#### FREESTATE MARK M

Form 4

August 28, 2008

#### FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB APPROVAL

Number: 3235-0287

Expires:

5. Relationship of Reporting Person(s) to

January 31,

2005

0.5

Estimated average burden hours per

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if no longer subject to Section 16. Form 4 or Form 5 obligations

Check this box

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

2. Issuer Name and Ticker or Trading

may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \*

FREESTATE MARK M			Symbol SHORE BANCSHARES INC					Issuer (Check all applicable)			
(Last) 18 E. DOVE	(First) ER STREET	(Middle)	[SHBI] 3. Date of Earliest Transaction (Month/Day/Year) 08/20/2008				X Director 10% Owner Officer (give title below) Other (specify below)				
EASTON, N	(Street)  AD 21601		4. If Amendment, Date Original Filed(Month/Day/Year)					6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person _ Form filed by More than One Reporting			
(City)	(State)	(Zip)	Tabl	e I - Non-D	erivative	Secur	rities Aca	Person uired, Disposed of	f. or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Day/Yea	r) Executio any	Table I - Non-Derivative Securities Acquired on Date, if Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5)  (Day/Year) (Instr. 8)  (A) or Code V Amount (D) Price		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)				
Common Stock	08/20/2008			S	1,417	D	\$ 21.41	6,983	I	WM Freestate Trust	
Common Stock	08/25/2008			S	2,983	D	\$ 22.96	4,000	I	WM Freestate Trust	
Common Stock								8,362	D		

Persons who respond to the collection of

information contained in this form are not

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

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)

2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Title	and	8. Price of	9. Nu
Conversion	(Month/Day/Year)	Execution Date, if	Transaction	onNumber	Expiration D	ate	Amoun	nt of	Derivative	Deriv
or Exercise		any	Code	of	(Month/Day/	Year)	Underl	ying	Security	Secui
Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securit	ies	(Instr. 5)	Bene
Derivative				Securities			(Instr. 3	3 and 4)		Owne
Security				Acquired						Follo
				(A) or						Repo
				Disposed						Trans
				of (D)						(Instr
				(Instr. 3,						
				4, and 5)						
								Amount		
					Date	Expiration				
					Exercisable	Date				
			Code V	(A) (D)						
	Conversion or Exercise Price of Derivative	Conversion (Month/Day/Year) or Exercise Price of Derivative	Conversion (Month/Day/Year) Execution Date, if or Exercise any Price of (Month/Day/Year) Derivative	Conversion (Month/Day/Year) Execution Date, if Transaction or Exercise any Code Price of (Month/Day/Year) (Instr. 8)  Derivative Security	Conversion (Month/Day/Year) Execution Date, if TransactionNumber or Exercise any Code of Price of (Month/Day/Year) (Instr. 8) Derivative Security Acquired (A) or Disposed of (D) (Instr. 3,	Conversion or Exercise any Code of (Month/Day/Pear) Price of (Month/Day/Year) Derivative Security  Code of (Month/Day/Pear) Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)  Date Exercisable	Conversion (Month/Day/Year) Execution Date, if any Code of (Month/Day/Year)  Price of (Month/Day/Year) (Instr. 8) Derivative  Security Securities  Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)  Date Expiration Date  Expiration Date  Code of (Month/Day/Year)  (Instr. 8) Derivative  Securities  Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Conversion (Month/Day/Year) Execution Date, if TransactionNumber Expiration Date Amour or Exercise any Code of (Month/Day/Year) Underly Price of (Month/Day/Year) (Instr. 8) Derivative Securities (Instr. 5) Derivative Securities (Instr. 7) Derivative (A) or Disposed of (D) (Instr. 3, 4, and 5)  Date Expiration Date Amour Code of (Month/Day/Year) Underly Securities (Instr. 7) Date Expiration Exercisable Date Title	Conversion (Month/Day/Year) Execution Date, if any Code of (Month/Day/Year) Underlying Code of (Month/Day/Year) Underlying Securities  Price of (Month/Day/Year) (Instr. 8) Derivative  Security Securities  Securities  Acquired  (A) or  Disposed of (D)  (Instr. 3, 4, and 5)  Date  Expiration Date  Amount of (Month/Day/Year)  Underlying  Securities  Securities  (Instr. 3 and 4)  Amount of (Month/Day/Year)  Underlying  Securities  Securities  Faction Date  Expiration Date  Amount of (Month/Day/Year)  Underlying  Securities  Securities  Faction Date  Expiration Date  Expiration Date  Or Number of	Conversion of Month/Day/Year)

### **Reporting Owners**

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
FREESTATE MARK M 18 E. DOVER STREET EASTON, MD 21601	X						

## **Signatures**

Person

By: /s/ Mark M.
Freestate

\*\*Signature of Reporting 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).

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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