

SHORE BANCSHARES INC
Form 8-K
May 04, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 3, 2012

SHORE BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Maryland 0-22345 52-1974638
(State or other jurisdiction of (Commission file number) (IRS Employer
incorporation or organization) Identification No.)

18 East Dover Street, Easton, Maryland 21601

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (410) 763-7800

N/A

Edgar Filing: SHORE BANCSHARES INC - Form 8-K

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

£ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

£ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

£ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR J40.14d-2(b))

£ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR J40.13e-4(c))

Item 8.01. Other Information.

On May 3, 2012, the Board of Directors of Shore Bancshares, Inc. (the “Company”) voted to suspend quarterly cash dividends on the Company’s common stock until further notice. In making this decision, the Board considered the guidance set forth in Supervisory Letter 09-4 adopted by the Board of Governors of the Federal Reserve System, which generally provides that a bank holding company should eliminate, defer or significantly reduce dividends if, among other things, the company’s net income available to stockholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund future dividends. In light of the Company’s reported losses for the first quarter of 2012 and the year ended December 31, 2011, the Board believed that it would be prudent to eliminate the payment of quarterly dividends, which were previously \$.01 per share.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SHORE BANCSHARES, INC.

Dated: May 4, 2012 By: /s/ W. Moorhead Vermilye
W. Moorhead Vermilye
Chief Executive Officer