

COOPERATIVE BANKSHARES INC
 Form 4
 June 11, 2008

FORM 4

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

OMB APPROVAL

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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 *
RIPPY R ALLEN

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)
06/09/2008

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 06/09/2008 | | A ⁽¹⁾ | | 491 | A | \$ 8.02 |
| | | | | | 491 | (1) | |
| Common Stock | 06/09/2008 | | A ⁽¹⁾ | | 1,788 | A | \$ 8.2989 |
| | | | | | 2,279 | (1) | |
| Common Stock | | | | | 44,064 | D | |

By Director Retirement Plan
 By Director Retirement Plan

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)

required to respond unless the form 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) | \$ 12 ⁽²⁾ | | | | | 12/29/2004 ⁽³⁾ 12/29/2014 | Common Stock | 4,500 ⁽²⁾ |
| Stock Option (Right to Buy) | \$ 13.77 ⁽⁴⁾ | | | | | 12/14/2005 ⁽³⁾ 12/14/2015 | Common Stock | 3,000 ⁽⁴⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| RIPPY R ALLEN 201 MARKET STREET WILMINGTON, NC 28401 | | X | | |

Signatures

/s/ Rippy, R.
Allen 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).

(1)

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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.

- (2) This option was previously reported as covering 3,000 shares at an exercise price of \$18.00 per share, but was adjusted to reflect the 3-for-2 stock split on June 30, 2006.
- (3) Stock Options fully vested on date of grant.
- (4) This option was previously reported as covering 2,000 shares at an exercise price of \$20.66 per share, but was adjusted to reflect the 3-for-2 stock split on June 30, 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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