

HC2 Holdings, Inc.
Form 4
September 24, 2014

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 *
Gerber Sander

(Last) (First) (Middle)
777 THIRD AVE., 30TH FLOOR
(Street)

NEW YORK, NY 10017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HC2 Holdings, Inc. [HCHC]

3. Date of Earliest Transaction
(Month/Day/Year)
09/22/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

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 Indirect Beneficial Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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 | 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 | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|
|--|------------------------------------|--------------------------------------|--|--------------------------------|--|--|---|

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| Derivative Security | | | (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title | Amount |
|---|------|---------|-----------------------------|-----|------------------|-----------------|--------------|--------|
| | Code | V | (A) | (D) | | | | |
| Series A Convertible Participating Preferred Stock ⁽⁶⁾ | (1) | (3) (4) | | | 09/22/2014 | | Common Stock | 2,94 |
| Series A Convertible Participating Preferred Stock ⁽⁶⁾ | (1) | (3) (5) | | | 09/22/2014 | | Common Stock | 3,13 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Gerber Sander 777 THIRD AVE. 30TH FLOOR NEW YORK, NY 10017 | | X | | |
| Hudson Bay Credit Management LLC 777 THIRD AVE. 30TH FLOOR NEW YORK, NY 10017 | | X | | |
| Hudson Bay Capital Management LP 777 THIRD AVE. 30TH FLOOR NEW YORK, NY 10017 | | X | | |

Signatures

| | |
|---|------------|
| /s/ Sander Gerber, Authorized Signatory, Hudson Bay Credit Management LLC | 09/24/2014 |
| __Signature of Reporting Person | Date |
| /s/ Sander Gerber, Authorized Signatory, Hudson Bay Capital Management L.P. | 09/24/2014 |
| __Signature of Reporting Person | Date |
| /s/ Sander Gerber | 09/24/2014 |
| __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).

The two transactions reported in Table II above relate to an amendment to the terms of the outstanding shares of Series A Convertible Participating Preferred Stock to, among other things, reduce the initial conversion price from \$4.25 per share to \$4.00 per share, in each case subject to adjustment in accordance with the terms of the Series A Convertible Participating Preferred Stock. This amendment to the terms of the Series A Convertible Participating Preferred Stock is reported on this Form 4 as the cancellation of the "old" shares of Series A Convertible Participating Preferred Stock and the acquisition of "new" shares of Series A Convertible Participating Preferred Stock.

The shares are held by Hudson Bay Absolute Return Credit Opportunities Master Fund, Ltd. (the "Fund"). Hudson Bay Credit Management LLC (the "Investment Manager") is the investment manager of the Fund. The sole member of the Investment Manager is Hudson Bay Capital Management L.P. As such, each of the Investment Manager and Hudson Bay Capital Management L.P. may be deemed to share beneficial ownership of the shares held by the Fund. As the managing member of the general partner of Hudson Bay Capital Management L.P., Mr. Sander Gerber may be deemed to share beneficial ownership of the shares held by the Fund. Each Reporting Person disclaims beneficial ownership of the shares held by the Fund, except to the extent of its or his pecuniary interest therein.

The Series A Convertible Participating Preferred Stock is convertible at the option of the holder of the security and will be convertible at the option of the Company, beginning on the third anniversary of the date of issuance, in each case at the then applicable conversion rate. The conversion rate is generally determined by dividing the then applicable accrued value of a share of Series A Convertible Participating Preferred Stock by the then applicable conversion price.

Represents 12,500 shares of Series A Convertible Participating Preferred Stock at the original conversion rate of approximately 235.294.

Represents 12,500 shares of Series A Convertible Participating Preferred Stock at the adjusted conversion rate of approximately 250.889.

This adjusted conversion rate reflects the change to the conversion price described in footnote 1 above as well as the receipt on July 15, 2014 of a quarterly accreting dividend on the shares of Series A Convertible Participating Preferred Stock that is payable by means of an increase in the accrued value of each outstanding share of Series A Convertible Participating Preferred Stock.

Par value \$0.001 per share.

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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