

Homeowners Choice, Inc.
Form 4
July 29, 2008

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 *
Madhu Sanjay

(Last) (First) (Middle)

145 NW CENTRAL PARK
WEST, SUITE 115

(Street)

PORT SAINT LUCIE, FL 34986

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
07/25/2008

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) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) Code V Amount Price | | | |
| Common stock | 07/25/2008 | | P | 2,100 (1) A \$ 7 (1) | 2,100 | I | By Self's IRA |
| Common stock | 07/25/2008 | | P | 200 (2) A \$ 7 (2) | 200 | I | By Son |
| Common stock | 07/25/2008 | | P | 3,000 (3) A \$ 7 (3) | 3,000 | I | By Spouse's IRA |
| Common stock | | | | | 80,000 | I | By Universal Finance & Investments, LLC (4) |

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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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (Right to Buy) ⁽⁵⁾ | \$ 2.5 | | | | | <u>(6)</u> 05/31/2017 | Common stock | 30,000 |
| Stock Warrant (Right to Buy) | \$ 9.1 ⁽¹⁾ | 07/25/2008 | | P | 2,100 ⁽¹⁾ | 07/30/2008 07/30/2013 | Common stock | 1,050 ⁽¹⁾ |
| Stock Warrant (Right to Buy) | \$ 9.1 ⁽²⁾ | 07/25/2008 | | P | 200 ⁽²⁾ | 07/30/2008 07/30/2013 | Common stock | 100 ⁽²⁾ |
| Stock Warrant (Right to Buy) | \$ 9.1 ⁽³⁾ | 07/25/2008 | | P | 3,000 ⁽³⁾ | 07/30/2008 07/30/2013 | Common stock | 1,500 ⁽³⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Madhu Sanjay 145 NW CENTRAL PARK WEST SUITE 115 PORT SAINT LUCIE, FL 34986 | X | | | |

Signatures

/s/ Cathy J. Welch as Attorney-in-fact for Sanjay
Madhu

07/29/2008

__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) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 2,100 units were purchased on 7/25/08 at a price of \$7.00 per unit, with each unit consisting of one share of common stock and one warrant. Two warrants may be exercised to acquire one share of common stock at an exercise price equal to \$9.10 per share. The warrants may be exercised any time after the closing of the IPO up to five years after the July 30, 2008 IPO closing date.
 - (2) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 200 units were purchased on 7/25/08 at a price of \$7.00 per unit, with each unit consisting of one share of common stock and one warrant. Two warrants may be exercised to acquire one share of common stock at an exercise price equal to \$9.10 per share. The warrants may be exercised any time after the closing of the IPO up to five years after the July 30, 2008 IPO closing date.
 - (3) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 3,000 units were purchased on 7/25/08 at a price of \$7.00 per unit, with each unit consisting of one share of common stock and one warrant. Two warrants may be exercised to acquire one share of common stock at an exercise price equal to \$9.10 per share. The warrants may be exercised any time after the closing of the IPO up to five years after the July 30, 2008 IPO closing date.
 - (4) The reporting person holds voting and investment power of the 80,000 shares held by Universal Finance & Investments, LLC.
 - (5) The options were granted pursuant to the Homeowners Choice, Inc. 2007 Stock Option and Incentive Plan.
 - (6) 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.

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.