SHORE BANCSHARES INC

Form 4 April 10, 2006

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

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(b).

1. Name and Address of Reporting Person * **CANNON DANIEL T**

(Last) (First) (Middle)

(Street)

(State)

(Zip)

P.O. BOX 566

(City)

CENTREVILLE, MD 21617

2. Issuer Name and Ticker or Trading

Symbol

SHORE BANCSHARES INC [SHBI]

3. Date of Earliest Transaction (Month/Day/Year) 04/10/2006

4. If Amendment, Date Original

Filed(Month/Day/Year)

OMB APPROVAL

OMB Number:

3235-0287

2005

January 31, Expires:

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response...

0.5

Beneficial

Ownership

(Instr. 4)

Issuer (Check all applicable) X Director 10% Owner X_ Officer (give title Other (specify below) below) Executive Vice President & COO 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

5. Relationship of Reporting Person(s) to

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of (D) Securities Form: Direct Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially (D) or Owned Indirect (I) (Month/Day/Year) (Instr. 8) Following (Instr. 4) Reported (A) Transaction(s) (Instr. 3 and 4) Amount (D) Price Common 04/10/2006 M 30 5,105 D 19.75 Stock

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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. Transactic Code (Instr. 8)	of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisab Expiration Date (Month/Day/Year		7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 19.75	04/10/2006		M	30	05/09/2003(1)	05/09/2012	Common Stock	30

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
CANNON DANIEL T P.O. BOX 566 CENTREVILLE, MD 21617	X		Executive Vice President & COO			

Signatures

By: /s/ Daniel T.

Cannon

**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) 20% vest each May 9, beginning May 9, 2003

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.

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