

SHELLS SEAFOOD RESTAURANTS INC

Form 4

February 17, 2005

**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 \*  
GALLOWAY BRUCE

(Last) (First) (Middle)

C/O BURNHAM  
SECURITIES, 1325 AVENUE OF  
THE AMERICAS

(Street)

NEW YORK, NY 10018

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

SHELLS SEAFOOD  
RESTAURANTS INC [SHLLQ]

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

01/31/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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 Indirect Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|--|
|  |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price                                      |
| Common Stock, \$0.01 par value per share | 01/31/2005                           |  | X                              |   | 643,964<br>(2)  | A  | \$ 0.16                                    |
| Common Stock, \$0.01 par value per share | 01/31/2005                           |  | X                              |   | 543,102<br>(3)  | A  | \$ 0.16                                    |
|  |                                      |  |                                |   |   | I  | See Footnote (4)                           |

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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 |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Warrant to purchase Common Stock           | \$ 0.5   |                                      |  |                                |   | 01/31/2005 01/31/2007                                    | Warrant to purchase Common Stock                              | 400,000                       |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| GALLOWAY BRUCE<br>C/O BURNHAM SECURITIES<br>1325 AVENUE OF THE AMERICAS<br>NEW YORK, NY 10018 |               | X         |         |       |

## Signatures

Bruce Galloway 02/17/2005

\*\*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) Represents shares owned by the Reporting Person and held by the Bruce Galloway IRA R/O. Bruce Galloway has sole voting and dispositive power over these securities.
- (2) The Common Stock was acquired pursuant to the exercise of the remaining portion of a warrant held by the Bruce Galloway, IRA R/O.

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- (3) Represents shares acquired by the exercise of the remaining portion of a warrant owned by affiliated entities of the Reporting Person.  
Includes shares owned by Galloway Capital Management, LLC, Jacombs Trading, Inc. and a trust for the benefit of Mr. Galloway's
- (4) children. Mr. Galloway is a managing member of Galloway Capital Management, LLC, a majority shareholder of Jacombs Trading, Inc. and trustee of the aforementioned trust.
- (5) The warrant is held by GCM Shells Seafood Partners, LLC of which Mr. Galloway is a managing member.

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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