

Homeowners Choice, Inc.  
Form 4  
December 16, 2008

**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 \*  
Patel Paresh

(Last) (First) (Middle)  
2340 DREW STREET, SUITE 200  
(Street)

CLEARWATER, FL 33765

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/09/2008

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common stock                    |                                      |  |                                | (A) or (D) Price  | 284,000   | D <sup>(1)</sup>   |                                   |
| Common stock                    |                                      |  |                                | (A) or (D) Price  | 40,000  | D  |                                   |

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

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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| 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. Title and Amount of Underlying Securities (Instr. 3 and 4) |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title   | Amount or Number of Shares |
| Stock Warrant (Right to Buy)               | \$ 9.1 <sup>(2)</sup>                                  |                                      |  |                                |   | <sup>(2)</sup>   | 07/30/2013  | Common  | 2,000 <sup>(2)</sup>       |
| Stock Option (Right to Buy) <sup>(3)</sup> | \$ 2.5   |                                      |  |                                |   | <sup>(4)</sup>   | 09/05/2017  | Common  | 60,000                     |
| Stock Option (Right to Buy) <sup>(3)</sup> | \$ 2.5   |                                      |  |                                |   | <sup>(5)</sup>   | 05/31/2017  | Common  | 120,000                    |
| Stock Option (Right to Buy) <sup>(3)</sup> | \$ 2.5   |                                      |  |                                |   | <sup>(6)</sup>   | 05/31/2017  | Common  | 30,000                     |
| Stock Warrant (Right to Buy)               | \$ 9.1 <sup>(7)</sup>                                  |                                      |  |                                |   | 11/14/2008   | 07/30/2013  | Common  | 1,400 <sup>(7)</sup>       |
| Stock Warrant (Right to Buy)               | \$ 9.1 <sup>(9)</sup>                                  |                                      |  |                                |   | 11/18/2008   | 07/30/2013  | Common  | 1,900 <sup>(9)</sup>       |
| Stock Warrant (Right to Buy)               | \$ 9.1 <sup>(10)</sup>                                 |                                      |  |                                |   | 11/19/2008   | 07/30/2013  | Common  | 2,050 <sup>(10)</sup>      |
| Stock Warrant (Right to Buy)               | \$ 9.1 <sup>(11)</sup>                                 |                                      |  |                                |   | 11/20/2008   | 07/30/2013  | Common  | 2,500 <sup>(11)</sup>      |
| Stock Warrant (Right to Buy)               | \$ 9.1 <sup>(12)</sup>                                 |                                      |  |                                |   | 11/25/2008   | 07/30/2013  | Common  | 500 <sup>(12)</sup>        |

Buy)

Stock

Warrant (Right to Buy) \$ 9.1 <sup>(13)</sup> 12/09/2008 P 900 12/09/2008 07/30/2013 Common 450 <sup>(13)</sup>

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| Patel Paresh<br>2340 DREW STREET<br>SUITE 200<br>CLEARWATER, FL 33765 |               | X         |         |       |

## Signatures

/s/ Cathy J. Welch as Attorney-in-fact for Paresh  
Patel

12/16/2008

\*\*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) Shares are held jointly with spouse.
- (2) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 4,000 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.
- (3) The options were granted pursuant to the Homeowners Choice, Inc. 2007 Stock Option and Incentive Plan.
- (4) These options vest and become immediately exercisable upon the fair market value of the Company's Common Stock reaching \$7.50 per share.
- (5) 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.
- (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.
- (7) 2,800 warrants were purchased on 11/14/08 at a price of \$0.3382 per warrant. Two warrants may be exercised to acquire one share of the Company's common stock at an exercise price equal to \$9.10 per share.
- (8) Warrants are held in the reporting person's IRA.
- (9) 3,800 warrants were purchased on 11/18/08 at a price of \$0.45 per warrant. Two warrants may be exercised to acquire one share of the Company's common stock at an exercise price equal to \$9.10 per share.
- (10) 4,100 warrants were purchased on 11/19/08 at a price of \$0.35 per warrant. Two warrants may be exercised to acquire one share of the Company's common stock at an exercise price equal to \$9.10 per share.
- (11) 5,000 warrants were purchased on 11/20/08 at a price of \$0.38 per warrant. Two warrants may be exercised to acquire one share of the Company's common stock at an exercise price equal to \$9.10 per share.
- (12) 1,000 warrants were purchased on 11/25/08 at a price of \$0.40 per warrant. Two warrants may be exercised to acquire one share of the Company's common stock at an exercise price equal to \$9.10 per share.

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- (13) 900 warrants were purchased on 12/09/08 at a price of \$0.50 per warrant. Two warrants may be exercised to acquire one share of the Company's common stock at an exercise price equal to \$9.10 per share.

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.