OAKLEY WALTER FLAKE IV

Form 4 January 24, 2005

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.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** Form 4 or Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,

obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person OAKLEY WALTER FLAKE IV	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 509 COUNTY DOWNS ROAD	3. Date of Earliest Transaction (Month/Day/Year) 01/20/2005	Director 10% OwnerX_ Officer (give title Other (specify below) President
(Street)	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
MONTGOMERY, AL 36109		Form filed by More than One Reporting Person

(City)	(State)	(Zip) Tabl	le I - Noi	n-D	erivative S	Securi	ties Acqu	ired, Disposed of	, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)				of (D)	5. Amount of Securities Ownership Beneficially Form: Direct Owned (D) or Following Indirect (I) Reported (Instr. 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)	,		
Common Stock	01/20/2005		A		30,000 (1)	A	\$ 20	107,810	D		
Common Stock	01/20/2005		J(2)	V	131	A	\$ 20.13 (3)	107,941	D		
Common Stock								4,740	I	By Sons	
Common Stock								2,000	I	By Trust	

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

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SEC 1474 (9-02)

$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

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. Transactic Code (Instr. 8)	of			7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 9.97					12/19/1997	12/19/2006	Common Stock	10,000
Incentive Stock Option (right to buy)	\$ 11.5313					12/30/1999	12/30/2008	Common Stock	40,000
Incentive Stock Option (right to buy)	\$ 10.5					12/30/2000	12/30/2009	Common Stock	30,000
Incentive Stock Option (right to buy)	\$ 12.54					06/18/2001	06/18/2011	Common Stock	20,000
Incentive Stock Option (right to buy)	\$ 14.81					12/28/2002(4)	12/28/2011	Common Stock	10,000
Incentive Stock	\$ 17.28					12/23/2004(5)	12/23/2013	Common Stock	8,407

Option (right to buy)					
Non Qualified Stock Option (right to buy)	\$ 17.28	12/23/2004	12/23/2013	Common Stock	1,593
Incentive Stock Option (right to buy)	\$ 21.45	12/28/2005(7)	12/28/2014	Common Stock	9,296
Non Qualified Stock Option (right to buy)	\$ 21.45	12/28/2005(6)	12/28/2014	Common Stock	704

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
OAKLEY WALTER FLAKE IV						
509 COUNTY DOWNS ROAD MONTGOMERY, AL 36109			President			

Signatures

Walter Flake Oakley, IV 01/24/2005

**Signature of Reporting Date
Person

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) Restricted Stock awarded under the Long Term Incentive Plan. Shares vest 100% on the 5th anniversary of the grant date.
- (2) Shares issued through the Colonial BancGroup, Inc. 401K Retirement Plan.
- (3) Average purchase price of 401K shares issued throughout the year.
- (4) Options vest in 5 equal installments, 20% annually beginning one year from the date of grant. (60% vested)
- (5) 407 options vest one year from the grant date. The remaining 8,000 options vest in four equal installments beginning two years from the grant date.

(6) Options vest in two equal installments, annually, beginning one year from the grant date.

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(7) 1,648 options vest on the first and second anniversary of the grant date. The remaining 6,000 options vest in three equal installments, annually, commencing on the third anniversary of the grant date.

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.