

HCI Group, Inc.
Form 4
August 15, 2013

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)
5300 W. CYPRESS STREET, SUITE 100
(Street)

TAMPA, FL 33607

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HCI Group, Inc. [HCI]

3. Date of Earliest Transaction (Month/Day/Year)
08/14/2013

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)
Chief Executive Officer

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) Price | | | |
| Common stock | | | | | 284,000 | D ⁽¹⁾ | |
| Common stock | 08/14/2013 | | C | 10,000 A ⁽²⁾ | 75,450 | D | |
| Common stock | | | | | 33,644 | I | IRA |
| Common stock | | | | | 400,000 ⁽³⁾ | D | |

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

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) Shareholders of HCI Series A Preferred may convert their shares into shares of HCI common stock at an initial conversion rate of one share of common stock for each share of Series A Preferred, which is equivalent to an initial conversion price of \$10.00 per share.

Restricted stock grant of 400,000 shares effective 5/16/2013: Restrictions will lapse: (i) as to 100,000 shares, one year after the closing price of HCI common shares equals or exceeds \$35 per share for 20 consecutive trading days; (ii) as to 100,000 shares, one year after the closing price of HCI common shares equals or exceeds \$50 per share for 20 consecutive trading days; (iii) as to 100,000 shares, one year after the closing price of HCI common shares equals or exceeds \$65 per share for 20 consecutive trading days; (iv) as to 100,000 shares, one year after the closing price of HCI common shares equals or exceeds \$80 per share for 20 consecutive trading days. All shares of which restrictions have not lapsed 6 years and one day from grant date will be forfeited. These shares were granted by the company pursuant to the company's 2012 Omnibus Incentive Plan and under the terms and conditions of a restricted stock agreement dated 5/16/2013.

(4) The options were granted pursuant to the HCI Group, Inc. 2007 Stock Option and Incentive Plan.

(5) These options vest and become immediately exercisable upon the fair market value of the Company's Common Stock reaching \$7.50 per share.

(6) 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.

(7) Shares were purchased in connection with HCI Group, Inc.'s ("HCI") offering of its 7% Series A Cumulative Redeemable Preferred Stock ("Series A Preferred"), which was completed on March 25, 2011. Each share of the Series A Preferred will be convertible, at the holder's option at any time, initially into one share of HCI's common stock based upon an initial conversion price of \$10.00 per share.

(8) HCI may terminate this conversion right on or after March 31, 2014, if, for at least twenty trading days within any period of thirty consecutive trading days, the market price of HCI's common stock exceeds the conversion price of the Series A Preferred by more than 20% and HCI's common stock is then traded on the New York Stock Exchange, the NASDAQ Global Select Market, the NASDAQ Global Market, the NASDAQ Capital Market, or the NYSE Amex.

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.