

HCI Group, Inc.
Form 8-K
February 04, 2016

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities and Exchange Act of 1934

Date of Report (or Date of Earliest Event Reported): January 29, 2016

HCI Group, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Florida (State or Other Jurisdiction	001-34126 (Commission	20-5961396 (I.R.S. Employer
of Incorporation or Organization)	File Number) 5300 West Cypress Street, Suite 100	Identification Number)

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Tampa, Florida 33607

(Address of Principal Executive Offices)

(813) 849-9500

(Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On January 29, 2016, we amended our employment agreement with our chief executive officer, Paresh Patel, to set his annual base compensation at \$950,000 and to terminate the agreement at December 31, 2016. The compensation committee plans to review Mr. Patel's terms of employment later this year.

Item 5.02 Compensatory Arrangements of Certain Officers

On January 29, 2016, a special subcommittee of our compensation committee established a cash bonus plan for our chief executive officer, Paresh Patel. The special subcommittee was made up solely of outside directors as defined by Section 162(m) of the Internal Revenue Code and its underlying regulations. The plan is a sub-plan under and is subject to the terms and conditions of our 2012 Omnibus Incentive Plan.

Under the plan, Mr. Patel will qualify for a cash bonus if the company, on a consolidated basis, for the one year period beginning December 1, 2015 and ending November 30, 2016 reports earnings before interest expense and the provision for income taxes of at least \$75 million after excluding the following items: a bonus under this plan; any gains or losses from the sale of assets outside the ordinary course of business; any gains or losses from discontinued operations; any extraordinary gains or losses; the effects of accounting changes; any unusual, nonrecurring, transitional, one-time or similar items or charges; and the diluted impact of goodwill on acquisitions.

In setting the performance goal, the special subcommittee determined that earnings before interest expense and the provision for income taxes is an appropriate measure of operating performance and estimated that the \$75 million will exceed 31% of consolidated stockholders' equity at a measurement date selected by the subcommittee.

If the performance goal is met, Mr. Patel will qualify for a cash bonus equal to 3% (reduced from 3.25% the previous year) of earnings before interest and the provision for income taxes for the annual period described above, adjusted as described above. The compensation committee has the discretion to reduce the bonus amount. Mr. Patel has agreed that in the event the company is required to restate its financial statements due to material noncompliance with any financial reporting requirement he will repay any portion of this bonus compensation that would not have been awarded under the restated financial statements.

Item 1.01 is incorporated into this item 5.02.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 4, 2016.

HCI GROUP, INC.

BY: /s/ Richard R. Allen
Name: Richard R. Allen
Title: Chief Financial Officer

A signed original of this Form 8-K has been provided to HCI Group, Inc. and will be retained by HCI Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.