

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to  
Section 16. Form 4 or Form 5 obligations  
may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>NEWCASTLE PARTNERS L P</u>  (Last) (First) (Middle) <u>200 CRESCENT COURT</u> <u>STE 1400</u>  (Street) <u>DALLAS TX 75201</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>PIZZA INN INC /MO/ [ PZZI ]</u>  3. Date of Earliest Transaction (Month/Day/Year) <u>01/07/2011</u>  4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) <u>X</u> Other (specify below) <u>see attached explanation</u>  6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <u>X</u> Form filed by More than One Reporting Person
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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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
<u>Common Stock</u>	<u>01/07/2011</u>		<u>J<sup>(1)</sup></u>		<u>107,105</u>	<u>D</u>	<u>\$0</u>	<u>1,729,771</u>	<u>D<sup>(2)(3)</sup></u>	

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

1. Name and Address of Reporting Person* <u>NEWCASTLE PARTNERS L P</u>  (Last) (First) (Middle) <u>200 CRESCENT COURT</u> <u>STE 1400</u>  (Street) <u>DALLAS TX 75201</u>  (City) (State) (Zip)
1. Name and Address of Reporting Person* <u>NEWCASTLE CAPITAL MANAGEMENT LP</u>  (Last) (First) (Middle) <u>200 CRESCENT COURT</u> <u>STE 1400</u>  (Street) <u>DALLAS TX 75201</u>  (City) (State) (Zip)
1. Name and Address of Reporting Person* <u>NEWCASTLE CAPITAL GROUP LLC</u>  (Last) (First) (Middle) <u>200 CRESCENT COURT</u> <u>STE 1400</u>  (Street) <u>DALLAS TX 75201</u>  (City) (State) (Zip)

1. Name and Address of Reporting Person*		
<a href="#"><u>Newcastle Focus Fund II LP</u></a>		
(Last)	(First)	(Middle)
200 CRESCENT COURT SUITE 1400		
(Street)		
DALLAS	TX	75201
(City)	(State)	(Zip)

1. Name and Address of Reporting Person*		
<a href="#"><u>AMERICAN HALLMARK INSURANCE Co OF TEXAS</u></a>		
(Last)	(First)	(Middle)
777 MAIN STREET, SUITE 1000		
(Street)		
FORT WORTH	TX	76102
(City)	(State)	(Zip)

1. Name and Address of Reporting Person*		
<a href="#"><u>HALLMARK FINANCIAL SERVICES INC</u></a>		
(Last)	(First)	(Middle)
777 MAIN STREET STE 1000		
(Street)		
FORT WORTH	TX	76102
(City)	(State)	(Zip)

1. Name and Address of Reporting Person*		
<a href="#"><u>SCHWARZ MARK E</u></a>		
(Last)	(First)	(Middle)
200 CRESCENT COURT STE 1400		
(Street)		
DALLAS	TX	75201
(City)	(State)	(Zip)

1. Name and Address of Reporting Person*		
<a href="#"><u>Coleman Clinton J</u></a>		
(Last)	(First)	(Middle)
C/O NEWCASTLE CAPITAL MANAGEMENT, L.P. 200 CRESCENT COURT, SUITE 1400		
(Street)		
DALLAS	TX	75201
(City)	(State)	(Zip)

**Explanation of Responses:**

1. Constitutes a distribution of shares to withdrawing partners of NP as of December 31, 2010.
2. The Reporting Persons are members of a "group" for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended and accordingly may be deemed to beneficially own Shares of the Issuer's Common Stock owned in the aggregate by the other members of the Section 13(d) group. The Section 13(d) group consists of Newcastle Partners, L.P. ("NP"), Newcastle Capital Management, L.P. ("NCM"), Newcastle Capital Group, L.L.C. ("NCG"), Newcastle Focus Fund II, L.P. ("NFF"), Hallmark Financial Services, Inc. ("Hallmark"), American Hallmark Insurance Company of Texas ("AHIC"), Mark E. Schwarz ("Schwarz") and Clinton J. Coleman ("Coleman"). Each Reporting Person disclaims beneficial ownership of the shares of the Issuer's Common Stock owned by the other members of the Section 13(d) group except to the extent of its pecuniary interest therein.
3. NCM is the general partner of each of NP, NCG is the general partner of NCM, and Schwarz is the managing member of NCG. Accordingly, each of NCM, NCG and Schwarz may be deemed to beneficially own the shares directly owned by NP. In addition, NCM may be deemed to beneficially own a controlling interest in Hallmark, and Hallmark is the parent company of AHIC. Accordingly, each of NCM, NCG, Schwarz and Hallmark may be deemed to beneficially own the shares directly owned by AHIC.

[Newcastle Partners, L.P., By:](#)  
[Newcastle Capital Management,](#)  
[L.P., its general partner, By:](#) [01/11/2011](#)  
[Newcastle Capital Group, L.L.C,](#)  
[its general partner, By: /s/ Mark E.](#)  
[Schwarz, its managing member](#)

<u>Newcastle Capital Management, L.P., its general partner, By: Newcastle Capital Group, L.L.C. its general partner, By: /s/ Mark E. Schwarz, its managing member</u>	<u>01/11/2011</u>
<u>Newcastle Capital Group, L.L.C. its general partner, By: /s/ Mark E. Schwarz, its managing member</u>	<u>01/11/2011</u>
<u>Hallmark Financial Services, Inc.</u>	<u>01/11/2011</u>
<u>American Hallmark Insurance Co. of Texas</u>	<u>01/11/2011</u>
<u>Focus Fund II, L.P., By: Newcastle Capital Management, L.P., its general partner, By: Newcastle Capital Group, L.L.C. its general partner, By: /s/ Mark E. Schwarz, its managing membe</u>	<u>01/11/2011</u>
<u>/s/ Mark E. Schwarz</u>	<u>01/11/2011</u>
<u>/s/ Clinton j. Coleman</u>	<u>01/11/2011</u>
** Signature of Reporting Person	Date

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

\* 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.

**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 Number.**