

HCC INSURANCE HOLDINGS INC/DE/
Form 4
May 14, 2007

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 *
Duer Walter M

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)
05/10/2007

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

3707 CHEVY CHASE

(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 77019

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Stock | | | | | 2,000 | I | Owned by Family LP |
| Common Stock | 05/10/2007 | | A | | 2,500 (1) | A | \$ 32 2,500 |

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

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(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) | 8. Principal Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Option to Purchase <u>(2)</u> | \$ 19.47 | | | | | <u>(3)</u> 08/26/2012 | Common Stock | 37,500 |
| Option to Purchase <u>(2)</u> | \$ 21.37 | | | | | 12/20/2005 12/20/2009 | Common Stock | 18,750 |
| Option to Purchase <u>(4)</u> | \$ 30.85 | | | | | 01/05/2007 01/05/2011 | Common Stock | 12,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Duer Walter M 3707 CHEVY CHASE HOUSTON, TX 77019 | | X | | |

Signatures

Edward H. Ellis, Jr. as Attorney in Fact for Walter M. Duer 05/14/2007

__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).

- As part of the Board Compensation package, each non-management Director is granted annually on the day they are elected, re-elected, (1) or first appointed, \$80,000 of HCC stock at the closing price on such day. Mr. Duer was re-elected on Thursday, May 10, 2007, therefore at the closing price of \$32, he received 2,500 shares.
- (2) Option to purchase granted pursuant to the 2001 Flexible Incentive Plan.
- (3)

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The options vest over a 60-month period, the aggregate number of shares purchasable are as follows: 8/26/05 - 7,500; 8/26/06 - 15,000; 8/26/07 - 22,500; 8/26/08 - 30,000; 8/26/09 - 37,500.

(4) Option to purchase granted pursuant to the 2004 Flexible Incentive Plan.

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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