

REVOCABLE PROXY CARD

COOPERATIVE BANKSHARES, INC.
201 Market Street
Wilmington, North Carolina 28401

ANNUAL MEETING OF STOCKHOLDERS
April 25, 2008

The undersigned hereby appoints James D. Hundley, F. Peter Fensel, Jr. and O. Richard Wright, Jr. of Cooperative Bankshares, Inc. with full powers of substitution, to act as proxies for the undersigned to vote all shares of the common stock, \$1.00 par value, which the undersigned is entitled to vote at the Annual Meeting of Stockholders to be held at the **Hilton Wilmington Riverside, 301 North Water Street, Wilmington, North Carolina, on Friday, April 25, 2008 at 11:00 a.m.**, and at any and all adjournments thereof, as follows:

	<u>FOR</u>	<u>WITHHELD</u>	
(1) The election as directors of the nominees listed below (except as marked to the contrary).			
Paul G. Burton	<input type="checkbox"/>	<input type="checkbox"/>	
H. Thompson King, III	<input type="checkbox"/>	<input type="checkbox"/>	
R. Allen Rippy	<input type="checkbox"/>	<input type="checkbox"/>	
	<u>FOR</u>	<u>AGAINST</u>	<u>ABSTAIN</u>
(2) The amendment of the Company's Articles of Incorporation to provide that the number of Company directors shall be such number as shall be provided from time to time in, or in accordance with, the Company's Bylaws;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) The approval of the Cooperative Bankshares, Inc. Stock-Based Retirement Plan for Directors; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) The ratification of the appointment of Dixon Hughes PLLC as the Company's independent registered public accounting firm for fiscal year 2008.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Board of Directors recommends a vote: (1) **FOR** the nominees listed above; (2) **FOR** the amendment of the Articles of Incorporation; (3) **FOR** the approval of the Stock-Based Retirement Plan for Directors; and (4) **FOR** the ratification of the appointment of Dixon Hughes PLLC as independent registered public accounting firm.

THIS PROXY WILL BE VOTED AS DIRECTED, BUT IF NO INSTRUCTIONS ARE SPECIFIED, THIS PROXY SHALL BE VOTED FOR EACH OF THE ITEMS LISTED ABOVE. IF ANY OTHER BUSINESS IS PRESENTED AT THE MEETING, INCLUDING WHETHER OR NOT TO ADJOURN THE MEETING, THIS PROXY WILL BE VOTED BY THOSE NAMED IN THIS PROXY AS DETERMINED BY A MAJORITY OF THE BOARD OF DIRECTORS. AT THE PRESENT TIME, THE BOARD OF DIRECTORS KNOWS OF NO OTHER BUSINESS TO BE PRESENTED AT THE MEETING. THIS PROXY ALSO CONFERS DISCRETIONARY AUTHORITY ON THE HOLDERS THEREOF TO VOTE WITH RESPECT TO THE ELECTION OF ANY PERSON AS DIRECTOR WHERE THE NOMINEE IS UNABLE TO SERVE OR FOR GOOD CAUSE WILL NOT SERVE AND MATTERS INCIDENT TO THE CONDUCT OF THE 2008 ANNUAL MEETING.

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS

Should the undersigned be present and elect to vote at the Annual Meeting or at any adjournment thereof and after notification to the Secretary of the Company at the Annual Meeting of the stockholder's decision to terminate this proxy, then the power of said attorneys and proxies shall be deemed terminated and of no further force and effect.

The undersigned acknowledges review prior to the execution of this proxy, of the Notice of Annual Meeting, the Proxy Statement, and the Company's Annual Report on Form 10-K to Stockholders for the year ended December 31, 2007. The undersigned hereby revokes any and all proxies heretofore given with respect to the undersigned's shares of the Company's Common Stock.

Dated: _____, 2008

PRINT NAME OF STOCKHOLDER

PRINT NAME OF STOCKHOLDER

SIGNATURE OF STOCKHOLDER

SIGNATURE OF STOCKHOLDER

Please sign exactly as your name appears below. When signing as attorney, executor, administrator, trustee or guardian, please give your full title. If shares are held jointly, each holder should sign.

PLEASE COMPLETE, DATE, SIGN AND MAIL THIS PROXY PROMPTLY IN THE ENCLOSED POSTAGE-PREPAID ENVELOPE.

INSTRUCTIONS FOR VOTING YOUR PROXY

Stockholders of record have two alternative ways of voting their proxies:

- 1. By Mail (traditional method); or
- 2. By Internet.

To return your proxy card by mail, please send to the Company's Transfer Agent:

First Citizens Bank
Institutional Advisory Services
Mail Code – FCC61
P. O. Box 29522
Raleigh, NC 27626

To vote via the Internet, please visit www.coop-bank.com/Investor_Relations.htm and have your **CONTROL NUMBER** in hand when you access the website. To obtain access to the online voting page, you will need to enter your **CONTROL NUMBER**. Your Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed, dated and returned your proxy card. If you vote via the Internet, you do not need to return this proxy card by mail. Please note all votes cast via the Internet must be cast prior to 11:59 p.m. Eastern time on April 24, 2008.

SAMPLE:

Control Number _____
Total Shares: _____

Mr. and Mrs. John Doe JT TEN
P.O. Box 111
City, State, Zip Code