

SECURITY FEDERAL CORP

Form 4

July 25, 2006

**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  
Number: 3235-0287  
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2005  
Estimated average  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**WEEKS T CLIFTON**

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction  
(Month/Day/Year)  
**07/24/2006**

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

**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	07/24/2006		M		2,400	A	\$ 16.67
							304,830
							D <sup>(1)</sup>
Common Stock	07/24/2006		M		2,000	A	\$ 20.55
							306,830
							D <sup>(2)</sup>

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  
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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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 16.67	07/24/2006		M		2,400		03/16/2006 <sup>(3)</sup>	09/30/2009	Common Stock	2,400
Stock Option	\$ 20.55	07/24/2006		M		2,000		03/16/2006 <sup>(4)</sup>	12/31/2014	Common Stock	2,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WEEKS T CLIFTON P O BOX 810 AIKEN, SC 29802	X	X		Chairman

## Signatures

/s/ Beverly S. Bradham  
Attorney-In-Fact  
07/25/2006

\_\_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) Includes 8,952 shares held directly and 295,878 shares held indirectly by T. Clifton Weeks Family Limited Partnership.

(2) Includes 10,952 shares held directly and 295,878 shares held indirectly by T. Clifton Weeks Family Limited Partnership.

(3) These options were granted under the Issuer's 1999 Stock Option Plan. All options became exercisable on March 16, 2006.

(4) These options were granted under the Issuer's 2002 Stock Option Plan. All options became exercisable on March 16, 2006.

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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