

NATIONAL SECURITY GROUP INC

Form 5

February 14, 2008

FORM 5**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).
Form 3 Holdings
Reported
Form 4
Transactions
Reported

**ANNUAL 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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1. Name and Address of Reporting Person *
PITTMAN DONALD S

(Last) (First) (Middle)

661 EAST DAVIS

(Street)

2. Issuer Name **and** Ticker or Trading
Symbol
NATIONAL SECURITY GROUP
INC [NSEC]

3. Statement for Issuer's Fiscal Year Ended
(Month/Day/Year)
12/31/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Reporting

(check applicable line)

ELBA, AL 36323

(City) (State) (Zip)

☒ 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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	Â	Â	Â	Â	Â	Â	4,764	D	Â
Common Stock	Â	Â	Â	Â	Â	Â	26,484	I	Co-Trustee JE Pittman Family Trust 12/31/92 Disclaims Beneficial Interest other

Common Stock	^	^	^	^	^	^	1,758	I	than 5397 shares. UGTMA From Grandparent to minor children
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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 2270
(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)	8. Price or Derivative Security (Instr. 5)
					(A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Phantom Stock Units	\$ 17.74	12/13/2008	^	J	88 ^	^ (1) ^ (2)	Phantom Stock Units	88 \$ 17.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PITTMAN DONALD S 661 EAST DAVIS ELBA, AL 36323	^ X	^	^	^

Signatures

Brian R.
McLeod 02/14/2008

__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) The phantom stock units were awarded under the nonqualified deferred compensation plan in which directors could elect to defer their directors fees by receiving phantom stock units payable in cash upon separation from service from the board. The plan was frozen on 12/31/2004. These shares were acquired during the fiscal year pursuant to the dividend reinvestment component of the nonqualified deferred compensation plan which was frozen on 12/31/2004.

(2) Upon separation from service from the Board, phantom stock units will be settled in cash at the then current market price of common stock.

^

Remarks:

Pertains to phantom stock plan in which election to defer fees is not a reportable event under Section 16b-3(d).
acquisitions of phantom stock pursuant to the election are reportable. These deferrals are exempt from Section 16b-3(d).

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.

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