

TRI COUNTY FINANCIAL CORP /MD/
Form 4
February 22, 2007

FORM 4 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).

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
MIDDLETON MICHAEL L

2. Issuer Name and Ticker or Trading Symbol
TRI COUNTY FINANCIAL CORP /MD/ [TCFC.OB]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
3035 LEONARDTOWN ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/20/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
President and CEO

WALDORF, MD 20601

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 | | | |
| Common Stock | 02/20/2007 | | M | 5,301 A \$ 7.2 | 161,199 | D | |
| Common Stock | | | | | 37,681 | I | By ESOP |
| Common Stock | | | | | 4,341 | I | By IRA |
| Common Stock | | | | | 69,351 | I | By Spouse |
| Common Stock | | | | | 4,212 | I | By Spouse's IRA |

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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)

| 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. Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------|
| Stock Option (Right to Buy) | \$ 7.2 | 02/20/2007 | | M | 5,301 | 12/31/1998 12/31/2008 | Common Stock | 5,301 |
| Stock Option (Right to Buy) | \$ 7.88 | | | | | 12/31/1999 12/31/2009 | Common Stock | 6,750 |
| Stock Option (Right to Buy) | \$ 7.91 | | | | | 12/31/2000 12/31/2010 | Common Stock | 6,976 |
| Stock Option (Right to Buy) | \$ 7.85 | | | | | 12/31/2001 12/31/2011 | Common Stock | 11,812 |
| Stock Option (Right to Buy) | \$ 11.56 | | | | | 12/31/2002 12/31/2012 | Common Stock | 6,412 |
| Stock Option (Right to Buy) | \$ 12.74 | | | | | 02/04/2004 12/31/2013 | Common Stock | 14,286 |
| Stock Option (right to Buy) | \$ 15.89 | | | | | 12/27/2004 12/27/2014 | Common Stock | 20,164 |

buy)

Stock

Option (Right to Buy) \$ 22.29

12/19/2005 12/19/2015 Common Stock 6,036

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-------------------------------------------------------------------|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MIDDLETON MICHAEL L 3035 LEONARDTOWN ROAD WALDORF, MD 20601 | X | X | President and CEO | |

Signatures

/s/ Middleton,
Michael L. 02/22/2007

**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.

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