

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

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**FORM 8-K**  
**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported):  
**May 15, 2006**

**United Bankshares, Inc.**

(Exact name of registrant as specified in its charter)

**West Virginia**

(State or other jurisdiction of  
incorporation or organization)

**No. 0-13322**

(Commission File Number)

**55-0641179**

(I.R.S. Employer  
Identification No.)

**300 United Center**  
**500 Virginia Street, East**  
**Charleston, West Virginia 25301**  
(Address of Principal Executive Offices)

**(304) 424-8800**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## Item 1.01. Entry into a Material Definitive Agreement

At the Annual Meeting of Shareholders held on May 15, 2006 (the “2006 Annual Meeting”), the shareholders of United Bankshares, Inc. (“United” or “the Company”) approved the United Bankshares, Inc. 2006 Stock Option Plan (the “2006 Plan”). United currently has options outstanding from various option plans (the “Prior Plans”); however, no common shares of United stock are available for grants under the Prior Plans as these plans have expired. Awards outstanding under the Prior Plans will remain in effect in accordance with their respective terms.

The 2006 Plan authorizes the award of options to purchase United’s stock. Such options will be non-statutory stock options (NSOs), i.e. options that do not qualify as incentive stock options under Section 422 of the Internal Revenue Code. The form of the stock option agreement which specifies all the material terms of a potential award is attached hereto as Exhibit 10.2 to this Current Report on Form 8-K.

The following is a summary of key terms of the 2006 Plan. The complete 2006 Plan is attached hereto as Exhibit 10.1 to this Current Report on Form 8-K. The following description is qualified in its entirety by reference to the applicable provisions of the 2006 Plan document.

### *Purpose of the 2006 Plan*

The 2006 Plan is designed to advance the interests of United by assisting in attracting and retaining qualified employees and providing them with increased motivation to exert their best efforts on behalf of the Company.

### *Eligibility*

At present, no specific grants are planned under the 2006 Plan. All grants are expected to be made on a discretionary basis, rather than pursuant to a formula. Accordingly, the amounts of any awards under the 2006 Plan to any specific person or group are not determinable at this time. Any officer and key employee of United and its subsidiaries will be eligible to receive grants under the 2006 Plan as designated by the Compensation Committee. As of May 15, 2006, the estimated number of potentially eligible recipients was approximately 250.

### *Administration*

The 2006 Plan will be administered by the Compensation Committee of the Board of Directors (“Committee”) of United. The Committee will have full power to construe and interpret the 2006 Plan and promulgate such regulations with respect to the 2006 Plan as it may deem desirable in accordance with applicable law. The terms and conditions of each option may vary from eligible employee to eligible employee.

### *Purchase Price*

The purchase price of all stock subject to option must not be less than 100% of

the fair market value of United stock on the date the option is granted. Fair market value is defined as the opening bid price on the day the Compensation Committee approves the option award or, at the Compensation Committee's discretion may be based on alternatives as determined in accordance with Section 409A of the Internal Revenue Code. As of May 15, 2006, the market value of United's common stock, as quoted on the National Association of Securities Dealers Quotation System ("NASDAQ") under the quotation symbol "UBSI", was \$35.47 per common share.

#### *Term of Option*

No option shall be granted for a term of more than ten (10) years from the date the option is granted.

#### *Vesting and Change in Control*

Subject to certain change in control provisions, recipients of options will be fully vested in and permitted to exercise options granted under the 2006 Plan three years from the grant date. Notwithstanding the vesting period, in the event of a change in control, the recipient may exercise all options previously granted beginning on the date of the execution of a binding contract which would result in a change in control, and ending on the effective date of the change in control, at which later time all unexercised options in effect at such time will terminate. Change in control is defined in the 2006 Plan. See Exhibit 10.1.

#### *Exercise of Options*

Each option granted will be exercisable in accordance with its terms, provided that no option will be exercisable more than ten years after the date it is granted.

An exercise of an option shall be made in written notice to United of the election and of the number of shares to be purchased. Such notice shall be accompanied by full payment for shares acquired at the time that an option, or any part thereof, is exercised. Full payment for shares acquired shall be made in cash or such other form as determined by the Compensation Committee at the time an option, or any part thereof, is exercised. The rights of a recordholder of stock with respect to such shares will not accrue until a certificate for the shares is issued.

#### *Order of Exercise*

Any vested option granted pursuant to the 2006 Plan may be exercised in any order, at the discretion of the optionee.

### *Employment Status of Optionee*

Except for disability and death, each vested option, to the extent it shall not have been exercised, shall terminate three (3) months after the termination of employment of the optionee. In the event termination of employment is the result of permanent and total disability, each vested option shall terminate one (1) year after the termination of employment of the optionee. This limitation is waived entirely for exercises by estates or by persons receiving vested options because of the death of the optionee. However, nothing shall operate to extend the term of the option beyond the term stated in the agreement granting the option. Any option that is not vested at the time of an optionee's termination or death will expire commensurate with such termination of employment or death as applicable.

### *Nonassignable and Nontransferable Options*

Each option, and all rights thereunder, shall be nonassignable and nontransferable other than by will or the laws of descent and distribution. With the exception for disability, during an optionee's lifetime, an option may only be exercised by the optionee. If an optionee suffers total and permanent disability, an option may be exercised by the optionee, if capable, or by the optionee's committee, guardian, attorney-at-law or other authorized person or entity. After the death of an optionee, an option may be exercised by his or her personal representative, devisee or heir, as the case may be.

### *Effective Date and Duration of the 2006 Plan*

The 2006 Plan became effective upon its approval by the shareholders of United at the 2006 Annual Meeting. The 2006 Plan will terminate five (5) years from its effective date, but the termination shall not affect option rights granted before the date of termination.

### *Allocation of Shares*

A total of 1,500,000 shares of United's authorized but unissued common stock, \$2.50 par value, will be allocated for the 2006 Plan. If an option under the 2006 Plan expires or terminates unexercised as to any shares covered thereby, such shares may be thereafter available for granting of options under the 2006 Plan. The number, kind, or class (or any combination thereof) of shares of stock under the 2006 Plan; the grant limitations under Section 4 of the 2006 Plan; the number, kind or class (or any combination thereof) of shares subject to the 2006 Plan of shares of stock subject to options; and the exercise price of the options must be adjusted by the Compensation Committee in an equitable manner to reflect any change in the capitalization of the Company including but not limited to stock dividends or stock splits.

Each Plan year, 400,000 options will be considered for award to eligible employees; however, not all of the 400,000 options are required to be awarded in that year. Any ungranted options from the prior year(s) will be added to the current year's available options for the Committee's consideration for the granting of options. The total

number of options that may be granted in any one year, with the exception of the first year in which 400,000 will be considered for award, is the current year's allocation plus the cumulative total of all ungranted and forfeited options of all prior years under the 2006 Plan. No employee may be granted in any calendar year options which total more than 60,000 shares.

#### *Amendment and Discontinuance*

Subject to applicable law and the listing standards or requirements of any exchange on which United Stock is traded, the Board of Directors may at any time amend or discontinue the 2006 Plan. The Board of Directors may not, without the approval of the shareholders, amend the 2006 Plan to increase the maximum number of shares as to which options may be granted under the 2006 Plan, change the class of eligible employees, reduce the exercise price of outstanding options (except with respect to certain changes in capital structure as provided in Section 13 of the 2006 Plan), or lower the exercise price at which future options may be granted below the fair market value of the stock on the date the option is granted. Amendments may not alter the outstanding options without the consent of the optionee.

#### *Tax Consequences*

The following discussion outlines generally the federal income tax consequences of participation in the 2006 Plan. Individual circumstances may vary and each recipient should rely on his or her own tax counsel for advice regarding federal income tax treatment under the 2006 Plan. Furthermore, any tax advice contained in this discussion is not intended to be used, and cannot be used, to avoid penalties under the Internal Revenue Code.

All options granted under the 2006 Plan will be non-statutory stock options (NSOs), i.e. options that do not qualify as incentive stock options under Section 422 of the Internal Revenue Code. A recipient will not recognize income upon a grant of an option or at any time prior to the exercise of the option or portion thereof. An individual who exercises a non-statutory stock option (NSO) will recognize compensation taxable as ordinary income in the year the option is exercised in an amount equal to the excess of the fair market value of the shares purchased on the exercise date over the purchase price. United is entitled to a tax deduction in an amount equal to the ordinary income recognized by the optionee. The excess of the proceeds from any subsequent sale of the shares purchased over the fair market value on the date of exercise is taxed as long-term capital gain if the shares are held more than one year and as short-term capital gain if held one year or less.

#### Item 8.01. Other Events

On May 15, 2006, at the 2006 Annual Meeting, the following directors were elected by United's shareholders to serve on the Company's Board of Directors until the 2007 Annual Meeting of Shareholders: Richard M. Adams, Robert G. Astorg, Thomas J. Blair, III, W. Gaston Caperton, III, Lawrence K. Doll, Theodore J. Georgelas, F. T.

Graff, Jr., Russell L. Isaacs, John M. McMahon, J. Paul McNamara, G. Ogden Nutting, William C. Pitt, III, I. N. Smith, Jr., Mary K. Weddle, and P. Clinton Winter, Jr. Each director elected will continue in office until his successor has been duly elected and qualified or until his death, resignation or retirement.

Also at the 2006 Annual Meeting, United's shareholders ratified the selection of Ernst & Young LLP, Charleston, West Virginia as the independent registered public accounting firm for United to audit the consolidated financial statements of United and its subsidiaries for the fiscal year ending December 31, 2006.

At its May 15, 2006 board meeting, the Board of Directors declared a second quarter dividend of 27¢ per share and approved a new plan to repurchase up to 1.7 million shares of United's common stock, or approximately 4% of the issued and outstanding shares of United, on the open market. The new plan will commence at the conclusion of the 2004 repurchase plan.

The second quarter dividend of 27¢ per share will be for shareholders of record as of June 9, 2006. The dividend will be payable on July 3, 2006.

The timing, price and quantity of purchases under the plan will be at the discretion of management and the plan may be discontinued, suspended or restarted at any time depending on the facts and circumstances. United's management believes the repurchase plan, depending upon market and business conditions, will provide capital management opportunities and build value for the Company's shareholders. Shares repurchased under the plan will be available to fund employee benefit programs as well as for a variety of other corporate purposes, including potential acquisitions.

Attached as Exhibit 99.1 is a copy of the press release relating to the announcement of the second quarter dividend and new stock repurchase plan, which is incorporated herein by reference.

#### Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

10.1 United Bankshares, Inc. 2006 Stock Option Plan

10.2 United Bankshares, Inc. 2006 Stock Option Plan Option Agreement

99.1 Press Release, dated May 16, 2006, issued by United Bankshares, Inc.

**SIGNATURES**

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED BANKSHARES, INC.

Date: May 16, 2006  
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By: /s/ Steven E. Wilson

Steven E. Wilson, Executive Vice President,  
Treasurer, Secretary and Chief Financial  
Officer

**UNITED BANKSHARES, INC.  
2006 STOCK OPTION PLAN**

1. Purposes of the Plan.

The Plan is designed to advance the interests of United Bankshares, Inc. ("United") by assisting in attracting and retaining qualified employees and providing them with increased motivation to exert their best efforts on behalf of the Company.

2. Administration.

The Plan shall be administered by the Compensation Committee of the Board of Directors ("Committee") of the Company. The Committee shall consist of not less than two directors, appointed by the Board of Directors. To the extent required to comply with Rule 16b-3 under the Exchange Act, each member of the Committee shall qualify as a Non-employee Director (within the meaning of said section). To the extent required to comply with Code Section 162(m), each member of the Committee also shall be an Outside Director (within the meaning of said section).

The Committee may select any officer or key employee of the Company or of its subsidiaries (eligible employee) to participate in the Plan and may from time to time grant options to purchase the shares of stock described hereafter in accordance with the terms of this plan.

The Committee shall have full power to construe and interpret the Plan and promulgate such regulations with respect to the Plan as it may deem desirable in accordance with applicable law. The terms and conditions of each option may vary from eligible employee to eligible employee.

3. Awards.

Options to purchase United's stock may be awarded under the Plan. Such options shall be non-statutory stock options (NSOs) i.e., options that do not qualify as ISOs.

4. Stock Subject to Option.

There shall be allocated to the Plan 1,500,000 authorized and unissued shares of common capital stock of the Company. If an option granted under the Plan expires or terminates unexercised as to any shares covered thereby, such shares may thereafter be available for the granting of options under the Plan.

The Committee will consider for award up to 400,000 shares of Common Capital Stock in any plan year. Any ungranted options from the prior year(s) will be added to the current year's available options for the Committee's consideration for the granting of options. The total number of options that may be granted in any one year, with the exception of the first year in which 400,000 shares will be considered for award, is the current year's allocation plus the cumulative total of all ungranted options of all prior years under the 2006 Plan. An employee may not be granted in any calendar year options which in the aggregate relate to more than 60,000 shares of stock.

The Company, during the term of the options granted pursuant to this Plan, will at all times reserve and keep available, and will seek to obtain from any regulatory body having jurisdiction, to the extent required, any authority in order to issue and sell the number of shares of its Common Stock sufficient to satisfy the requirements of such options. If in the opinion of its counsel the issue or sale of any shares of its stock pursuant to this Plan will not be lawful for any reason, including the inability of the Company to obtain from any regulatory body having jurisdiction authority deemed by such counsel to be necessary to such issuance or sale, the Company shall not be obligated to issue or sell any such shares.

## 5. Terms and Conditions of Options.

All options granted under this Plan shall be evidenced by an option agreement that specifies the option exercise price, the duration of the option, the number of shares to which the option pertains, and such other provisions as the Committee, in its discretion, may from time to time determine, provided, however, that all options granted shall be subject to the following provisions:

(a) Option Price: The option price per share with respect to each option shall be not less than 100% of the fair market value of the stock on the date the option is granted. Fair market value shall be defined as the opening bid price on the day the Committee approves the option award or at the Committee's discretion based on alternatives as determined in accordance with IRC Section 409A.

(b) Vesting: Subject to the acceleration of vesting provisions of Section 5(c), following, an employee shall be permitted to exercise options granted hereunder in accordance with the following vesting schedule:

<u>Years from Grant of Option</u>	<u>Percentage Vested</u>
1	0%
2	0%
3	100%

In order for options to vest, an optionee must be an employee on the date the options are scheduled to vest (as outlined in the preceding schedule) or in the case of a change in control, the optionee must be an employee on the date the change in control is deemed to have occurred in order to have the vesting of outstanding options accelerated.

(c) Change in Control: Notwithstanding the vesting schedule of Section 5(b), above, in the event of a "change in control" as hereafter defined, an employee shall be permitted to exercise all of the options granted beginning on the date of the execution of a binding contract which would result in a "change in control", whether or not the contract is performed, and ending on the effective date of the "change in control", at which latter time all unexercised options in effect at such time shall terminate. The surviving or resulting corporation or other entity, in its absolute discretion, may grant options to purchase its shares upon such terms and conditions as it desires.

For the purpose of this Plan, a "change in control" shall be deemed to have occurred: (i) if any "person" (as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act")) or group of persons, together with its affiliates excluding employee benefit plans

of United or its subsidiaries, shall become the beneficial owner (as such term is used in the Exchange Act), directly or indirectly of common stock of United representing twenty percent (20%) or more of the combined voting power of United's then outstanding securities eligible to be voted in an election of directors, unless two-thirds of the Board, as constituted immediately prior to the date of the change in control, decide in their discretion that no change in control has occurred: (ii) if at any time individuals who at the date of this Agreement constitute at least a majority of the Board of Directors cease for any reason other than death or voluntary resignation (being a resignation not requested by any other person or persons, including without limitation, the retirement of a director at the end of his or her term) to constitute at least a majority thereof; (iii) if there is a change in control of a nature that, in the opinion of counsel for United, would be required to be reported in response to Item 6(e) of Schedule 14A under the Exchange Act, unless two-thirds of the Board, as constituted immediately prior to the date of the change in control, decide in their discretion that no change in control has occurred; (iv) the shareholders of United approve a plan of complete liquidation or winding-up of United; or (v) any event which United's Board of Directors determine constitutes a "change in control."

(d) Exercise of Options: An exercise of an option shall be made in a written notice to the Company of the election and of the number of shares to be purchased. Full payment for shares acquired shall be made in cash or such other form as determined by the Committee at the time that an option, or any part thereof, is exercised. The rights of a record holder of stock with respect to such shares will not accrue until a certificate for the shares is issued.

(e) Term of Option: No option shall be granted for a term of more than ten (10) years from the date the option is granted.

(f) Employment Status of Optionee: Except as hereinafter provided with respect to disability and death and subject to the termination of option provisions in Section 5(e), each vested option, to the extent it shall not have been exercised, shall terminate upon three (3) months after the termination of employment of the optionee. Subject to the termination of option provisions in Section 5(e), in the event termination of employment is the result of the optionee's permanent and total disability, as defined in Section 22(e)(3) of the Internal Revenue Code, or successor section, each vested option, to the extent it shall not have been exercised, shall terminate one (1) year after the termination of employment of the optionee. The three (3) month and one (1) year limitations on the exercise of vested options are waived entirely for exercises by estates or by persons receiving vested options because of the death of the optionee. Provided, however, that nothing in this paragraph shall operate to extend the term of the option beyond the term stated in the agreement granting the option. Any option that is not vested at the time of an optionee's termination or death will expire commensurate with such termination of employment or death, as applicable.

(g) Options Nonassignable and Nontransferable: Each option, and all rights thereunder, shall be nonassignable and nontransferable other than by will or the laws of descent and distribution. With the exception hereafter noted for disability, during an optionee's lifetime, a vested option may only be exercised by the optionee. If an optionee suffers total and permanent disability, a vested option may be exercised by the optionee, if capable, or by the optionee's committee, guardian, attorney-in-fact or other authorized person or entity. After the death of an optionee, a vested option may be exercised by his or her personal representative, devisee or heir, as the case may be.

(h) Order of Exercise: Any vested option granted pursuant to this Plan may be exercised in any order, at the discretion of the optionee.

6. Rights of Shareholders.

No optionee shall have rights as a shareholder as to shares covered by an option until the date a stock certificate is issued to such individual for the shares.

7. Rights of Participants.

This Plan will not confer upon any participant any right with respect to continuance of employment or other service with United or any subsidiary, nor will it interfere in any way with any right United or any Subsidiary would otherwise have to terminate such Participant's employment or other service at any time.

8. Effective Date of Plan.

The Plan shall become effective upon approval by shareholders owning a majority of the total votes cast at the meeting held to consider the Plan.

9. Amendment of Plan.

Subject to applicable law and the listing standards or requirements of any exchange on which United stock is traded, the Board of Directors may at any time terminate or from time to time amend the Plan and the terms and conditions of any options not theretofore issued; and may, with the consent of the affected holder of an option, withdraw or from time to time amend the Plan and the terms and conditions of any options which theretofore have been granted.

However, the Board of Directors may not, without the approval of the shareholders, amend or alter the Plan to increase the maximum number of shares as to which options may be granted under the Plan, or change the class of eligible employees, or reduce the exercise price of outstanding options, or lower the exercise price at which future options may be granted (i.e., options may not be awarded with a below-market exercise price).

10. Termination of Plan.

The Plan shall terminate five (5) years from its effective date, or if earlier, five (5) years from the date of its adoption, but the termination shall not affect option rights granted before the date of termination.

11. Withholding.

United and any of its subsidiaries shall have the power and the right to deduct or withhold, or require a participant to remit to the Company or any of its subsidiaries, an amount sufficient to satisfy federal (including FICA), state, and local taxes required by law to be withheld with respect to any grant, exercise, or payment made under or as a result of this Plan.

12. Compliance.

Options awarded under the Plan are intended to be exempt from IRC Section 409A and the Plan will be construed and interpreted consistent with that intention.

13. Changes in Capital Structure.

The number, kind, or class (or any combination thereof) of shares of stock reserved under Section 4 of the Plan; the grant limitations also defined in Section 4 of the Plan; the number, kind, or class (or any combination thereof) of shares of stock subject to options; and the exercise price of the options shall be adjusted by the Committee in an equitable manner to reflect any change in the capitalization of the Company, including, but not limited to, such changes as stock dividends or stock splits.

14. Construction.

If any provision of the Plan or any Option Agreement is held to be illegal or void, such illegality or invalidity shall not affect the remaining provisions of the Plan, but shall be fully severable, and the Plan shall be construed and enforced as if the illegal or invalid provisions had never been inserted. For all purposes of the Plan, where the context permits, the singular shall include the plural, and the plural shall include the singular. All decisions of the Committee upon questions regarding the Plan or any Option Agreement shall be conclusive and binding on all persons. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and any Option Agreement, the terms of the Plan shall control. The headings of the paragraphs of this Plan have been included for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms of provisions hereof.

15. Governing Law.

This Plan and any Option Agreement issued pursuant to this Plan shall be governed by, and construed in accordance with, the laws of the State of West Virginia.

**UNITED BANKSHARES, INC.  
2006 STOCK OPTION PLAN  
OPTION AGREEMENT**

THIS OPTION AGREEMENT, made as of \_\_\_\_\_ (“Grant Date”) by and between UNITED BANKSHARES, INC. (“the Company”) and XXXXXXX (“Employee”).

WHEREAS, the United Bankshares, Inc. 2006 Stock Option Plan (“the Plan”), providing for awards of non-statutory stock options, was adopted by the Board of Directors of the Company on \_\_\_\_\_, and approved by its shareholders on \_\_\_\_\_; and

WHEREAS, the Plan provides that the United Bankshares, Inc. Compensation Committee (“the Committee”) shall administer the Plan; and

WHEREAS, the Plan provides that the Committee may select any officer or key employee of the Company or of its subsidiaries to participate in the Plan; and

WHEREAS, the Committee has selected Employee who meets the Plan’s eligibility requirements to participate in the Plan and to be granted an option to purchase the shares of stock described hereafter in accordance with the terms of this Option Agreement and the Plan; and

WHEREAS, the Committee by resolution effective \_\_\_\_\_, authorized the Chairman to award stock options to deserving, eligible employees and further authorized the Chairman, President or Executive Vice President, and Secretary of the Company to execute this Option Agreement evidencing the grant of such option.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Option. The Company hereby irrevocably grants to Employee, as a matter of separate agreement and not in lieu of salary or any other compensation for services, the right and option (“Option”) to purchase all or any part of an aggregate of **0,000** shares of authorized common stock of the Company on the terms and conditions herein set forth. The term “common stock” as used herein shall, except as otherwise indicated by the context, mean the \$2.50 par value common stock of the Company authorized as of the date hereof. The options awarded hereunder are not intended to qualify as incentive stock options (ISOs) as defined in the Internal Revenue Code of 1986, as amended (“Code”).

2. Option Price. The purchase price for each share of common stock covered by the Option shall be **\$00.00** per share, which amount represents the fair market value of the stock on the Grant Date as determined in good faith by the Committee.

3. Term. The term of the Option shall be for a period of ten (10) years from the Grant Date unless the Option expires or is terminated at an earlier time as hereinafter provided.

4. Rights as Stockholders. The Employee shall not have any of the rights of a stockholder with respect to the shares of common stock covered by the Option until such shares shall be issued upon the due exercise of the Option.

5. Nonassignable and Nontransferable. Pursuant to the Plan, each Option, and all rights thereunder, shall be nonassignable and nontransferable other than by will or the laws of descent and distribution. With the exception hereafter noted for disability, during Employee's lifetime, an Option may only be exercised by the Employee. If Employee suffers total and permanent disability, an Option may be exercised by Employee, if capable, or by Employee's committee, guardian, attorney-in-fact or other authorized person or entity. After the death of Employee, an Option may be exercised by his or her personal representative, legatee or heir, as the case may be.

6. Exercisability of Option. The Option shall become exercisable in accordance with the following vesting schedule:

<u>Years from Grant of Option</u>	<u>Percentage Vested</u>
1	0%
2	0%
3	100%

In order for options to vest, an optionee must be an employee on the date the options are scheduled to vest (as outlined in the preceding schedule) or in the case of a change in control, (as described below) the optionee must be an employee on the date the change in control is deemed to have occurred in order to have the vesting of outstanding options accelerated.

Provided, however, in the event of a change in control, vesting shall be accelerated and Employee shall be permitted to exercise all options granted beginning on the date of a binding contract which will result in a change in control, whether or not the contract is performed, and ending on the effective date of the change in control.

For the purpose of this Agreement, a "change in control" shall be deemed to have occurred: (i) if any "person" (as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act")) or group of persons, together with its affiliates excluding employee benefit plans of United Bank or its subsidiaries, shall become the beneficial owner (as such term is used in the Exchange Act), directly or indirectly of common stock of the Company representing twenty percent (20%) or more of the combined voting power of the Company's then outstanding securities eligible to be voted in an election of directors, unless two-thirds of the Board, as constituted immediately prior to the date of the change in control, decide in their discretion that no change in control has occurred; (ii) if at any time individuals who at the date of this Agreement constitute at least a majority of the Board of Directors cease for any reason other than death or voluntary resignation (being a resignation not requested by any other person or persons, including without limitation, the retirement of a director at the end of his or her term) to constitute at least a majority thereof; (iii) if there is a change in control of a nature that, in the opinion of counsel for the Company, would be required to be reported in response to Item 6(e) of Schedule 14A under the Exchange Act, unless two-thirds of the Board, as constituted immediately prior to the date of the change in control, decide in their discretion

that no change in control has occurred; (iv) the shareholders of the Company approve a plan of complete liquidation or winding-up of the Company; or (v) any event which United's Board of Directors determine constitutes a "change in control."

7. Termination of Option. Except as provided otherwise herein, all rights under the Option shall expire, to the extent not heretofore exercised, ten years from the grant of this Option. In the event of a change in control, all unexpired options shall terminate, if not sooner, as of the effective date of the change in control. The surviving or resulting corporation or other entity, in its absolute discretion, may grant options to purchase its shares on such terms and conditions as it desires.

8. Employment Status of Employee. Except as hereinafter provided with respect to disability and death and subject to the termination of option provisions in Section 7 above, each vested Option, to the extent it shall not have been exercised, shall terminate upon three (3) months after the termination of employment of the Employee. In the event termination of employment is the result of the optionee's permanent and total disability, as defined in Section 22(e)(3) of the Internal Revenue Code, or successor section, each vested Option, to the extent it shall not have been exercised, shall terminate one (1) year after the termination of employment of the Employee. The three (3) month and one (1) year limitations are waived entirely for exercises by estates or by persons receiving Options because of the death of the Employee. Provided, however, that nothing in this section shall operate to extend the term of the Option beyond the term stated in Section 3 hereof, subject to earlier termination of the option as provided in Section 7 above. Any option that is not vested at the time of an optionee's termination or death will expire commensurate with such termination of employment or death, as applicable.

9. Change of Duties. This Option shall not be affected (i) by any change of duties or position (including transfer to or from a subsidiary), so long as the Employee continues to be an employee of the Company or of any of its subsidiaries, or (ii) by a temporary leave of absence that does not sever the employment relationship. For this purpose, a temporary leave of absence for a period of less than three (3) months must be approved by an officer of the Company [or in accordance with procedures applicable to approved leaves under the Family and Medical Leave Act of 1993—discuss], and a temporary leave of absence for a period of three (3) months or more must be approved by the Board of Directors of the Company.

10. Changes in Capital Structure. The number, kind, or class (or any combination thereof) of shares of stock reserved under Section 4 of the Plan; the grant limitations also defined in Section 4 of the Plan; the number, kind, or class (or any combination thereof) of shares of stock subject to options; and the exercise price of the options shall be adjusted by the Committee in an equitable manner to reflect any change in the capitalization of the Company, including, but not limited to, such changes as stock dividends or stock splits.

11. Exercise of Option. Subject to the terms and conditions of this Option Agreement, the Option may be exercised by written notice to United Bankshares, Inc. at the Company's offices, which are presently at United Square, Fifth & Avery Streets, Parkersburg, West Virginia 26101. Such notice shall state the date of this Agreement, the election to exercise the Option, and the number of shares in respect of which it is being exercised, and shall be signed by the person or persons so exercising the Option. Such notice shall be accompanied by payment of the full purchase price of the shares or by alternative means of exercise as determined by the Committee. The Company shall issue

and deliver a certificate or certificates representing the shares as soon as practicable after the notice is received. The certificate or certificates for the shares as to which the Option shall have been so exercised shall be registered in the name of the person or persons exercising the Option and shall be delivered to or upon the written order of the person or persons exercising the Option. In the event the Option is being exercised pursuant to Section 5 hereof by any person or persons other than Employee, the notice shall be accompanied by appropriate proof of the right of such person or persons to exercise the Option. All shares issued as provided herein will be fully paid and non-assessable.

12. Order of Exercise. Any vested option granted pursuant to this Plan may be exercised in any order, at the discretion of Employee.

13. Reservation of Shares. The Company shall at all times during the term of the Option reserve a number of shares of common stock that will be sufficient to satisfy the requirements of this Option Agreement, and will from time to time use its best efforts to comply with all laws and regulations which, in the opinion of counsel for the Company, shall be applicable thereto.

14. Inclusion of Subsidiary and Successor Corporations. For purposes of this Option Agreement, employment by a subsidiary corporation of the Company shall be considered employment by the Company. As used in this paragraph, the term “subsidiary corporation” shall mean any present or future subsidiary corporation of the Company coming within the definition of “subsidiary corporation” contained in Section 424(f) of the Internal Revenue Code of 1986, as amended, or any successor section. This Option Agreement shall be binding upon any successor or successors of the Company and reference herein to the Company, unless clearly inapplicable, shall be deemed to include any such successor or successors of the Company.

15. Effect of Plan. The Option granted hereunder is granted pursuant to the terms of and is in all respects limited and conditioned as provided in the United Bankshares, Inc. 2006 Stock Option Plan, a copy of which is attached to and made a part of this Option Agreement. In the event any conflict exists between the terms and conditions of the Plan at the Grant Date and this Option Agreement, the terms and conditions of the Plan shall prevail.

16. Disclosure. Employee acknowledges receipt of a copy of the United Bankshares, Inc. 2006 Stock Option Plan, and a copy of the most recent United Bankshares, Inc. Annual Report.

17. Construction. If any provision of this Option Agreement is held to be illegal or void, such illegality or invalidity shall not affect the remaining provisions of the Option Agreement, but shall be fully severable, and the Option Agreement shall be construed and enforced as if the illegal or invalid provisions had never been inserted. For all purposes of the Option Agreement, where the context permits, the singular shall include the plural, and the plural shall include the singular. All decisions of the Committee upon questions regarding the Option Agreement shall be conclusive and binding on all persons. The headings of the paragraphs of this Option Agreement have been included for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms of provisions hereof.

18. Governing Law. This Option Agreement shall be governed by, and construed in accordance with, the laws of the State of West Virginia.

IN WITNESS WHEREOF, the Company has caused this Option Agreement to be executed by its officers thereunto duly authorized, and Employee has signed the same, all as of the day and year first above written:

UNITED BANKSHARES, INC.

By: \_\_\_\_\_

Its: Chairman and CEO

[CORPORATE SEAL]

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
EMPLOYEE [SEAL]



For Immediate Release  
May 16, 2006

Contact: Steven E. Wilson  
Chief Financial Officer  
(304)424-8704

## **United Bankshares Declares Dividend and Announces New Stock Repurchase Program**

WASHINGTON, DC and CHARLESTON, WV--United Bankshares, Inc. (NASDAQ: UBSI), announced that at its May 15, 2006 board meeting, the Board of Directors declared a second quarter dividend and approved a new plan to repurchase, on the open market, up to 4% of the issued and outstanding shares of United's common stock. The new plan will commence at the conclusion of the 2004 repurchase plan.

The second quarter dividend of 27¢ per share for shareholders of record as of June 9, 2006 represents a 4% increase over the 26¢ paid in the second quarter of 2005. Dividends per share of 54¢ for the first half of 2006 also represents a 4% increase over the 52¢ per share paid for the first half of 2005. The dividend payout for the quarter of approximately \$11.2 million on 41.7 million shares is payable July 3, 2006. The year 2006 is expected to be the 33rd consecutive year of dividend increases to United shareholders.

The timing, price and quantity of purchases under the stock repurchase plan will be at the discretion of management and the plan may be discontinued, suspended or restarted at any time depending on the facts and circumstances. United's management feels the stock repurchase plan, depending upon market and business conditions, will provide capital management opportunities and build value for the Company's shareholders. Shares repurchased under the plan will be available to fund employee benefit programs as well as for a variety of other corporate purposes, including potential acquisitions.

United Bankshares stock is traded on the NASDAQ Stock Market System under the quotation symbol "UBSI".