

LEAVERTON SUSAN E

Form 4

November 28, 2005

# 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

|                                                |                  |
|------------------------------------------------|------------------|
| OMB Number:                                    | 3235-0287        |
| Expires:                                       | January 31, 2005 |
| Estimated average burden hours per response... | 0.5              |

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
LEAVERTON SUSAN E

2. Issuer Name **and** Ticker or Trading Symbol  
SHORE BANCSHARES INC  
[SHBI]

### 5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
18 E. DOVER STREET  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
11/25/2005

\_\_\_\_ Director      \_\_\_\_ 10% Owner  
 \_\_\_\_X\_\_\_\_ Officer (give title      \_\_\_\_ Other (specify  
 below)      below)  
                                  Treasurer

EASTON, MD 21601

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

(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 Indirect Beneficial Ownership (Instr. 4) |                   |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|--------|------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|-------------------|
|                                 |                                      |                                                    | Code                           | V                                                                 | Amount | (A) or (D) | Price                                                                                         |                                                          |                                                       |                   |
| Common Stock                    | 11/25/2005                           |                                                    | M                              |                                                                   | 725    | A          | \$ 8.78                                                                                       | 8,514                                                    | D                                                     |                   |
| Common Stock                    |                                      |                                                    |                                |                                                                   |        |            |                                                                                               | 200                                                      | I                                                     | By Minor Children |
| Common Stock                    |                                      |                                                    |                                |                                                                   |        |            |                                                                                               | 2,405                                                    | I                                                     | By Spouse         |

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

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SEC 1474  
(9-02)

number.

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. P<br>Der<br>Sec<br>(Ins             |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------|---------------------------------------------------------------------|----------------------------------------|
|                                                     |                                                                    |                                         |                                                             | Code                                 | V (A) (D)                                                                                                          | Date<br>Exercisable                                            | Expiration<br>Date | Title                                                               | Amount<br>or<br>Number<br>of<br>Shares |
| Stock<br>Option<br>(1)                              | \$ 8.78                                                            | 11/25/2005                              |                                                             | M                                    | 725                                                                                                                | 12/01/2000                                                     | 12/11/2006         | Common<br>Stock                                                     | 725                                    |

## Reporting Owners

| Reporting Owner Name / Address                              | Relationships |           |           |       |
|-------------------------------------------------------------|---------------|-----------|-----------|-------|
|                                                             | Director      | 10% Owner | Officer   | Other |
| LEAVERTON SUSAN E<br>18 E. DOVER STREET<br>EASTON, MD 21601 |               |           | Treasurer |       |

## Signatures

By: /s/ Susan E.  
Leaverton

11/28/2005

\_\_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) These stock options were granted pursuant to the Talbot Bancshares, Inc. Employee Stock Option Plan and were assumed by Shore Bancshares, Inc. pursuant to its merger with Talbot Bancshares, Inc. in 2000.

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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