

HALLMARK FINANCIAL SERVICES INC

Form 4

March 20, 2008

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

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

## OMB APPROVAL

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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MEYER DONALD E

2. Issuer Name **and** Ticker or Trading  
Symbol  
HALLMARK FINANCIAL  
SERVICES INC [HALL]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
7411 JOHN SMITH DRIVE, SUITE  
1400

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/18/2008

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
PRESIDENT OF OPERATING UNIT

(Street)  
SAN ANTONIO, TX 78229

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

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_X\_\_ 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)
			Code	V	Amount	(A) or (D)	Price			
COMMON STOCK	03/18/2008		P		500	A	\$ 11.5	8,033 <sup>(1)</sup>	D	
COMMON STOCK	03/18/2008		P		500	A	\$ 11.134	8,533	D	
COMMON STOCK	03/18/2008		P		500	A	\$ 10.98	9,033	D	
COMMON STOCK	03/18/2008		P		200	A	\$ 10.85	9,233	D	
COMMON STOCK	03/18/2008		P		300	A	\$ 10.75	9,533	D	

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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 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)	Amount or Number of Shares
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 12.52					(2) 05/24/2017	COMMON STOCK	15,000

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MEYER DONALD E 7411 JOHN SMITH DRIVE SUITE 1400 SAN ANTONIO, TX 78229	PRESIDENT OF OPERATING UNIT

## Signatures

STEVEN D. DAVIDSON AS ATTORNEY-IN-FACT FOR DONALD E. MEYER 03/20/2008

\_\_\_\_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) Reflects a one share correction of a rounding error from the one-for-six reverse stock split effected July 31, 2006.
- (2) Represents employee stock options exercisable as to 1,500, 3,000, 4,500 and 6,000 shares on May 24, 2008, 2009, 2010 and 2011, respectively.

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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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