Common Stock and in cash, with the cash portion being approximately equal to the federal, state, and local taxes.
 - Restricted Stock Unit (RSU) representing a contingent right to receive one share of ProAssurance Corporation common stock, issuable from the 2008 Equity Incentive Plan, vested on February 26, 2012 after the reporting person remained continuously employed by
- (8) ProAssurance or one of its subsidiaries for three years from date of grant. The RSUs will be settled in shares of ProAssurance Common Stock as valued on February 27, 2012, the first business day after vesting occured, and in cash, with the cash portion being approximately equal to the federal, state, and local taxes.
- (9) The options vest in five equal, yearly installments commencing on September 1, 2008
- (10) These options are fully vested, having vested in five equal, yearly installments commencing on September 10, 2007
- (11) These options are fully vested, having vested in five equal, yearly installments commencing on September 11, 2006
- (12) These options are fully vested, having vested in five equal, yearly installments commencing on September 10, 2005

Remarks:

\$89.28 is the closing price of a share of ProAssurance Common Stock on the New York Stock Exchange on 2/27/12.

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.