

KELBEL CRAIG J  
Form 4  
August 09, 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 \*  
KELBEL CRAIG J

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

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)  
  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Executive Vice President

(Last) (First) (Middle)  
C/O HCC INSURANCE HOLDINGS, INC., 13403 NORTHWEST FREEWAY

3. Date of Earliest Transaction (Month/Day/Year)  
08/05/2010

(Street)  
HOUSTON, TX 77040

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock					41,065	D	
Common Stock	08/05/2010		M		25,000	A	\$ 23.83
Common Stock	08/05/2010		S		25,000	D	\$ 26.2792
							(1)

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474  
(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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to Purchase (2)	\$ 23.83	08/05/2010		M	25,000	(3)	12/31/2010	Common Stock	112,500
Option to Purchase (2)	\$ 28.53					(4)	09/28/2011	Common Stock	100,000
Option to Purchase (2)	\$ 31.92					(5)	05/09/2012	Common Stock	100,000

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

KELBEL CRAIG J  
C/O HCC INSURANCE HOLDINGS, INC.  
13403 NORTHWEST FREEWAY  
HOUSTON, TX 77040

Executive Vice President

## Signatures

Randy D. Rinicella as Attorney in Fact for Craig J. Kelbel

08/06/2010

\_\_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) The price \$26.2792 represents a weighted average of sales prices ranging from \$26.25 to \$26.38. Full information regarding the number of shares sold at each separate price will be provided to the SEC, the issuer or a security holder of the issuer upon request.

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- (2) Option to purchase granted pursuant to the 2004 Flexible Incentive Plan.
- (3) The options vest equally annually over a 3 year period beginning 12/31/06 @ 37,500 shares per year.
- (4) The options vest equally annually over a 5 year period beginning 09/28/06 @ 20,000 shares per year.
- (5) The options vest equally annually over a 4 year period beginning 02/28/08 @ 25,000 shares per year.

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.