

PROASSURANCE CORP  
Form 4  
November 17, 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 \*  
Thomas Darryl Keith

(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)  
11/16/2006

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)  
Senior Vice-President / Co-President of Subsidiary

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount or Price (D)   |  |   |
| Common Stock                    | 11/16/2006                           |  | F                              |   | 4,246<br>(1)  | D  | \$ 51.86 41,691 D                                     |
| Common Stock                    | 11/16/2006                           |  | M                              |   | 5,000   | A  | \$ 51.86 45,937 D                                     |
| Common Stock                    | 11/16/2006                           |  | F                              |   | 5,538<br>(2)  | D  | \$ 51.86 40,937 D                                     |
| Common Stock                    | 11/16/2006                           |  | M                              |   | 7,500   | A  | \$ 51.86 46,475 D                                     |
| Common Stock                    | 11/16/2006                           |  | F                              |   | 5,794<br>(3)  | D  | \$ 51.86 38,975 D                                     |

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|              |            |   |               |   |          |        |   |   |
|--------------|------------|---|---------------|---|----------|--------|---|---|
| Common Stock | 11/16/2006 | M | 10,000        | A | \$ 51.86 | 44,769 | D |   |
| Common Stock | 11/16/2006 | F | 12,654<br>(4) | D | \$ 51.86 | 34,769 | D |   |
| Common Stock | 11/16/2006 | M | 25,000        | A | \$ 51.86 | 47,423 | D |   |
| Common Stock | 11/16/2006 | F | 4,019<br>(5)  | D | \$ 51.86 | 22,423 | D |   |
| Common Stock | 11/16/2006 | M | 8,800         | A | \$ 51.86 | 26,442 | D |   |
| Common Stock | 11/16/2006 | F | 14,026<br>(6) | D | \$ 51.86 | 17,642 | D |   |
| Common Stock | 11/16/2006 | M | 27,684        | A | \$ 51.86 | 31,668 | D |   |
| Common Stock |            |   |               |   |          | 1,320  | I | ProAssurance Group Savings and Retirement Plan [401(k)] |

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 Security (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option (Right to Buy)       | \$ 51.38   |                                      |  |                                |   | 09/11/2006 <sup>(7)</sup>                                | Common Stock  | 12,500                        |
|  | \$ 41.15   | 11/16/2006                           |  | M                              | 5,000   | 09/10/2005 <sup>(8)</sup>                                |   | 5,000                         |

|                                      |          |            |   |        |                            |            |  |              |        |
|--------------------------------------|----------|------------|---|--------|----------------------------|------------|--|--------------|--------|
| Employee Stock Option (Right to Buy) |          |            |   |        |                            |            |  | Common Stock |        |
| Employee Stock Option (Right to Buy) | \$ 33.28 | 11/16/2006 | M | 7,500  | 09/10/2004 <sup>(9)</sup>  | 09/10/2014 |  | Common Stock | 7,500  |
| Employee Stock Option (Right to Buy) | \$ 22    | 11/16/2006 | M | 10,000 | 09/04/2003 <sup>(10)</sup> | 09/03/2013 |  | Common Stock | 10,000 |
| Employee Stock Option (Right to Buy) | \$ 16.8  | 11/16/2006 | M | 25,000 | 07/15/2002 <sup>(11)</sup> | 01/15/2012 |  | Common Stock | 25,000 |
| Employee Stock Option (Right to Buy) | \$ 13.35 | 11/16/2006 | M | 8,800  | 12/10/1999                 | 02/26/2009 |  | Common Stock | 8,800  |
| Employee Stock Option (Right to Buy) | \$ 17.38 | 11/16/2006 | M | 27,684 | 09/20/1997                 | 02/12/2007 |  | Common Stock | 27,684 |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                       |                            |
|---|---------------|-----------|-----------------------|----------------------------|
|   | Director      | 10% Owner | Officer               | Other                      |
| Thomas Darryl Keith<br>C/O PROASSURANCE CORPORATION<br>100 BROOKWOOD PLACE<br>BIRMINGHAM, AL 35209-6811 |               |           | Senior Vice-President | Co-President of Subsidiary |

## Signatures

Frank B. O'Neil as POA for Darryl K. Thomas 11/17/2006

\*\*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) The 4,246 shares disposed of reflect 3,968 shares withheld by the issuer to fund the cashless exercise of 5,000 options on 11/16/06, and 278 shares withheld by the issuer to cover the associated tax liability.
- (2) The 5,538 shares disposed of reflect 4,813 shares withheld by the issuer to fund the cashless exercise of 7,500 options on 11/16/06, and 725 shares withheld by the issuer to cover the associated tax liability.
- (3) The 5,794 shares disposed of reflect 4,243 shares withheld by the issuer to fund the cashless exercise of 10,000 options on 11/16/06, and 1,551 shares withheld by the issuer to cover the associated tax liability.
- (4) The 12,654 shares disposed of reflect 8,099 shares withheld by the issuer to fund the cashless exercise of 25,000 options on 11/16/06, and 4,555 shares withheld by the issuer to cover the associated tax liability.
- (5) The 4,019 shares disposed of reflect 2,255 shares withheld by the issuer to fund the cashless exercise of 8,800 options on 11/16/06, and 1,764 shares withheld by the issuer to cover the associated tax liability.
- (6) The 14,026 shares disposed of reflect 9,234 shares withheld by the issuer to fund the cashless exercise of 27,684 options on 11/16/06, and 4,792 shares withheld by the issuer to cover the associated tax liability.
- (7) The options vest in five equal, yearly installments commencing on September 11, 2006
- (8) The options vest in five equal, yearly installments commencing on September 10, 2005
- (9) The options vest in five equal, yearly installments commencing on September 10, 2004
- (10) The options vest in five equal, yearly installments commencing on September 4, 2003
- (11) The options vest in five equal, yearly installments commencing on July 15, 2002
- (12) Reflects options to purchase shares of ProAssurance Corporation common stock acquired beneficially by the reporting person in exchange for surrender of options to purchase shares of Professionals Group, Inc. in connection with the consolidation of Medical Assurance, Inc. and Professionals Group, Inc., under the ownership of ProAssurance Corporation. The acquisition of ProAssurance Corporation shares reported herein is exempt from Section 16 (b) of the Securities Exchange Act, as amended, by virtue of Rule 16 (b)-6.

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.