

Cape Fear Bank CORP
Form 4
March 10, 2008

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Coburn John Cameron

(Last) (First) (Middle)

1117 MILITARY CUTOFF ROAD

(Street)

WILMINGTON, NC 28405

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
Cape Fear Bank CORP [CAPE]

3. Date of Earliest Transaction
(Month/Day/Year)
03/06/2008

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)

President and CEO

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------|------------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | | | | | | | | 123,186 | D <u>(1)</u> |
| Common Stock | | | | | | | | 2,193 <u>(2)</u> | I By 401(k) plan |
| Common Stock | | | | | | | | 3,193 | I By Trust for John Cameron Coburn, Jr. |
| Common Stock | 03/06/2008 | | M | | 6,201 | A | \$ 3.78 | 19,361 | D |
| | 03/06/2008 | | M | | 10,335 | A | | 29,696 | D |

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| | | | | | | | |
|-----------------|------------|--|---|-------|------------|------------|----------|
| Common Stock | | | | | \$ 3.78 | | |
| Common Stock | 03/06/2008 | | M | 4,453 | A | \$ 6.68 | 34,149 D |

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

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SEC 1474
(9-02)

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) | |
|---|---|---|---|---|--|--|--------------------|---|-------------------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option Grant (Right to Buy) | \$ 6.68 | 03/06/2008 | | M | 4,453 | <u>(3)</u> | 06/17/2009 | Common Stock | 4,453 |
| Director Stock Option Grant | \$ 3.78 | 03/06/2008 | | M | 6,201 | 02/21/2002 | 02/21/2012 | Common Stock | 6,201 |
| Employee Stock Option Grant (Right to Buy) | \$ 3.78 | 03/06/2008 | | M | 10,335 | 02/21/2003 | 02/21/2012 | Common Stock | 10,335 |
| Employee Stock Option Grant (Right to Buy) | \$ 9.76 | | | | | <u>(4)</u> | 07/22/2015 | Common Stock | 37,898 |
| | \$ 9.76 | | | | | 01/22/2006 | 07/22/2015 | | 5,925 |

Director
 Stock
 Option
 Grant

Common
 Stock

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Coburn John Cameron 1117 MILITARY CUTOFF ROAD WILMINGTON, NC 28405 | X | | President and CEO | |

Signatures

John Cameron Coburn, By: William R. Lathan, Jr.,
 Attorney-in-Fact

03/07/2008

__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).

- (1) Owned by the John Cameron Coburn Revocable Trust dated July 5, 2007.
- (2) The number of shares is based on the reporting person's 401 (k) plan statement as of December 31, 2007.
- (3) This option vests 20% annually beginning on June 17, 2000.
- (4) This option vests 25% annually beginning on July 22, 2006.

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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