

COLONIAL BANGROUP INC
Form 4
January 17, 2008

FORM 4

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

OMB APPROVAL

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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 *
LOWDER ROBERT E

2. Issuer Name and Ticker or Trading Symbol
COLONIAL BANGROUP INC [CNB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/15/2008

____ Director
 Officer (give title below) _____ Other (specify below)
CEO

**100 COLONIAL BANK BLVD.,
3RD FLOOR**

(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
 Form filed by More than One Reporting Person

MONTGOMERY, AL 36117

(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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	01/15/2008		A ⁽³⁾		51,286	A	\$ 11.29
Common Stock	01/15/2008		A ⁽⁴⁾		51,286	A	\$ 11.29
Common Stock							25,960
						I	by Spouse

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

SEC 1474 (9-02)

displays a currently valid OMB control 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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 10.38					03/29/2001	03/29/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 10.5					12/30/2000	12/30/2009	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.5313					12/30/1999	12/30/2008	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 24.09					12/22/2006 ⁽¹⁾	12/22/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 25.81					01/16/2008 ⁽²⁾	01/16/2017	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.29	01/15/2008		A	258,491	01/15/2009 ⁽²⁾	01/15/2018	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LOWDER ROBERT E 100 COLONIAL BANK BLVD., 3RD FLOOR MONTGOMERY, AL 36117			CEO	

Signatures

/s/ Robert E.
Lowder

01/17/2008

__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) Options vest in 5 equal installments, 20% annually beginning one year from the date of grant. (40% vested).
- (2) Options vest in 5 equal installments, 20% annually beginning one year from the date of grant. (0% vested)
- (3) Service Based Restricted Stock Award. These restricted shares will vest 100% on the fifth anniversary of the grant date.

- Performance Based Restricted Stock Award. These restricted shares will vest based on performance on the third anniversary of the grant
- (4) date. The performance measure has been defined as EPS growth (as compared to a group of designated peer banks) measured as a three-year compound annual growth rate (CAGR) from December 31, 2007 - December 31, 2010.

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.