

SHELLS SEAFOOD RESTAURANTS INC  
 Form 4  
 May 26, 2005

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**ADLER FREDERICK R**

2. Issuer Name and Ticker or Trading Symbol  
**SHELLS SEAFOOD RESTAURANTS INC [SHLL]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**1520 SOUTH OCEAN BLVD**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/24/2005**

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

**PALM BEACH, FL 33480**  
 (City) (State) (Zip)

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

**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, \$0.01 par value per share                    | 05/24/2005                           |  | X                              |   | 1,000,000   | A  | \$ 0.5  |
| Series B, Convertible Preferred Stock, \$0.01 par per share | 05/24/2005                           |  | P                              |   | 48,833  | A  | \$ 15<br>(1)  |

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 required to respond unless the form displays a currently valid OMB control number.

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(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 Security (Instr. 3 and 4) | Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|-----------|--|------------------|---|--|
|  |  |                                      |  |                                | V   | (A)       | (D)  | Date Exercisable |   |  |
| Warrant to purchase Common Stock           | \$ 0.5   | 05/24/2005                           |  | X                              |   | 1,000,000 | 08/04/2004   | 01/31/2007       | Common Stock, \$0.01 par value per share                    | 1,000,000                                      |

## Reporting Owners

| Reporting Owner Name / Address                                     | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| ADLER FREDERICK R<br>1520 SOUTH OCEAN BLVD<br>PALM BEACH, FL 33480 |               |           | X       |       |

## Signatures

Frederick R. Adler  
05/26/2005

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) Price per share

(2) Preferred stock is convertible into 20 shares of common stock

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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