

SANDY SPRING BANCORP INC  
 Form 4  
 July 25, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 SMALL FRANK H

2. Issuer Name and Ticker or Trading Symbol  
 SANDY SPRING BANCORP INC  
 [SASR]

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

(Last) (First) (Middle)  
 17801 GEORGIE AVENUE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 07/24/2007

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

OLNEY, MD 20832

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

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
| Common Stock                    |                                      |  |                                |   | 6,750   | D  |                                   |
| Common Stock                    | 07/25/2007                           |  | M                              | 3,250 A   | \$ 16.42  | 10,000   | D                                 |

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

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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)

| 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 or Number of Shares |
| Stock Options (right to buy)               | \$ 16.42   |                                      |  |                                |   | 12/17/1998 <sup>(1)</sup>                                | 12/17/2007  | Common Stock | 4,500                      |
| Stock Options (right to buy)               | \$ 16.42   | 07/25/2007                           |  | M                              | 3,250   | 12/17/1998 <sup>(1)</sup>                                | 12/17/2007  | Common Stock | 3,250                      |
| Stock Options (right to buy)               | \$ 20.33   |                                      |  |                                |   | 12/16/1999 <sup>(1)</sup>                                | 12/16/2008  | Common Stock | 2,250                      |
| Stock Options (right to buy)               | \$ 17.21   |                                      |  |                                |   | 12/15/2000 <sup>(1)</sup>                                | 12/15/2009  | Common Stock | 6,750                      |
| Stock Options (right to buy)               | \$ 14.54   |                                      |  |                                |   | 12/13/2001 <sup>(1)</sup>                                | 12/13/2010  | Common Stock | 12,001                     |
| Stock Options (right to buy)               | \$ 32.25   |                                      |  |                                |   | 12/21/2002 <sup>(1)</sup>                                | 12/21/2011  | Common Stock | 6,400                      |
| Stock Options (right to buy)               | \$ 31.25   |                                      |  |                                |   | 12/11/2003 <sup>(1)</sup>                                | 12/11/2012  | Common Stock | 8,350                      |
| Stock Options (right to buy)               | \$ 38.13   |                                      |  |                                |   | 12/14/2006 <sup>(2)</sup>                                | 12/14/2012  | Common Stock | 11,875                     |

|                              |          |                           |            |              |        |
|------------------------------|----------|---------------------------|------------|--------------|--------|
| Stock Options (right to buy) | \$ 37.4  | 12/13/2007 <sup>(3)</sup> | 12/13/2013 | Common Stock | 7,000  |
| Stock Options (right to buy) | \$ 38.91 | 12/17/2004 <sup>(1)</sup> | 12/17/2013 | Common Stock | 10,325 |
| Stock Options (right to buy) | \$ 38    | 12/15/2005 <sup>(1)</sup> | 12/15/2014 | Common Stock | 11,250 |

## Reporting Owners

| Reporting Owner Name / Address                           | Relationships |           |             |       |
|--|---------------|-----------|-------------|-------|
|  | Director      | 10% Owner | Officer     | Other |
| SMALL FRANK H<br>17801 GEORGIE AVENUE<br>OLNEY, MD 20832 |               |           | EVP of Bank |       |

## Signatures

/s/ Small, Frank  
H. 07/25/2007

\_\_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) Stock Options are fully vested and exercisable.
- (2) Stock Options granted pursuant to the Sandy Spring Bancorp, Inc. 2005 Omnibus Stock Plan will be fully vested and exercisable as of December 14, 2007.
- (3) Stock Options granted pursuant to the Sandy Spring Bancorp, Inc. 2005 Omnibus Stock Plan vest in three annual installments commencing on December 16, 2007.

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.