

Homeowners Choice, Inc.
Form 4
October 21, 2010

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 *
TRABER MARTIN A

(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)
08/31/2010

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)
			Code	V	Amount	(D) or (I)	Price
Common stock	08/31/2010 ⁽¹⁾		J ⁽¹⁾		60,000	D	\$ 0
							(1) (1)

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)

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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. Price or Amount of Payment (Instr. 3)
Stock Option (Right to Buy) ⁽²⁾	\$ 2.5					⁽³⁾ 05/31/2017	Common 160,000	
Stock Option (Right to Buy) ⁽²⁾	\$ 2.5					⁽⁴⁾ 05/31/2017	Common 30,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TRABER MARTIN A 2340 DREW STREET SUITE 200 CLEARWATER, FL 33765	X			

Signatures

/s/ Cathy J. Welch as Attorney-in-fact for Martin A. Traber 10/21/2010

⁽²⁾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 were transferred to Mr. Traber's former spouse in August 2010 on or before August 31, 2010 pursuant to a marital settlement.
- (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.

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.