

KELBEL CRAIG J  
Form 4  
September 16, 2010

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
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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)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
09/15/2010

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Executive Vice President

C/O HCC INSURANCE HOLDINGS, INC., 13403 NORTHWEST FREEWAY

(Street)

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

HOUSTON, TX 77040

(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	09/15/2010		M		40,000	A	\$ 23.83
Common Stock	09/15/2010		S		40,000	D	\$ 26.3162
							(1)

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)

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 <u>(2)</u>	\$ 23.83	09/15/2010		M	40,000	<u>(3)</u> 12/31/2010	Common Stock 112,500
Option to Purchase <u>(2)</u>	\$ 28.53					<u>(4)</u> 09/28/2011	Common Stock 100,000
Option to Purchase <u>(2)</u>	\$ 31.92					<u>(5)</u> 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

09/16/2010

\_\_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 \$26.3162 represents a weighted average of sales prices ranging from \$26.30 to \$26.39. 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.

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