

Allen Richard R
Form 4
August 16, 2012

FORM 4

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

OMB APPROVAL

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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 *
Allen Richard R

(Last) (First) (Middle)
5300 W. CYPRESS STREET, SUITE 100
(Street)

TAMPA, FL 33607

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Homeowners Choice, Inc. [HCII]

3. Date of Earliest Transaction (Month/Day/Year)
08/13/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
Chief Financial Officer

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 | | | | | 450 | D ⁽¹⁾ | |
| Common Stock | | | | | 30,000 ⁽²⁾ | D | |
| Common Stock | 08/13/2012 | | M | 10,000 ⁽³⁾ A \$ 2.5 | 10,000 | D | |
| Common Stock | 08/13/2012 | | F | 1,183 ⁽³⁾ D \$ 21.14 | 8,817 | D | |

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

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Restricted Stock Grant effective 5/8/2012: (a) 10,000 shares of the Restricted Stock issued hereunder the Restrictions will lapse in annual increments of 2,000 shares beginning on the first anniversary of the Vesting Date. (b) The remaining 20,000 shares of the Restricted Stock issued hereunder the Restrictions will lapse: (i) as to 4,000 shares, one year after the Closing Price equals or exceeds \$16 per share for 20 consecutive trading days; (ii) as to 4,000 shares, one year after the Closing Price equals or exceeds \$19 per share for 20 consecutive trading days; (iii) as to 4,000 shares, one year after the Closing Price equals or exceeds \$22 per share for 20 consecutive trading days; (iv) as to 4,000 shares, one year after the Closing Price equals or exceeds \$25 per share for 20 consecutive trading days; (v) as to 4,000 shares one year after the Closing Price equals or exceeds \$28 per share for 20 consecutive trading days;

- (3) The reporting person acquired 10,000 shares and surrendered back to the Issuer 1,183 shares, for a net exercise of 8,817.
- (4) The options were granted pursuant to the Homeowners Choice, Inc. 2007 Stock Option and Incentive Plan.
- (5) These options fully vested effective with the June 1, 2007 grant date.
- (6) Commencing on May 1, 2008 and continuing on the same day of each calendar year thereafter through and including May 1, 2012, 3,200 options will vest and become exercisable on each such annual vesting date.

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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