

O NEIL FRANK B  
Form 4  
February 27, 2009

**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 \*  
O NEIL FRANK B

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)  
02/26/2009

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below)  Other (specify below)  
Senior Vice-President / Assistant Secretary

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (D) Price		
Common Stock	02/26/2009		A	(1)	1,563 \$ 0	D	
Common Stock	02/26/2009		A	(2)	1,045 \$ 47.7	D	
Common Stock					629	I	In Trust (3)
Common Stock					2,025	I	Shares held in the ProAssurance Group Savings

Common Stock	598	I	and Retirement Plan Shares held in childrens' UTMA accounts for which the reporting person is the trustee
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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
Restricted Stock Units	(4)	02/26/2009		A	1,040	(4)	(4)	Common Stock	1,040
Employee Stock Option (Right to Buy)	\$ 54.28					09/01/2008 <sup>(5)</sup>	09/01/2018	Common Stock	6,250
Employee Stock Option (Right to Buy)	\$ 51.48					09/10/2007 <sup>(6)</sup>	09/10/2017	Common Stock	6,250
Employee Stock	\$ 51.38					09/11/2006 <sup>(7)</sup>	09/11/2016	Common Stock	1,250

Option (Right to Buy)						
Employee Stock Option (Right to Buy)	\$ 41.15		09/10/2005 <sup>(8)</sup>	09/10/2015	Common Stock	5,000
Employee Stock Option (Right to Buy)	\$ 33.28		09/10/2004 <sup>(9)</sup>	09/10/2014	Common Stock	5,000
Employee Stock Option (Right to Buy)	\$ 56.43		11/15/2008 <sup>(10)</sup>	12/02/2009	Common Stock	737
Employee Stock Option (Right to Buy)	\$ 56.43		11/15/2008 <sup>(10)</sup>	12/01/2008	Common Stock	1,030

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
O NEIL FRANK B C/O PROASSURANCE CORPORATION 100 BROOKWOOD PLACE BIRMINGHAM, AL 35209-6811			Senior Vice-President	Assistant Secretary

## Signatures

Frank B. O'Neil                      02/27/2009  
 \_\_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).
- (1) Payout of Performance Shares awarded to the reporting person upon completion of a three year performance period in 2009. The Compensation Committee (consisting entirely of independent directors) of the ProAssurance Corporation Board of Directors reviewed the company's performance against the defined criteria and approved this award.
- (2) These shares are exempt under Rule 16b-3. Bonus shares awarded to the reporting person under the terms of the ProAssurance 2008 Equity Incentive Plan by the Compensation Committee of the Board of Directors. The Compensation

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Committee is comprised solely of independent, non-employee directors

- (3) Shares are held in the George O'Neil Generation-Skipping Trust, Non-Exempt, fbo Frank B. O'Neil. The Reporting Person disclaims beneficial ownership because the Trustee retains sole investment control over the shares.
- Each Restricted Stock Unit (RSU) represents a contingent right to receive one share of ProAssurance Corporation common stock, issueable from the 2008 Equity Incentive Plan. The RSUs will vest if the reporting person remains continuously employed by ProAssurance or one of its subsidiaries until February 26, 2012 (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 approximately equal to the federal, state, and local taxes.
- (4) The options vest in five equal, yearly installments commencing on September 1, 2008
- (5) The options vest in five equal, yearly installments commencing on September 10, 2007
- (7) The options vest in five equal, yearly installments commencing on September 11, 2006
- (8) The options vest in five equal installments commencing on September 10, 2005
- (9) The options vest in five equal installments commencing on September 10, 2004
- (10) 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 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 16b-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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