

MERCURY GENERAL CORP
 Form 4
 May 18, 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 *
 McCathron Richard

2. Issuer Name and Ticker or Trading Symbol
 MERCURY GENERAL CORP
 [MCY]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 Vice President

(Last) (First) (Middle)
 8240 N. MOPAC EXPRESSWAY,
 #215
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 05/16/2007

AUSTIN, TX 78759

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

(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	05/16/2007		M			5,000	A	\$ 31.22	5,190	D ⁽¹⁾	
Common Stock									650	I	ESOP Plan ⁽²⁾
Common Stock	05/16/2007		M			5,000	A	\$ 29.77	10,190	D	
Common Stock	05/16/2007		S			10,000	D	\$ 56.6934	190	D	

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)	Amount or Number of Shares
						Date Exercisable	Expiration Date		
Common Stock	\$ 51.43	10/29/2004		A	10,000	10/29/2005	10/29/2014	Common Stock	10,000
Common Stock	\$ 29.77	05/16/2007		M	5,000	10/27/2001	10/27/2010	Common Stock	5,000
Common Stock	\$ 31.22	05/16/2007		M	5,000	08/10/2000	08/10/2009	Common Stock	5,000
Common Stock	\$ 51.365					04/30/2005	04/30/2014	Common Stock	5,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McCathron Richard 8240 N. MOPAC EXPRESSWAY, #215 AUSTIN, TX 78759			Vice President	

Signatures

Judy Walters, Attorney-In-Fact for Richard McCathron 05/18/2007

**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) 175 shares held as joint tenant with mother. 190 shares held as joint tenant with wife

(2) Allocations and disposition since last report

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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