

CONNETICS CORP
Form 4
July 06, 2006

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 *
KILEY THOMAS

2. Issuer Name and Ticker or Trading Symbol
CONNETICS CORP [CNCT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
3160 PORTER DRIVE

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/31/2006

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

PALO ALTO, CA 94304

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock, Par Value \$0.001	03/31/2006		M	443 ⁽¹⁾ A	\$ 16.93	4,193	D
Common Stock, Par Value \$0.001	06/30/2006		M	637 ⁽¹⁾ A	\$ 11.76	4,830	D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form

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(9-02)

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 (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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Non-Qualified Stock Option (right to buy)	\$ 16.93	03/31/2006		A	443 <u>(1)</u>	03/31/2006	03/31/2016	Common Stock, Par Value \$0.001	44
Non-Qualified Stock Option (right to buy)	\$ 16.93	03/31/2006		M	443 <u>(1)</u>	03/31/2006	03/31/2016	Common Stock, Par Value \$0.001	44
Non-Qualified Stock Option (right to buy)	\$ 11.76	06/30/2006		A	637 <u>(1)</u>	06/30/2006	06/30/2016	Common Stock, Par Value \$0.001	63
Non-Qualified Stock Option (right to buy)	\$ 11.76	06/30/2006		M	637 <u>(1)</u>	06/30/2006	06/30/2016	Common Stock, Par Value \$0.001	63

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KILEY THOMAS 3160 PORTER DRIVE PALO ALTO, CA 94304		X		

Signatures

Katrina J. Church, Attorney in Fact for Thomas D.
Kiley

07/06/2006

__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).
- (1) Represents the issuance of stock in lieu of cash for the annual retainer for the Board of Directors. Shares are granted under the Connetics Corporation 2000 Stock Plan and are 100% vested at the time of the grant.

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.