

Padget Hebert N JR
Form 4
November 23, 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 *
Padget Hebert N JR

2. Issuer Name and Ticker or Trading Symbol
FLAG FINANCIAL CORP [FLAG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
3475 PIEDMONT ROAD, N.E.
SUITE 550
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
11/21/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President

ATLANTA, GA 30305

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

(City) (State) (Zip)

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 | 11/21/2005 | | A | | 46,214 | A | (1) | 46,214 | D | |
| Common Stock | 11/21/2005 | | A | | 1,600 | A | (2) | 1,600 | I | By Daughter (7) |
| Common Stock | 11/21/2005 | | A | | 4,000 | A | (3) | 4,000 | I | By Son (7) |
| Common Stock | 11/21/2005 | | A | | 4,000 | A | (4) | 4,000 | I | By Son (7) |
| Common Stock | 11/21/2005 | | A | | 4,416 | A | (5) | 4,416 | I | By 401(k) |

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Common Stock 11/21/2005 A 2,704 A ⑥ 2,704 I By ESOP

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

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SEC 1474
(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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (right to buy) | \$ 6.25 | 11/21/2005 | | A | 56,000 | 11/21/2005 | 08/19/2008 | Common Stock | 56,000 |
| Stock Option (right to buy) | \$ 4.69 | 11/21/2005 | | A | 4,800 | 11/21/2005 | 04/30/2011 | Common Stock | 4,800 |
| Stock Option (right to buy) | \$ 5.16 | 11/21/2005 | | A | 9,600 | 11/21/2005 | 12/31/2009 | Common Stock | 9,600 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Padget Hebert N JR 3475 PIEDMONT ROAD N.E. SUITE 550 ATLANTA, GA 30305 | X | | Executive Vice President | |

Signatures

/s/ Heber N.

Padget, Jr.

11/23/2005

 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) Received in exchange for 28,884 shares of First Capital Bancorp, Inc. common stock in connection with merger of First Capital Bancorp, Inc. into Flag Financial Corporation (the "Merger"). On the effective date of the Merger, the closing price of First Capital Bancorp, Inc. common stock was \$25 per share, and the closing price of Flag Financial Corporation common stock was \$15.75 per share. All of the transactions reported on this Form 4 were exempt under SEC Rule 16b-3.
- (2) Received in exchange for 1,000 shares of First Capital Bancorp, Inc. common stock in connection with the Merger.
- (3) Received in exchange for 2,500 shares of First Capital Bancorp, Inc. common stock in connection with the Merger.
- (4) Received in exchange for 2,500 shares of First Capital Bancorp, Inc. common stock in connection with the Merger.
- (5) Received in exchange for 2,760 shares of First Capital Bancorp, Inc. common stock in connection with the Merger.
- (6) Received in exchange for 1,690 shares of First Capital Bancorp, Inc. common stock in connection with the Merger.
- (7) The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.
- (8) Received in the Merger in exchange for an employee stock option to purchase 35,000 shares of First Capital Bancorp, Inc. common stock for \$10.00 per share.
- (9) Received in the Merger in exchange for an employee stock option to purchase 3,000 shares of First Capital Bancorp, Inc. common stock for \$7.50 per share.
- (10) Received in the Merger in exchange for an employee stock option to purchase 6,000 shares of First Capital Bancorp, Inc. common stock for \$8.25 per share.

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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