

COLONIAL BANCGROUP INC
 Form 4
 May 30, 2006

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 BANCGROUP INC [CNB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
05/25/2006

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

ONE COMMERCE STREET, 8TH 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 36104

(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 | 05/25/2006 | | J ⁽²⁾ | | 581 | A | \$ 20.64 |
| Common Stock | 05/25/2006 | | J ⁽³⁾ | V | 984 | A | \$ 24.65 |
| Common Stock | | | | | | | ⁽⁴⁾ |
| 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

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|-------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number of Shares |
| Incentive Stock Option (right to buy) | \$ 9.5775 | | | | | 01/15/1998 | 01/15/2007 | Common Stock | 50,000 |
| Non-Qualified Stock Option (right to buy) | \$ 9.5775 | | | | | 01/15/1998 | 01/15/2007 | Common Stock | 50,000 |
| Non-Qualified Stock Option (right to buy) | \$ 10.38 | | | | | 03/29/2001 | 03/29/2010 | Common Stock | 200,000 |
| Non-Qualified Stock Option (right to buy) | \$ 10.5 | | | | | 12/30/2000 | 12/30/2009 | Common Stock | 100,000 |
| Non-Qualified Stock Option (right to buy) | \$ 11.5313 | | | | | 12/30/1999 | 12/30/2008 | Common Stock | 100,000 |
| Non-Qualified Stock Option (right to buy) | \$ 24.09 | | | | | 12/22/2006 ⁽¹⁾ | 12/22/2015 | Common Stock | 200,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| LOWDER ROBERT E ONE COMMERCE STREET, 8TH FLOOR MONTGOMERY, AL 36104 | | | CEO | |

Signatures

/s/ Robert E.
Lowder

05/30/2006

__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) Options vest in 5 equal installments, 20% annually beginning one year from the date of grant.
 - (2) Shares Issued through the Restricted Stock Plan for Directors.
 - (3) Shares issued through the Colonial BancGroup, Inc. 401K Retirement Plan.
 - (4) Average purchase price of 401K shares issued throughout the year.

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.