

PROASSURANCE CORP
Form 4
November 29, 2007

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
11/29/2007

___ Director ___ 10% Owner
 Officer (give title below) Other (specify below)
Treasurer / Senior Vice-President

C/O PROASSURANCE CORPORATION, 100 BROOKWOOD PLACE

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

BIRMINGHAM, AL 35209-6811

(City) (State) (Zip)

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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	11/29/2007		F	1,734 (1) D \$ 56.15	23,330	D	
Common Stock	11/29/2007		M	1,861 A \$ 52.11	25,064	D	
Common Stock	11/29/2007		F	1,752 (2) D \$ 56.15	23,203	D	
Common Stock	11/29/2007		M	2,500 A \$ 56.15	24,955	D	
Common Stock	11/29/2007		F	1,382 (3) D \$ 56.15	22,455	D	

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Common Stock 11/29/2007 M 2,500 A \$ 56.15 23,837 D

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

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SEC 1474
(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 51.48					09/10/2007 ⁽⁴⁾ 09/10/2017	Common Stock 6,250
Employee Stock Option (Right to Buy)	\$ 51.38					09/11/2006 ⁽⁵⁾ 09/11/2016	Common Stock 6,250
Employee Stock Option (Right to Buy)	\$ 41.15					09/10/2005 ⁽⁶⁾ 09/10/2015	Common Stock 12,500
Employee Stock Option (Right to Buy)	\$ 33.28	11/29/2007		M	2,500	09/10/2004 ⁽⁷⁾ 09/10/2014	Common Stock 5,000
Employee Stock Option (Right to Buy)	\$ 22	11/29/2007		M	2,500	09/04/2003 ⁽⁸⁾ 03/04/2013	Common Stock 2,500

Buy)

Employee
Stock

Option \$ 41.5
(Right to
Buy)

06/29/2006⁽⁹⁾ 12/09/2009

Common
Stock

1,531

Employee
Stock

Option \$ 41.5
(Right to
Buy)

06/29/2006⁽⁹⁾ 12/01/2008

Common
Stock

1,801

Employee
Stock

Option \$ 50.9 11/29/2007
(Right to
Buy)

M 1,861

11/08/2007⁽⁹⁾ 12/02/2007

Common
Stock

1,861

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

11/29/2007

**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 1,734 shares disposed of reflect 1,687 shares withheld by the issuer to fund the cashless exercise of 1,861 options on 11/29/07, and 47 shares withheld by the issuer to cover the associated tax liability.
- (2) The 1,752 shares disposed of reflect 1,482 shares withheld by the issuer to fund the cashless exercise of 2,500 options on 11/29/07, and 270 shares withheld by the issuer to cover the associated tax liability.
- (3) The 1,382 shares disposed of reflect 980 shares withheld by the issuer to fund the cashless exercise of 2,500 options on 11/29/07, and 402 shares withheld by the issuer to cover the associated tax liability.
- (4) The options vest in five equal, yearly installments commencing on September 10, 2007
- (5) The options vest in five equal, yearly installments commencing on September 11, 2006
- (6) The options vest in five equal, yearly installments commencing on September 10, 2005
- (7) The options vest in five equal, yearly installments commencing on September 10, 2004

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- (8) The options vest in five equal, yearly installments commencing on September 4, 2003

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

- (9) 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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