

Madhu Sanjay  
Form 4  
December 28, 2010

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

OMB APPROVAL  
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**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 \*  
Madhu Sanjay

2. Issuer Name and Ticker or Trading Symbol  
Homeowners Choice, Inc. [HCII]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
2340 DREW STREET, SUITE 200  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/27/2010

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

CLEARWATER, FL 33765

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)
				(A) or (D) Price			
Common stock					2,100	I	By Self's IRA
Common stock					200	I	By Son
Common stock					3,000	I	By Spouse's IRA
Common stock	12/27/2010		J <sup>(1)</sup>	30,000	A <sup>(1)</sup> 110,000	I	By Universal Finance & Investments, LLC <sup>(2)</sup>
	12/27/2010		J <sup>(1)</sup>	30,000	D 0	D	

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Common stock D  
(1)

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

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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)	8. Price or Value of Underlying Securities (Instr. 3 and 4)
Stock Warrant (Right to Buy)	(3)					07/30/2008 07/30/2013	Common stock	1,050 (3)
Stock Warrant (Right to Buy)	(4)					07/30/2008 07/30/2013	Common stock	100 (4)
Stock Warrant (Right to Buy)	(5)					07/30/2008 07/30/2013	Common stock	1,500 (5)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Madhu Sanjay 2340 DREW STREET SUITE 200 CLEARWATER, FL 33765	X		Vice President	

## Signatures

/s/ Cathy J. Welch as Attorney-in-fact for Sanjay  
Madhu

12/28/2010

\_\_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) On December 27, 2010, 30,000 HCII common shares previously held directly by the reporting person were transferred to Universal Finance & Investments, LLC. The reporting person holds voting and investment power of 110,000 HCII common shares held by Universal Finance & Investments, LLC following the reported transaction.

(2) The reporting person holds voting and investment power of the 110,000 shares held by Universal Finance & Investments, LLC.

(3) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 2,100 units were purchased on 7/25/08 at a price of \$7.00 per unit, with each unit consisting of one share of common stock and one warrant. Two warrants may be exercised to acquire one share of common stock at an exercise price equal to \$9.10 per share. The warrants may be exercised any time after the closing of the IPO up to five years after the July 30, 2008 IPO closing date.

(4) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 200 units were purchased on 7/25/08 at a price of \$7.00 per unit, with each unit consisting of one share of common stock and one warrant. Two warrants may be exercised to acquire one share of common stock at an exercise price equal to \$9.10 per share. The warrants may be exercised any time after the closing of the IPO up to five years after the July 30, 2008 IPO closing date.

(5) In connection with the Homeowners Choice, Inc. initial public offering ("IPO"), 3,000 units were purchased on 7/25/08 at a price of \$7.00 per unit, with each unit consisting of one share of common stock and one warrant. Two warrants may be exercised to acquire one share of common stock at an exercise price equal to \$9.10 per share. The warrants may be exercised any time after the closing of the IPO up to five years after the July 30, 2008 IPO closing date.

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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