

Hill Patti G
Form 4
February 19, 2009

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Hill Patti G

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)

7257 BRISBANE PLACE

(Street)

MONTGOMERY, AL 36117

(City) (State) (Zip)

3. Date of Earliest Transaction
(Month/Day/Year)
02/17/2009

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

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

Chief Operating Officer

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

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	02/17/2009		E ⁽⁵⁾		8,150	D	\$ 0.47
Common Stock	02/17/2009		J ⁽⁶⁾	V	5,869	A	\$ 1.63

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
displays a currently valid OMB control
number.**

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 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)	\$ 21.41					12/30/2005 ⁽¹⁾ 12/30/2014	Common Stock 10,000
Incentive Stock Option (right to buy)	\$ 10.5					12/30/2000 12/30/2009	Common Stock 20,000
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 12/28/2011	Common Stock 5,000
Incentive Stock Option (right to buy)	\$ 11.75					12/30/2007 12/30/2012	Common Stock 1,000
Non-Qualified Stock Option (right to buy)	\$ 11.75					12/30/2003 ⁽²⁾ 12/30/2012	Common Stock 2,000
Incentive Stock Option (right to buy)	\$ 17.28					12/23/2004 12/23/2013	Common Stock 5,000
Incentive Stock Option (right to buy)	\$ 25.4					04/18/2007 ⁽³⁾ 04/18/2016	Common Stock 12,800
Non Qualified Stock Option (right to buy)	\$ 25.4					04/18/2007 ⁽⁴⁾ 04/18/2016	Common Stock 23,500
Non Qualified Stock Option (right to buy)	\$ 25.81					01/16/2008 ⁽¹⁾ 01/16/2017	Common Stock 25,000

Non Qualified
Stock Option
(right to buy)

\$ 11.29

01/15/2009⁽¹⁾ 01/15/2018

Common
Stock 63,8

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hill Patti G 7257 BRISBANE PLACE MONTGOMERY, AL 36117			Chief Operating Officer	

Signatures

/s/ Patti G. Hill 02/19/2009

__Signature of Date
Reporting 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) Options vest in 5 equal installments, 20% annually beginning one year from the date of grant.
- (2) Options vest in 4 equal installments, 25% annually beginning one year from the date of grant.
- (3) 1,105 options will vest on 4/18/2007. 1,570 options will vest on 4/18/2008. 2,251 options will vest on 4/18/2009. The remaining 7,874 options will vest in two equal installments annually beginning on the fourth anniversary of the grant date.
- (4) 6,171 options will vest on 4/18/2007. 5,706 options will vest on 4/18/2008. 5,025 options will vest on 4/18/2009. The remaining 6,678 options will vest in two equal installments, annually, beginning on the fourth anniversary of the grant date.
- (5) Performance based restricted shares that expired due to the performance criteria not having been achieved.
- (6) Shares purchased through the Colonial BancGroup, Inc. 401K Retirement Plan and Non-Qualified Plan.

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.