

DAVIS BROOKLAND F  
Form 4  
June 01, 2009

**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

OMB  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
DAVIS BROOKLAND F

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)  
777 MAIN STREET, SUITE 1000  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/28/2009

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_X\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
EXECUTIVE VICE PRESIDENT

FORT WORTH, TX 76102

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 Ownership (Instr. 4)
COMMON STOCK				(A) or (D)	80,039	D	
COMMON STOCK				(A) or (D)	2,372	I	By Spouse

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

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form  
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number.**

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 Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Am or Nur of S
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 6.61	05/28/2009 <sup>(1)</sup>		A	55,000	<sup>(2)</sup> 04/01/2019	COMMON STOCK 55
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 11.46					<sup>(3)</sup> 05/22/2018	COMMON STOCK 37
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 12.52					<sup>(4)</sup> 05/24/2017	COMMON STOCK 75
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 11.34					<sup>(5)</sup> 05/25/2016	COMMON STOCK 16
EMPLOYEE STOCK OPTION (RIGHT TO BUY)	\$ 7.14					<sup>(6)</sup> 05/27/2015	COMMON STOCK 16

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
DAVIS BROOKLAND F 777 MAIN STREET SUITE 1000	EXECUTIVE VICE PRESIDENT

FORT WORTH, TX 76102

## Signatures

STEVEN D. DAVIDSON AS ATTORNEY-IN-FACT FOR BROOKLAND F.  
DAVIS

06/01/2009

\_\_\_\_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) The option was conditionally granted on April 1, 2009, subject to shareholder approval of an amendment to the plan under which the option was granted. The plan amendment was approved by shareholders on May 28, 2009.
- (2) Represents grant of employee stock options which become exercisable in seven equal annual installments commencing April 1, 2010.
- (3) Represents employee stock options exercisable as to 3,750, 7,500, 11,250 and 15,000 shares on May 22, 2009, 2010, 2011 and 2012, respectively.
- (4) Represents employee stock options exercisable as to 7,500, 15,000, 22,500 and 30,000 shares on May 24, 2008, 2009, 2010 and 2011, respectively.
- (5) Represents employee stock options exercisable as to 1,667, 3,333, 5,000 and 6,667 shares on May 25, 2007, 2008, 2009 and 2010, respectively.
- (6) Represents employee stock options exercisable as to 1,667, 3,333, 5,000 and 6,667 shares on May 27, 2006, 2007, 2008 and 2009, respectively.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.