

ATHEROGENICS INC

Form 4

December 29, 2005

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

OMB
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(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
__X__ Officer (give title ____ Other (specify
below) below)

Sr VP Finance & Admin & CFO

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	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
COLONNESE MARK P 8995 WESTSIDE PARKWAY ALPHARETTA, GA 30004	Director 10% Owner Officer Other
	Sr VP Finance & Admin & CFO

Signatures

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

____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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