

HALLMARK FINANCIAL SERVICES INC

Form 8-K

August 22, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT Pursuant

to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **August 18, 2017**

HALLMARK FINANCIAL SERVICES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Nevada

(State or Other Jurisdiction of Incorporation)

001-11252

87-0447375

(Commission File Number) (IRS Employer Identification No.)

777 Main Street, Suite 1000, Fort Worth, Texas 76102
(Address of Principal Executive Offices) (Zip Code)

817-348-1600

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 4.01 Changes in Registrant's Certifying Accountants

(a) Ernst & Young LLP ("EY") was previously the independent registered public accounting firm for Hallmark Financial Services, Inc. (the "Company"). Effective August 18, 2017, EY was dismissed as the Company's independent registered public accounting firm. The decision to change accountants was approved by the Audit Committee of the Company's board of directors (the "Audit Committee").

During the two fiscal years ended December 31, 2016, and the subsequent interim periods preceding August 18, 2017, there were no (i) disagreements with EY on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements if not resolved to EY's satisfaction would have caused EY to make reference in connection with their opinion to the subject matter of the disagreement, or (ii) "reportable events" within the meaning of Item 304(a)(1)(v) of Regulation S-K.

EY's audit reports on the Company's consolidated financial statements as of and for the years ended December 31, 2016 and 2015 did not contain any adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles.

The Company has provided EY with a copy of the disclosures contained in this Form 8-K and has requested that EY furnish to the Company a letter addressed to the Securities and Exchange Commission stating whether EY agrees with the statements contained herein and, if not, stating the respects in which it does not agree. A copy of EY's letter concurring with the statements contained herein is attached as Exhibit 16.1 to this Form 8-K.

(b) On August 18, 2017, the Audit Committee appointed BDO USA, LLP ("BDO") as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2017. During the two most recent fiscal years ended December 31, 2016 and 2015, and through the subsequent interim periods preceding such appointment, the Company did not consult with BDO regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, or (ii) any matter that was either the subject of a disagreement (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions to Item 304 of Regulation S-K), or a "reportable event" (as defined in Item 304(a)(1)(v) of Regulation S-K).

Item 9.01 Financial Statements and Exhibits

(d)Exhibits.

16.1 Ernst & Young LLP letter dated August 21, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized.

HALLMARK FINANCIAL SERVICES, INC.

By: /s/ Jeffrey R. Passmore

Date: August 22, 2017 Jeffrey R. Passmore, Chief Accounting Officer