ATHEROGENICS INC

Form 4 June 16, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB Number:

3235-0287

Expires:

January 31, 2005

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OMB APPROVAL

response...

if no longer subject to Section 16. Form 4 or Form 5

obligations

Check this box

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 may continue.

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

See Instruction

1. Name and Address of Reporting Person * COLONNESE MARK P

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

ATHEROGENICS INC [AGIX]

(Check all applicable)

(First) (Last)

(Middle)

3. Date of Earliest Transaction

Director X_ Officer (give title

10% Owner Other (specify

8995 WESTSIDE PARKWAY

(Street)

(Month/Day/Year) 05/31/2006

below)

6. Individual or Joint/Group Filing(Check

Exec VP, Commercial Operations

Applicable Line)

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

(Instr. 8)

X Form filed by One Reporting Person Form filed by More than One Reporting

(Instr. 4)

Person

ALPHARETTA, GA 30004

(State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

(City)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D)

5. Amount of Securities Beneficially Owned

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T)

(Instr. 4)

Following Reported Transaction(s)

(A)

(Instr. 3, 4 and 5)

(Instr. 3 and 4) Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security

Conversion or Exercise

3. Transaction Date 3A. Deemed

(Month/Day/Year) Execution Date, if any

4. 5. Number of Transaction Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amoun Underlying Securiti (Instr. 3 and 4)

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(Instr. 3) Price of (Month/Day/Year) (Instr. 8) Acquired (A) Derivative or Disposed of Security (D) (Instr. 3, 4, and 5)

(D) Date Expiration Title Amou Exercisable Date or

Numb

of Sh

Non-qualified

Common stock option \$ 13.29 05/31/2006 A 12,000 (1) 05/31/2016 12,0 stock (right to buy)

Code V

(A)

Reporting Owners

Relationships Reporting Owner Name / Address

> Director 10% Owner Officer Other

COLONNESE MARK P 8995 WESTSIDE PARKWAY ALPHARETTA, GA 30004

Exec VP, Commercial Operations

Signatures

/s/CHARLES A. DEIGNAN, ATTORNEY-IN-FACT

06/16/2006

**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).
- 25% of these options vest on 5/31/2007, 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. 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.

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