

COOPERATIVE BANKSHARES INC

Form 4

June 11, 2008

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

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

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
HUNDLEY JAMES D

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)

201 MARKET STREET

(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/09/2008

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

WILMINGTON, NC 28401

(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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------|
| Common<br>Stock                       | 06/09/2008                              |                                                             | A <sup>(1)</sup>                     | 1,616 A \$ 8.02                                                         | 1,616 <sup>(1)</sup>                                                                                               | I                                                                       | By Director<br>Retirement<br>Plan       |
| Common<br>Stock                       | 06/09/2008                              |                                                             | A <sup>(1)</sup>                     | 5,888 A \$<br>8.2989                                                    | 7,504 <sup>(1)</sup>                                                                                               | I                                                                       | By Director<br>Retirement<br>Plan       |
| Common<br>Stock                       |                                         |                                                             |                                      |                                                                         | 61,091 <sup>(2)</sup>                                                                                              | 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**

SEC 1474  
(9-02)

**required to respond unless the form displays a currently valid OMB control number.**

**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 |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V                                                                                       | (A)                                                      | (D)                                                           |                               |
| Stock Option (Right to Buy)                | \$ 4.92                                                |                                      |                                                    |                                |                                                                                         | 07/15/1999 <sup>(3)</sup>                                | 07/15/2009                                                    | Common Stock 15,376           |
| Stock Option (Right to Buy)                | \$ 12                                                  |                                      |                                                    |                                |                                                                                         | 12/29/2004 <sup>(3)</sup>                                | 12/29/2014                                                    | Common Stock 4,500            |
| Stock Option (Right to Buy)                | \$ 13.77                                               |                                      |                                                    |                                |                                                                                         | 12/14/2005 <sup>(3)</sup>                                | 12/14/2015                                                    | Common Stock 3,000            |

## Reporting Owners

| Reporting Owner Name / Address                               | Relationships |           |         |       |
|--------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                              | Director      | 10% Owner | Officer | Other |
| HUNDLEY JAMES D<br>201 MARKET STREET<br>WILMINGTON, NC 28401 | X             |           |         |       |

## Signatures

/s/ Hundley,  
James D. 06/11/2008

\*\*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).

- Represents an open market purchase of shares of Cooperative Bankshares, Inc. common stock by the trustee of the trust of the Cooperative Bankshares, Inc. Stock-Based Retirement Plan for Directors on behalf of the Reporting Person who is a participant in the plan. Shares credited to the account of a director under the Cooperative Bankshares, Inc. Stock-Based Retirement Plan for Directors may not be sold, assigned, transferred, disposed of, pledged, hypothecated or otherwise encumbered. Distributions from a director's account shall commence only upon (i) the director's separation from service from the Company for any reason (including resignation or death), or (ii) a specified number of years between one year and five years after the director's separation from service from the Company.
- (1)
- (2) Reflects stock acquired through Cooperative Bankshares Dividend Reinvestment Plan exempt from reporting under Rule 16a-11.
- (3) 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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