

HALLMARK FINANCIAL SERVICES INC  
 Form 4  
 May 27, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
**MANSER GEORGE R**

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)  
**707 GULFSTREAM AVE., #1102**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/22/2008**

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

**SARASOTA, FL 34236-7710**

(City) (State) (Zip)

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

**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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D) Code V Amount (D) Price                                |   |  |                                   |
| COMMON STOCK                    |                                      |  |                                |   | 42,818  | D  |                                   |
| COMMON STOCK                    |                                      |  |                                |   | 5,096   | I  | SPOUSE                            |

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

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SEC 1474 (9-02)

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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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title   |
| DIRECTOR STOCK OPTION (RIGHT TO BUY)       | \$ 11.46   | 05/22/2008                           |  | A                              | 5,000   | 11/23/2008 05/22/2018                                    | COMMON STOCK 5  |
| DIRECTOR STOCK OPTION (RIGHT TO BUY)       | \$ 12.52   | 05/24/2007                           |  | A                              | 10,000  | 11/25/2007 05/24/2017                                    | COMMON STOCK 10   |
| DIRECTOR STOCK OPTION (RIGHT TO BUY)       | \$ 2.25  |                                      |  |                                |   | 09/15/2000 03/14/2010                                    | COMMON STOCK 8  |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| MANSER GEORGE R<br>707 GULFSTREAM AVE.<br>#1102<br>SARASOTA, FL 34236-7710 | X             |           |         |       |

## Signatures

STEVEN D. DAVIDSON AS ATTORNEY-IN-FACT FOR GEORGE R. MANSER

05/27/2008

\_\_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).

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(1) Represents director stock options.

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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