

COOPERATIVE BANKSHARES INC
 Form 4
 May 19, 2005

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)
05/18/2005

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)
				(A) or (D) Code V Amount (D) Price			
Common Stock	05/18/2005		M	2,000 A \$ 7.373	19,038 ⁽¹⁾ ⁽²⁾	D	
Common Stock					3,720 ⁽³⁾	I	By IRA
Common Stock					1,260 ⁽⁴⁾	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

SEC 1474 (9-02)

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
Stock Option (Right to Buy) ⁽⁵⁾	\$ 7.373 ⁽⁶⁾	05/18/2005		M	2,000	07/15/1999 07/15/2009	Common Stock	2,000
Stock Option (Right to Buy) ⁽⁵⁾	\$ 18 ⁽⁷⁾					12/29/2004 12/29/2014	Common Stock	3,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KING H THOMPSON III 201 MARKET STREET WILMINGTON, NC 28401	X			

Signatures

/s/ King, III, H.
Thompson

05/18/2005

__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) Reflects stock acquired through Cooperative Bankshares Dividend Reinvestment Plan exempt from reporting under Rule 16a-11.

(2) Reflects the acquisition of an additional 5,664 shares of common stock resulting from the February 24, 2005 3-for-2 stock split.

(3) Reflects the acquisition of an additional 1,240 shares of common stock resulting from the February 24, 2005 3-for-2 stock split.

Edgar Filing: COOPERATIVE BANKSHARES INC - Form 4

- (4) Reflects the acquisition of an additional 420 shares of common stock resulting from the February 24, 2005 3-for-2 stock split.
- (5) Stock Options fully vested on date of grant.
- (6) This option was previously reported as covering 8,500 shares at an exercise price of \$11.06 per share, but was adjusted to reflect the 3-for-2 stock split on February 24, 2005.
- (7) This option was previously reported as covering 2,000 shares at an exercise price of \$27.00 per share, but was adjusted to reflect the 3-for-2 stock split on February 24, 2005.

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.