

NATIONAL SECURITY GROUP INC

Form 5/A

February 19, 2008

FORM 5**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).

Form 3 Holdings Reported

Form 4

Transactions

Reported

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIESFiled 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 19401. Name and Address of Reporting Person *
MURDOCK MICHEY L

(Last) (First) (Middle)

661 EAST DAVIS

(Street)

ELBA, AL 36323

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
NATIONAL SECURITY GROUP
INC [NSEC]3. Statement for Issuer's Fiscal Year Ended
(Month/Day/Year)
12/31/20074. If Amendment, Date Original
Filed(Month/Day/Year)
02/14/2008

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Operations Officer

6. Individual or Joint/Group Reporting

(check applicable line)

☒ 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 Ownership (Instr. 4)
Common Stock	Â	Â	Â	Â Â Â Â Â	1,442	D	Â

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

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(9-02)**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**
(e.g., puts, calls, warrants, options, convertible securities)

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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. Pri Deriv Secur (Instr
					(A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Phantom Stock Units	\$ 17.74	02/13/2008	Â	J	825 Â	Â (1) Â (2)	Phantom Stock Units	825 \$ 17

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MURDOCK MICHEY L 661 EAST DAVIS ELBA,Â ALÂ 36323	Â Â Â Chief Operations Officer Â

Signatures

Brian R.
McLeod 02/19/2008

**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) (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) (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.

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Remarks:

PertainsÂ toÂ phantomÂ stockÂ planÂ inÂ whichÂ electionÂ toÂ deferÂ feesÂ isÂ notÂ aÂ reportableÂ eventÂ underÂ Se
Â acquisitionsÂ ofÂ phantomÂ stockÂ pursuantÂ toÂ theÂ electionÂ areÂ reportable.Â Â TheseÂ deferralsÂ areÂ exemptÂ
Â ofÂ SectionÂ 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. 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.