

ALABAMA NATIONAL BANCORPORATION
 Form 4
 February 26, 2008

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 *
MATTHEWS WILLIAM E V

2. Issuer Name and Ticker or Trading Symbol
ALABAMA NATIONAL BANCORPORATION [ALAB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
P.O. BOX 10686
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/22/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Executive Vice President & CFO

BIRMINGHAM, AL 35202-0686
 (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 Beneficial Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	02/22/2008		D	41,700 D 11 0		D	
Common Stock	02/22/2008		D	200 D 11 0		I	Held as custodian for minor children

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
Phantom Stock Units	(2)	02/22/2008		D	24,875.65	(2)	(2)	Common Stock	24,875.65

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MATTHEWS WILLIAM E V P.O. BOX 10686 BIRMINGHAM, AL 35202-0686			Executive Vice President & CFO	

Signatures

William E. Matthews V 02/26/2008

**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).

Disposed of pursuant to a merger agreement by and among the issuer, RBC Centura Banks, Inc. and Royal Bank of Canada, or RBC. Shares of the issuer's common stock were exchanged, based on each stockholder's election, for either (i) RBC common shares worth U.S. \$80.00, as described below, or (ii) U.S. \$80.00 in cash, subject to certain proration procedures designed to ensure that the aggregate consideration to be paid by RBC to all of the issuer's stockholders was, as nearly as practicable, 50% cash and 50% RBC common shares.

(1) Subject to these proration requirements, those stockholders of the issuer electing to receive RBC common shares received, for each share of the issuer's common stock, a number of RBC common shares equal to U.S. \$80.00 divided by the volume-weighted average market price of RBC common shares on the New York Stock Exchange over the five-trading-day period ending on the last full trading day immediately before the closing date of the merger.

The phantom stock units were accrued under the Alabama National BanCorporation Plan for the Deferral of Compensation By Key Employees. Pursuant to the terms of the plan, each unit was to be converted to common stock on a 1-for-1 basis at the end of the deferral period.

(3) Pursuant to the merger agreement, each phantom stock unit was converted into cash equal to the number of stock equivalents in the deferral account multiplied by U.S. \$80.00.

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.