

ELLIN ROBERT S  
Form 4  
August 24, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
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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 \*  
Trinad Capital Master Fund Ltd.

2. Issuer Name and Ticker or Trading Symbol

SHELLS SEAFOOD RESTAURANTS INC [SHLL.OB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

(Last) (First) (Middle)

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

08/22/2006

2121 AVENUE OF THE STARS, SUITE 1650

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

\_\_\_ Form filed by One Reporting Person  
\_X\_ Form filed by More than One Reporting Person

LOS ANGELES, CA 90067

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  |                                | Code V Amount (A) or (D) Price                                    |   |  |  |
| Common Stock                    | 08/22/2006                           |  | P                              | 100,000 A \$ 0.75   | 3,321,548 <sup>(1)</sup>  | D  |  |
| Common Stock                    | 08/22/2006                           |  | P                              | 0 A \$ 0  | 3,321,548 <sup>(2)</sup>  | I  | By Trinad Capital Master Fund, Ltd.        |

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**

SEC 1474 (9-02)

number.

**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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Trinad Capital Master Fund Ltd.<br>2121 AVENUE OF THE STARS<br>SUITE 1650<br>LOS ANGELES, CA 90067 |               | X         |         |       |
| Trinad Advisors GP, LLC<br>2121 AVENUE OF THE STARS<br>SUITE 1650<br>LOS ANGELES, CA 90067         |               | X         |         |       |
| Trinad Capital L.P.<br>2121 AVENUE OF THE STARS<br>SUITE 1650<br>LOS ANGELES, CA 90067             |               | X         |         |       |
| Trinad Management, LLC<br>2121 AVENUE OF THE STARS<br>SUITE 1650<br>LOS ANGELES, CA 90067          |               | X         |         |       |
| ELLIN ROBERT S<br>2121 AVENUE OF THE STARS<br>SUITE 1650<br>LOS ANGELES, CA 90067                  |               | X         |         |       |
| Wolf Jay<br>2121 AVENUE OF THE STARS<br>SUITE 1650   | X             | X         |         |       |

LOS ANGELES, CA 90067

## Signatures

|   |            |
|---|------------|
| Trinad Capital Master Fund, Ltd. By: /s/ Jay Wolf, Authorized Representative                                  | 08/24/2006 |
| __Signature of Reporting Person   | Date       |
| Trinad Advisors GP, LLC By: /s/ Robert S. Ellin, Managing Director  | 08/24/2006 |
| __Signature of Reporting Person   | Date       |
| Trinad Capital LP By: Trinad Advisors GP, LLC, its general partner By: /s/ Robert S. Ellin, Managing Director | 08/24/2006 |
| __Signature of Reporting Person   | Date       |
| Trinad Management, LLC By: /s/ Robert S. Ellin, Managing Director   | 08/24/2006 |
| __Signature of Reporting Person   | Date       |
| By: /s/ Robert S. Ellin   | 08/24/2006 |
| __Signature of Reporting Person   | Date       |
| By: /s/ Jay Wolf  | 08/24/2006 |
| __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) These securities are owned directly by Trinad Capital Master Fund, Ltd. (the "Master Fund") which is a reporting person.

These securities may be deemed to be beneficially owned by Trinad Management, LLC, the investment manager of the Master Fund; Trinad Capital LP; a principal stockholder of the Master Fund; Trinad Advisors GP, LLC, the general partner of Trinad Capital LP; Robert S. Ellin, the managing member of and portfolio manager for Trinad Management, LLC and the managing member of Trinad

(2) Advisors GP, LLC; and Jay Wolf a director of the issuer and a managing director of and portfolio manager for Trinad Management, LLC and a managing director of Trinad Advisors GP, LLC. Each such reporting person disclaims beneficial ownership of the reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

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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