

UNION BANKSHARES INC
Form 4
December 21, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
GIBBONS KENNETH D

2. Issuer Name and Ticker or Trading Symbol
UNION BANKSHARES INC
[UNB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
547 FITCH HILL ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/20/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
President & CEO

HYDE PARK, VT 05655

(City) (State) (Zip)

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

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 | | | | | 53,544 | D | |
| Common Stock | | | | | 400 | I | See Note (1) |

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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|------------|---|-------------------------------|
| | | | | Code | V | (A) | (D) | Title | |
| Stock Option Right to Buy Common Stock | \$ 22.5 | 12/20/2006 | | A | | 2,000 | | Common Stock | 2,000 |
| Stock Option Right to Buy Common Stock | \$ 23.3 | | | | | | 12/23/2006 | 12/22/2010 | Common Stock 2,000 |
| Stock Option Right to Buy Common Stock | \$ 26.6 | | | | | | 01/02/2005 | 01/01/2009 | Common Stock 2,000 |
| Stock Option Right to Buy Common Stock | \$ 25.3 | | | | | | 12/17/2004 | 12/16/2008 | Common Stock 2,000 |
| Stock Option Right to Buy Common Stock | \$ 15.67 | | | | | | 12/19/2003 | 12/18/2007 | Common Stock 3,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| GIBBONS KENNETH D 547 FITCH HILL ROAD HYDE PARK, VT 05655 | X | | President & CEO | |

Signatures

/s/ Kenneth D.
Gibbons

12/21/2006

 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) Holds 150 shares indirectly with his wife and 250 shares indirectly with his son.

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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