Homeowners Choice, Inc. Form 4

January 31, 2012

### FORM 4

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

OMB 3235-0287 Number:

**OMB APPROVAL** 

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** 

January 31, Expires: 2005 Estimated average

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Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * TRABER MARTIN A			2. Issuer Name <b>and</b> Ticker or Trading Symbol Homeowners Choice, Inc. [HCII]					5. Relationship of Reporting Person(s) to Issuer			
<b>7</b>	(7)					(Check all applicable)					
(Last)	(First) (	Middle)	3. Date of Earliest Transaction				W D' (	100			
5300 W. CYPRESS STREET, SUITE 100			(Month/Day/Year) 01/27/2012					X_ Director 10% Owner Officer (give title below) Other (specify below)			
	(Street)		4. If Amendment, Date Original					6. Individual or Joint/Group Filing(Check			
Filed(Mo			Filed(Mon	ed(Month/Day/Year)				Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting			
TAMPA, FL 33607								Person			
(City)	(State)	(Zip)	Tabl	e I - Non-D	erivative S	Securi	ties Acq	uired, Disposed o	f, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Dat (Month/Day/Year)	Execution	emed on Date, if 'Day/Year)	(		posed of (D) and 5)  (A) or		5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (D) or Indirect (I) Indirect		
Common stock	01/27/2012			Code V M	Amount 27,003 (1)	(D)	Price \$ 2.5	137,003	D		
Common stock	01/27/2012			F	7,003 (1)	D	\$ 9.64	130,000	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 orDerivative 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 Underlying Securition (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amou or Numb of Sha
Stock Option (Right to Buy) (2)	\$ 2.5	01/27/2012		M	27,003	(3)	05/31/2017	Common	27,0
Stock Option (Right to Buy) (2)	\$ 2.5					<u>(4)</u>	05/31/2017	Common	30,0
Series A Cumulative Redeemable Preferred Stock, no par value (5)	\$ 10					03/25/2011	<u>(6)</u>	Common	5,00

# **Reporting Owners**

Reporting Owner Name / Address	Relationships						
r g	Director	10% Owner	Officer	Other			
TRABER MARTIN A 5300 W. CYPRESS STREET SUITE 100 TAMPA, FL 33607	X						

# **Signatures**

/s/ Cathy J. Welch as Attorney-in-fact for Martin A.

Traber

01/31/2012

\*\*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 reporting person acquired 27,003 shares and surrendered back to the Issuer 7,003 shares, for a net exercise of 20,000.

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- (2) The options were granted pursuant to the Homeowners Choice, Inc. 2007 Stock Option and Incentive Plan.
- (3) Commencing on June 1, 2007 and continuing on the first day of each calendar month thereafter through and including January 1, 2010, the amount of 5,000 options will vest and become exercisable on each such monthly vesting date.
- (4) Commencing on May 1, 2008 and continuing on the same day of each calendar year thereafter through and including May 1, 2010, the amount of 10,000 options will vest and become exercisable on each such annual vesting date.
- Shares were purchased in connection with Homeowners Choice, Inc.'s ("HCI") offering of its 7% Series A Cumulative Redeemable

  Preferred Stock ("Series A Preferred"), which was completed on March 25, 2011. Each share of the Series A Preferred will be convertible, at the holder's option at any time, initially into one share of HCI's common stock based upon an initial conversion price of \$10.00 per share.
- HCI may terminate this conversion right on or after March 31, 2014, if, for at least twenty trading days within any period of thirty consecutive trading days, the market price of HCI's common stock exceeds the conversion price of the Series A Preferred by more than 20% and HCI's common stock is then traded on the New York Stock Exchange, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market, or the NYSE Amex.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.