

LOWDER ROBERT E
Form 4
October 22, 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 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)
10/20/2008

____ Director _____ 10% Owner
 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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	10/20/2008		J ⁽³⁾	V 556 A \$ 8.15	7,677,766	D	
Common Stock	10/20/2008		J ⁽⁴⁾	V 757 A \$ 7.24	7,678,523	D	
Common Stock					25,960	I	by Spouse

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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 10.38					03/29/2001	03/29/2010	Common Stock	200,
Non-Qualified Stock Option (right to buy)	\$ 10.5					12/30/2000	12/30/2009	Common Stock	100,
Non-Qualified Stock Option (right to buy)	\$ 11.5313					12/30/1999	12/30/2008	Common Stock	100,
Non-Qualified Stock Option (right to buy)	\$ 24.09					12/22/2006 ⁽¹⁾	12/22/2015	Common Stock	200,
Non-Qualified Stock Option (right to buy)	\$ 25.81					01/16/2008 ⁽²⁾	01/16/2017	Common Stock	101,
Non-Qualified Stock Option (right to buy)	\$ 11.29					01/15/2009 ⁽²⁾	01/15/2018	Common Stock	258,

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/ Alan J. Artman, Attorney
in fact

10/21/2008

__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) Shares Issued through the Restricted Stock Plan for Directors.
 - (4) Shares issued through the Colonial BancGroup, Inc. 401K Retirement Plan.
 - (5) 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.
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