

UNITED COMMUNITY BANKS INC
 Form 4
 August 03, 2006

FORM 4

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

OMB APPROVAL

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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 *
TALLENT JIMMY C

2. Issuer Name and Ticker or Trading Symbol
UNITED COMMUNITY BANKS INC [UCBI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
PO BOX 398
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/03/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
President & CEO

BLAIRSVILLE, GA 30514

(City) (State) (Zip)

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

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 Indirect Ownership (Instr. 4)			
				(A) or (D)	Price					
Common Stock	08/03/2006		F	V	5,925	D	\$ 32.91	373,585	D	
Common Stock	08/03/2006		M		19,500	A	\$ 10	393,085	D	
Common Stock Issuable ⁽¹⁾	08/03/2006 ⁽¹⁾		M		2,828	A	\$ 27.06 ⁽²⁾	2,838.9406 ⁽³⁾	D	
Common Stock								375 ⁽⁴⁾	I	Jeanne Tallent (Spouse)
								89,485.867	I	By 401k

Common
Stock

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

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(9-02)

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 Securities (Instr. 3 and 4)
Option to Purchase Common Stock	\$ 10	08/03/2006		M	19,500	01/01/1998 ⁽⁵⁾ 01/01/2008	Common Stock 19,500
Phantom Stock Unit ⁽¹⁾	<u>(2)</u>	08/03/2006		M	2,828	<u>(2)</u> <u>(2)</u>	Common Stock 2,828

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TALLENT JIMMY C PO BOX 398 BLAIRSVILLE, GA 30514	X		President & CEO	

Signatures

Lois J. Rich by Power of Attorney 08/03/2006

__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).

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- (1) Acquired pursuant to The United Community Banks Deferred Compensation Plan. Reclassified from Table II to show aggregate balance.
- (2) The units are to be settled in United Community Banks common stock at the NAV after termination of employment.
- (3) Aggregate total includes adjustment to accommodate growth in NAV.
- (4) Includes 375 shares owned by Mr. Tallent's spouse for which he claims beneficial ownership.
- (5) 1996 Options were 20% vested on date of grant, then vested an additional 20% each grant anniversary date.

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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