

COLONIAL BANCGROUP INC

Form 4

May 28, 2008

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

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Byrne David B Jr

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
9213 BRISTOL WAY
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
05/28/2008

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
Chief Legal Officer

MONTGOMERY, AL 36117

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(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 Ownership (Instr. 4)
Common Stock	05/28/2008		P	500	A \$ 5.676	35,697	D
Common Stock	05/28/2008		P	500	A \$ 5.708	1,000	I by Spouse

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

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information contained in this form are not
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(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)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 23.89					01/18/2007 ⁽³⁾	01/18/2016	Common Stock	20,000
Incentive Stock Option (right to buy)	\$ 25.4					04/18/2007 ⁽¹⁾	04/18/2016	Common Stock	870
Non-Qualified Stock Option (right to buy)	\$ 25.4					04/18/2007 ⁽²⁾	04/18/2016	Common Stock	10,800
Non-Qualified Stock Option (right to buy)	\$ 25.81					01/16/2008 ⁽¹⁾	01/16/2017	Common Stock	12,100
Non-Qualified Stock Option (right to buy)	\$ 11.29					01/15/2009 ⁽¹⁾	01/15/2018	Common Stock	38,600

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Byrne David B Jr 9213 BRISTOL WAY MONTGOMERY, AL 36117	Chief Legal Officer

Signatures

/s/ David B.
Byrne, Jr. 05/28/2008

**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.

(2) 2,170 options vest on the first anniversary of the grant date. The remaining 8,676 options will vest in four equal installments beginning two years from the date of grant.

(3) Options vest in 5 equal installments, 20% annually beginning one year from the date of grant.

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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