

SCHARMER NEAL R

Form 4

May 20, 2010

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHARMER NEAL R

2. Issuer Name **and** Ticker or Trading
Symbol

UNITED FIRE & CASUALTY CO
[UFCS]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

118 SECOND AVENUE SE, P.O.
BOX 73909

(Street)

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

05/14/2010

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)

VP/General Counsel/Corp Sec

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

CEDAR RAPIDS, IA 52407-3909

(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)	
Common Stock	05/14/2010	05/18/2010 ⁽¹⁾	P	V ⁽²⁾ 4 ⁽³⁾	(A) or (D) Price \$ 22.45 ⁽⁴⁾	2,077 ⁽⁵⁾ ⁽⁶⁾	I	By 401(k) Plan for self

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
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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)**

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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. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V	(A)	(D)	Amount or Number of Shares
Stock Options (right to buy)	\$ 22.42	05/19/2010		A		3,000	<u>(7)</u> 05/19/2020	Common Stock 3,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHARMER NEAL R 118 SECOND AVENUE SE P.O. BOX 73909 CEDAR RAPIDS, IA 52407-3909			VP/General Counsel/Corp Sec	

Signatures

/s/ Neal R. Scharmer by Dianne M. Lyons,
Attorney-in-Fact

05/20/2010

**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 deemed execution date of this transaction is the statement date as provided by the plan trustee/administrator.
- (2) This transaction qualifies as a non-discretionary transaction from a tax conditioned plan and is voluntarily reported on Form 4.
- (3) Represents the approximate number of shares acquired by the trustee/administrator of the Company 401(k) account for Mr. Scharmer's benefit, based on a statement provided by the plan trustee/administrator.
- (4) The price per share is based on a statement provided by the plan trustee/administrator.
- (5) The number of securities beneficially held following the reported transaction includes: 1,268 shares of restricted stock issued under Company's 2008 Stock Plan, which vest, subject to certain conditions, on 05/21/2013; 679 shares held in the Company's Employee Stock Ownership Plan for Mr. Scharmer's benefit; and approximately 130 shares held in a Company 401(k) account for Mr. Scharmer's benefit, based on a statement of the plan trustee/administrator.
- (6) The number of shares shown as being held in or acquired or disposed of by the Company 401(k) account for Mr. Scharmer's benefit are the approximate number of shares of common stock for which Mr. Scharmer has the right to direct the vote under the 401(k) plan. Such shares are not directly allocated to plan participants, but are instead held in a unitized fund consisting primarily of common stock, together with a small percentage of short-term investments. Participants acquire units of this fund.

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- (7) 3,000 options become exercisable in five equal installments of 600 option shares each on 05/19/2011, 05/19/2012, 05/19/2013, 05/19/2014 and 05/19/2015.

The total number of derivative securities beneficially held following the reported transaction includes: 10,828 stock options currently exercisable; 500 stock options vesting on 02/17/2011; 2,000 stock options vesting in two equal installments of 1,000 option shares each

- (8) on 02/16/2011, and 02/16/2012; 3,711 stock options vesting in three equal installments of 928 option shares each on 05/21/2010, 05/21/2011 and 05/21/2012, and 927 option shares on 05/21/2013; and 3,000 stock options vesting in five equal installments of 600 option shares each on 05/19/2011, 05/19/2012, 05/19/2013, 05/19/2014 and 05/19/2015.

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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