

COOPERATIVE BANKSHARES INC
 Form 4
 September 01, 2006

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 *
 WRIGHT O RICHARD JR

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)
 08/31/2006

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | 08/31/2006 | | M | V Amount (A) or (D) Price | \$ 39,462 ^{(1) (2)} ₍₃₎ | D | |
| Common Stock | | | | | 50,502 ^{(3) (4)} | I | By 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)

Edgar Filing: COOPERATIVE BANKSHARES INC - Form 4

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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Stock Option (Right to Buy) | \$ 4.92 ⁽⁵⁾ | 08/31/2006 | | M | 2,000 | 07/15/1999 ⁽⁶⁾ 07/15/2009 | Common Stock 2,000 ⁽⁵⁾ |
| Stock Option (Right to Buy) | \$ 12 ⁽⁷⁾ | | | | | 12/29/2004 ⁽⁶⁾ 12/29/2014 | Common Stock 4,500 ⁽⁷⁾ |
| Stock Option (Right to Buy) | \$ 13.77 ⁽⁸⁾ | | | | | 12/14/2005 ⁽⁶⁾ 12/14/2015 | Common Stock 3,000 ⁽⁸⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| WRIGHT O RICHARD JR 201 MARKET STREET WILMINGTON, NC 28401 | X | | | |

Signatures

/s/ Wright, Jr., O.
Richard

08/31/2006

**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) On June 30, 2006, the common stock of Cooperative Bankshares, Inc. split 3-for-2, resulting in the reporting person's acquisition of 12,452 additional shares of common stock.

Edgar Filing: COOPERATIVE BANKSHARES INC - Form 4

- The reporting person no longer has a reportable beneficial interest in 138 shares of Cooperative Bankshares, Inc. common stock owned by
- (2) his first daughter and 138 shares of Cooperative Bankshares, Inc. common stock owned by his second daughter, which were included in the reporting person's prior ownership reports.
 - (3) Reflects stock acquired through Cooperative Bankshares Dividend Reinvestment Plan exempt from reporting under Rule 16a-11.
 - (4) On June 30, 2006, the common stock of Cooperative Bankshares, Inc. split 3-for-2, resulting in the reporting person's acquisition of 16,785 additional shares of common stock.
 - (5) This option was previously reported as covering 12,000 shares at an exercise price of \$7.37 per share, but was adjusted to reflect the 3-for-2 stock split on June 30, 2006.
 - (6) Stock Options fully vested on date of grant.
 - (7) This option was previously reported as covering 3,000 shares at an exercise price of \$18.00 per share, but was adjusted to reflect the 3-for-2 stock split on June 30, 2006.
 - (8) This option was previously reported as covering 2,000 shares at an exercise price of \$20.66 per share, but was adjusted to reflect the 3-for-2 stock split on June 30, 2006.

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.