

HCC INSURANCE HOLDINGS INC/DE/  
Form 4  
January 06, 2006

**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 \*  
KELBEL CRAIG J

(Last) (First) (Middle)

13403 NORTHWEST  
FREEWAY, C/O HCC  
INSURANCE HOLDINGS

(Street)

HOUSTON, TX 77040

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
HCC INSURANCE HOLDINGS  
INC/DE/ [HCC]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/04/2006

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)  
Executive Vice President

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)
			Code	V Amount (A) or (D) Price			
Common Stock	01/04/2006		M	37,500 A \$ 16.8	37,500	D	
Common Stock	01/04/2006		S	37,500 D \$ 29.9558	0	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)

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to Purchase <sup>(1)</sup>	\$ 23.7					<sup>(2)</sup>	12/31/2010	Common Stock	112,500
Option to Purchase <sup>(1)</sup>	\$ 27.02					<sup>(3)</sup>	09/28/2011	Common Stock	100,000
Option to Purchase <sup>(4)</sup>	\$ 16.8	01/04/2006		M	37,500	<sup>(5)</sup>	12/31/2007	Common Stock	150,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KELBEL CRAIG J 13403 NORTHWEST FREEWAY C/O HCC INSURANCE HOLDINGS HOUSTON, TX 77040			Executive Vice President	

## Signatures

Christopher L. Martin as Attorney-in-Fact for Craig J. Kelbel  
 \_\_\_\_\_  
 \*\*Signature of Reporting Person

01/06/2006  
 \_\_\_\_\_  
 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) Option to purchase granted pursuant to the 2004 Flexible Incentive Plan.
- (2) The options vest equally annually over a 3 year period beginning 12/31/06.
- (3) The options vest equally annually over a five year period beginning 09/28/06.
- (4) Option to purchase granted pursuant to the 2001 Flexible Incentive Plan.
- (5) The options vest equally annually over a 4 year period beginning 01/01/03.

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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