Berman Donald M Form 4 June 22, 2010

# FORM 4

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

**OMB** Number:

Expires:

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January 31, 2005

Estimated average

**OMB APPROVAL** 

burden hours per response... 0.5

10% Owner

Other (specify

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** 

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(Instr. 3)

(Print or Type Responses)

1. Name and Address of Reporting Person \*

Berman Donald M

(First)

C/O NOVASTAR FINANCIAL,

[NOVS.PK]

NOVASTAR FINANCIAL INC

2. Issuer Name and Ticker or Trading

3. Date of Earliest Transaction

(Month/Day/Year) 06/18/2010

Symbol

INC., 2114 CENTRAL, SUITE 600

(Middle)

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

below)

Issuer

X\_ Director

Officer (give title

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

5. Relationship of Reporting Person(s) to

(Check all applicable)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

KANSAS CITY, MO 64108

(City) (State) (Zip) 1. Title of 2. Transaction Date 2A. Deemed Security

(Month/Day/Year) Execution Date, if

3. TransactionAcquired (A) or Code (Month/Day/Year) (Instr. 8)

4. Securities Disposed of (D) (Instr. 3, 4 and 5)

(A)

or

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I) Ownership (Instr. 4) (Instr. 4)

Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

3. Transaction Date 3A. Deemed 1. Title of (Month/Day/Year) Execution Date, if Transaction of Derivative Expiration Date Derivative Conversion

5. Number 6. Date Exercisable and 7. Title and Amount of **Underlying Securities** 

(9-02)

#### Edgar Filing: Berman Donald M - Form 4

Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Y	ear)	(Instr. 3 and 4	4)
				Code V	(Α) (Γ	) Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 1	06/18/2010		A	1,250	06/18/2010	06/18/2020	Novastar Financial, Inc. Common Stock	1,250

## **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other
nan Donald M

Berman Donald M C/O NOVASTAR FINANCIAL, INC. 2114 CENTRAL, SUITE 600 KANSAS CITY, MO 64108



# **Signatures**

/s/ Rodney E. Schwatken, Attorney-in-fact for Donald M. Berman

06/22/2010

\*\*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).

Note: File three copies of this Form, one of which must be manually signed. If space 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.

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