

NATIONAL SECURITY GROUP INC

Form 5

February 14, 2012

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
Number: 3235-0362Expires: January 31,
2005Estimated average
burden hours per
response... 1.01. Name and Address of Reporting Person *
BROOKS FLEMING G

(Last) (First) (Middle)

405 WEST MORRIS STREET

(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)
12/31/20114. 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)

SAMSON, AL 36477

(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) (A) or Amount (D) Price	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)
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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 required to respond unless
the form displays a currently valid OMB control number.**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	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Underlying Security (Instr. 5)
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Derivative Security						Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						(A)	(D)				
Phantom Stock Units	\$ 8.75	02/14/2012	Â	J	5	Â	Â (1)	Â (2)		Phantom Stock Units	5 \$ 8.7

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROOKS FLEMING G 405 WEST MORRIS STREET SAMSON,Â ALÂ 36477	Â X	Â	Â	Â

Signatures

Brian R. McLeod,
Attorney-in-fact 02/14/2012

__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) Pursuant to a plan adopted by the Board in 2010 to terminate the old phantom stock plan, the remaining balance will be distributed in cash during 2012.

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Remarks:

PertainsÂ toÂ phantomÂ stockÂ planÂ inÂ whichÂ electionÂ toÂ deferÂ feesÂ isÂ notÂ aÂ reportableÂ eventÂ underÂ Se
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.