

ATHEROGENICS INC
Form 4
December 29, 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. 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 *
COLONNESE MARK P

(Last) (First) (Middle)
8995 WESTSIDE PARKWAY
(Street)

ALPHARETTA, GA 30004

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ATHEROGENICS INC [AGIX]

3. Date of Earliest Transaction
(Month/Day/Year)
12/27/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr VP Finance & Admin & CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Stock | 12/27/2005 | | M | | 50,600 A \$ 0.3 | 50,600 | D |
| Common Stock | 12/27/2005 | | S | | 50,600 D \$ 21.35 | 0 | D |
| Common Stock | 12/27/2005 | | M | | 20,000 A \$ 0.31 | 20,000 | D |
| Common Stock | 12/27/2005 | | S | | 20,000 D \$ 21.35 | 0 | D |
| Common Stock | 12/27/2005 | | M | | 29,400 A \$ 0.38 | 29,400 | D |

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Common Stock 12/27/2005 S 29,400 D \$ 21.35 0 D

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

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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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Incentive Stock Options (right to buy) | \$ 0.3 | 12/27/2005 | | M | 50,600 | <u>(1)</u> 02/23/2009 | Common Stock | 50,600 |
| Incentive Stock Option (right to buy) | \$ 0.31 | 12/27/2005 | | M | 20,000 | <u>(2)</u> 12/08/2009 | Common Stock | 20,000 |
| Non-Qualified Stock Option (right to buy) | \$ 0.38 | 12/27/2005 | | M | 29,400 | <u>(3)</u> 01/28/2010 | Common Stock | 29,400 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| COLONNESE MARK P 8995 WESTSIDE PARKWAY ALPHARETTA, GA 30004 | | | Sr VP Finance & Admin & CFO | |

Signatures

/s/CHARLES A. DEIGNAN, 12/29/2005
ATTORNEY-IN-FACT

__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) These options vested at a rate of 2%-3% per month, ending on 1/31/03.
 - (2) 25% of these options vested on 8/31/00, the first anniversary of the date of grant. Following that date, the remaining options vest at a rate of 2%-3% per month over the next 36 months.
 - (3) 25% of these options vested on 12/31/00, the first anniversary of the date of grant. Following that date, the remaining options vest at a rate of 2%-3% per month over the next 36 months.

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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