

UICI
Form 4
April 06, 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 *
PLATO JAMES N

(Last) (First) (Middle)
1200 S WHITE CHAPEL BLVD, SUITE A
(Street)

SOUTHLAKE, TX 76092

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
UICI [UICI]

3. Date of Earliest Transaction (Month/Day/Year)
04/05/2006

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) ___X___ Other (specify below)
Division Manager

6. Individual or Joint/Group Filing(Check Applicable Line)
X 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	(A) or (D)	Price
Common Stock	04/05/2006		J(1)		2,000	D	\$ 37 0
Common Stock	04/05/2006		J(1)		10,216.8444	D	\$ 37 0

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

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SEC 1474 (9-02)

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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)	8. Amount or Number of Shares
Stock Option	\$ 9.01	04/05/2006		D ⁽²⁾	4,000	06/11/2002 07/11/2006	Common Stock	4,000
Stock Option	\$ 13.25	04/05/2006		D ⁽²⁾	1,000	02/04/2003 03/06/2007	Class A-1 Common Stock ⁽⁴⁾	1,000
Stock Option	\$ 11.5					02/12/2004 03/13/2008	Class A-1 Common Stock ⁽⁴⁾	6,000
Stock Option	\$ 30.75					03/16/2006 06/14/2010	Class A-1 Common Stock ⁽⁴⁾	25,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

PLATO JAMES N
1200 S WHITE CHAPEL BLVD
SUITE A
SOUTHLAKE, TX 76092

Division Manager

Signatures

/s/ James N. Plato by Peggy G. Simpson,
POA

04/06/2006

**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) Pursuant to the Agreement and Plan of Merger, dated as of September 15, 2005, by and among Premium Finance LLC, Mulberry Finance Co., Inc., DLJMB IV First Merger LLC, Premium Acquisition, Inc., Mulberry Acquisition, Inc., DLJMB IV First Merger Co Acquisition Inc. and UICI, which merger became effective as of April 5, 2006, shares of UICI common stock beneficially owned by the Reporting Person were cancelled and the Reporting Person received a right to receive \$37.00 in cash for each share of UICI common stock

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beneficially owned by the Reporting Person.

Pursuant to the Merger Agreement, immediately before the completion of the merger on April 5, 2006, each outstanding option of the Reporting Person to purchase shares of UICI common stock granted under UICI's benefit plans became fully vested, and each option was

- (2) cancelled and converted into a right to receive a payment from UICI (subject to applicable withholding taxes) equal to the difference between \$37.00 and the exercise price for the option multiplied by the number of shares subject to such option, to the extent the difference was a positive number.
- (3) The difference between \$37.00 and \$9.01 is \$27.99, which payment is subject to any applicable withholding taxes
- (4) Stock options retained by the Reporting Person after the consummation of the merger are exercisable for "Class A-1 Common Stock".
- (5) The difference between \$37.00 and \$13.25 is \$23.75, which payment is subject to any applicable withholding taxes.

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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