

Penny Pamela J
Form 4
August 15, 2012

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 *
Penny Pamela 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)
08/13/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP & Chief Accounting Officer

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 or Price | | |
| Common Stock | | | | | 13,516 | D | |
| Common Stock | 08/13/2012 | | M | | 11,950 | A | \$ 20.86 25,466 D |
| Common Stock | 08/13/2012 | | S | | 11,950 | D | \$ 32 13,516 D |
| Common Stock | 08/14/2012 | | M | | 11,950 | A | \$ 20.86 25,466 D |
| | 08/14/2012 | | S | | 11,950 | D | 13,516 D |

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Common Stock \$ 32.25

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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Option to Purchase <u>(1)</u> | \$ 31.11 | | | | | <u>(2)</u> 03/02/2013 | Common Stock 50,000 |
| Option to Purchase <u>(3)</u> | \$ 26.91 | | | | | <u>(4)</u> 11/15/2017 | Common Stock 50,000 |
| Option to Purchase <u>(3)</u> | \$ 20.86 | 08/13/2012 | | M | 11,950 | <u>(5)</u> 11/19/2014 | Common Stock 100,000 |
| Option to Purchase <u>(3)</u> | \$ 20.86 | 08/14/2012 | | M | 11,950 | <u>(5)</u> 11/19/2014 | Common Stock 100,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Penny Pamela J C/O HCC INSURANCE HOLDINGS, INC. 13403 NORTHWEST FREEWAY HOUSTON, TX 77040 | | | EVP & Chief Accounting Officer | |

Signatures

Alexander M Ludlow as Attorney in Fact for Pamela J.
Penny

08/15/2012

__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) Option to purchase granted pursuant to the 2001 Flexible Incentive Plan.
 - (2) The options vest equally annually beginning 03/02/2008 @ 10,000 shares per year.
 - (3) Option to purchase granted pursuant to the 2008 Flexible Incentive Plan.
 - (4) The options vest equally annually beginning 11/15/2012 @ 10,000 shares per year.
 - (5) The options vest equally annually beginning 11/19/2009 @ 20,000 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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