

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

[] Check this box if no longer subject to Section 16. Form 4 or Form 5
obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person*

Maddy III H. Charles
(Last) (First) (Middle)
223 North Main Street
(Street)
Moorefield WV 26836
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Summit Financial Group, Inc.
SMMF

3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)

###-##-####

4. Statement for Month/Day/Year

December 6, 2002

5. If Amendment, Date of Original (Month/Year)

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

[X] Director [] 10% Owner
[X] Officer (give title below) [] Other (specify below)
President and CEO

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

[X] 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 (mm/dd/yy)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Owner- ship Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)	
		Code	V	Amount	(A) or (D)	Price				
Common Stock	--			--			1,008	D		
Common Stock	--			--			293	I	By Wife	
Common Stock	--			--			3,585	I	By ESOP	

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

* If the form is filed by more than one reporting person, see Instruction

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 Deriv- ative Secur- ity	3. Trans- action Date (Month/ Day/ Year)	4. Trans- action 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 Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Secur- ities Bene- ficially Owned at End of Month (Instr. 4)	10. Owner- ship of Deriv- ative Secur- ity: Direct (D) or In- direct (I) (Instr. 4)	11. Nature of In- direct Owner- ship (Instr. 4)
Employee Stock Option (Right to buy)	37.95	12/6/02	A	1,750	(1) (2)	Common Stock	1,750	11,250	D	

(1) Option vests in 5 equal annual installments beginning 12/6/03.
(2) Option expires in 5 equal annual installments beginning 12/6/13.

By: s/ Teresa D. Sherman

December 9, 2002

**Signature of Reporting Person
Attorney-in-fact

Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedures.

Alternatively, this Form is permitted to be submitted to the Commission in electronic format at the option of the reporting person pursuant to Rule 101(b)(4) of Regulation S-T.