

COOPERATIVE BANKSHARES INC  
 Form 4  
 June 11, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
 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 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 Beneficial Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	06/09/2008		A <sup>(1)</sup>	1,616 A \$ 8.02	1,616 <sup>(1)</sup>	I	By Director Retirement Plan
Common Stock	06/09/2008		A <sup>(1)</sup>	5,888 A \$ 8.2989	7,504 <sup>(1)</sup>	I	By Director Retirement Plan
Common 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)

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**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)	\$ 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 201 MARKET STREET 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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