

GALLOWAY BRUCE
Form 4
November 22, 2004

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 *
GALLOWAY BRUCE

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)

3. Date of Earliest Transaction (Month/Day/Year)
11/18/2004

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

C/O BURNHAM SECURITIES, 1325 AVENUE OF THE AMERICAS

(Street)

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 Person

NEW YORK, NY 10018

(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 Ownership (Instr. 4)
Common Stock	11/18/2004	11/18/2004	X	(A) Amount 425,000 (1) Price \$ 0.16	719,500 (2)	D	

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Number of Shares
Warrant	\$ 0.16	11/18/2004	11/18/2004	X	425,000	01/31/2003	01/31/2005	Common Stock	643,964

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GALLOWAY BRUCE C/O BURNHAM SECURITIES 1325 AVENUE OF THE AMERICAS NEW YORK, NY 10018		X		

Signatures

/s/ Bruce Galloway
 11/22/2004
 Date
 **Signature of Reporting Person

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).
- The common stock was acquired pursuant to a partial exercise of a warrant to purchase 1,068,964 shares of common stock of the Issuer
- (1) held by the Bruce Galloway IRA C/O. Bruce Galloway has sole voting and dispositive power over these securities and these securities are may be deemed to be owned directly by Bruce Galloway.
 - (2) Represents shares beneficially owned by the Reporting Person and his affiliated entites.
- The warrants are part of a warrant to purchase 1,068,964 shares of common stock of the Issuer held by Bruce Galloway IRA C/O. Bruce
- (3) Galloway has sole voting and dispositive power over the warrants and underlying shares owned by the Bruce Galloway IRA C/O and these warrants are owned directly by Bruce Galloway.

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.