

SIMMONS TIMOTHY W

Form 4

August 22, 2005

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

OMB APPROVAL

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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 *
SIMMONS TIMOTHY W

2. Issuer Name **and** Ticker or Trading
 Symbol
**SECURITY FEDERAL
 CORPORATION [SFDL]**

5. Relationship of Reporting Person(s) to
 Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
08/19/2005

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

P O BOX 810

(Street)

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

AIKEN, SC 29802

(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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/31/2004		J ⁽¹⁾		246	A	\$ 0
							169,462
							D ⁽²⁾
Common Stock	08/19/2005		M		600	A	\$ 16.67
							170,062
							D ⁽³⁾

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

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 information contained in this form are not
 required to respond unless the form
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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 Securities (Instr. 3 and 4)	8. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V	(A)	(D)	
Stock Options	\$ 16.67	08/19/2005		M	600	10/01/2004 ⁽⁴⁾	09/30/2005	Common Stock 600

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SIMMONS TIMOTHY W P O BOX 810 AIKEN, SC 29802	X		President/CEO	

Signatures

/s/Ruth Vance, By Power of Attorney
Date 08/19/2005

__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) Allocation from Employee Stock Ownership Plan ("ESOP").

(2) Includes 88,506 shares held direct, 68,646 held indirect by wife, and 12,310 share held indirect by ESOP.

(3) Includes 89,106 shares held direct, 68,646 held indirect by wife, and 12,310 shares held indirect by ESOP.

(4) These options were granted under the Issuer's 1999 Stock Option Plan. The options are exercisable at a rate of 20% per year beginning October 1, 2004.

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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