

COOPERATIVE BANKSHARES INC

Form 4

April 11, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
KING H THOMPSON III

2. Issuer Name and Ticker or Trading Symbol  
COOPERATIVE BANKSHARES INC [COOP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
04/09/2008

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

201 MARKET STREET

(Street)

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

WILMINGTON, NC 28401

(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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	04/09/2008		M	4,000 A \$ 4.92	38,321 <sup>(1)</sup>	D	
Common Stock					862 <sup>(1)</sup>	I	By Custodian for BCK
Common Stock					403 <sup>(1)</sup>	I	By Custodian for DGS
Common Stock					403 <sup>(1)</sup>	I	By Custodian for EBS

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Common Stock	403 <sup>(1)</sup>	I	By Custodian for RK
Common Stock	5,580	I	By IRA
Common Stock	1,890	I	By Spouse's IRA

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)

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)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				
Stock Option (Right to Buy)	\$ 4.92	04/09/2008		M	4,000	07/15/1999 <sup>(2)</sup>	07/15/2009	Common Stock	4,000
Stock Option (Right to Buy)	\$ 12					12/29/2004 <sup>(2)</sup>	12/29/2014	Common Stock	4,500
Stock Option (Right to Buy)	\$ 13.77					12/14/2005 <sup>(2)</sup>	12/14/2015	Common Stock	3,000

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

KING H THOMPSON III  
201 MARKET STREET X  
WILMINGTON, NC 28401

## Signatures

/s/ King, III, H. 04/11/2008  
Thompson

  \*\*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) Reflects stock acquired through Cooperative Bankshares Dividend Reinvestment Plan exempt from reporting under Rule 16a-11.
  - (2) Stock Options fully vested on date of grant.

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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