

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

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 * Richard McCathron			2. Issuer Name and Ticker or Trading Symbol MERCURY GENERAL CORP [MCY]				5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Vice President			
(Last) (First) (Middle) 8240 N. Mopac Expressway, #215			3. Date of Earliest Transaction (Month/Day/Year) 05/16/2007							
(Street) Austin, TX 78759			4. If Amendment, Date of Original Filed (Month/Day/Year)				6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Indirect Beneficial 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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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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Common Stock	\$51.43	10/29/2004		A		10,000		10/29/2005	10/29/2014	Common Stock	10,000	\$51.43	10,000	D	
Common Stock	\$29.77	05/16/2007		M		5,000		10/27/2001	10/27/2010	Common Stock	5,000	\$29.77	0	D	
Common Stock	\$31.22	05/16/2007		M		5,000		08/10/2000	08/10/2009	Common Stock	5,000	\$31.22	0	D	
Common Stock	\$51.365							04/30/2005	04/30/2014	Common Stock	5,000		5,000	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Richard McCathron 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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