

SHORE BANCSHARES INC

Form 4

June 01, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
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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 *
ANDREW HERBERT L III2. Issuer Name and Ticker or Trading
Symbol
SHORE BANCSHARES INC
[SHBI]5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

30440 N. DOVER ROAD

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
06/01/2006☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

EASTON, MD 21601

(City) (State) (Zip)

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**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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	06/01/2006		M		150	A	\$ 13.17
					87,897 ⁽¹⁾		D

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 1474
(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. D S (
				Code V (A) (D)		Date Exercisable Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 13.17 (2)	06/01/2006		M	150 (2)	05/09/2003 ⁽³⁾ 05/09/2012	Common Stock	150

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ANDREW HERBERT L III 30440 N. DOVER ROAD EASTON, MD 21601	X

Signatures

By: /s/ Herbert L.
Andrew, III 06/01/2006

__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) This amount has been adjusted to reflect the 3-for-2 stock split in the form of a stock dividend that is payable on June 5, 2006 to holders of record on May 22, 2006.
- (2) This option was previously reported as covering 200 shares at an exercise price of \$19.75 per share, but was adjusted to cover 300 shares at an exercise price of \$13.17 per share effective May 22, 2006 pursuant to the anti-dilution provisions of the underlying stock option plan to reflect the 3-for-2 stock split in the form of a stock dividend that is payable to holders of record as of May 22, 2006.
- (3) 20% vest each May 9, beginning May 9, 2003

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.