



B 5 (Official Form 5) (12/07) - Page 2

Name of Debtor AtheroGenics

Case No. \_\_\_\_\_

**TRANSFER OF CLAIM**

Check this box if there has been a transfer of any claim against the debtor or to any petitioner. Attach all documents that evidence the transfer and any statements that are required under Bankruptcy Rule 1003(a).

*The petitioners are beneficial holders (or for investment managers or advisors for the beneficial owners) of bonds that are traded regularly in established markets. None of the beneficial holdings were purchased for the purpose of commencing this case. Attached are statements from the petitioners pursuant to Bankruptcy Rule 1003; the petitioners do not believe that any other statements are required under Bankruptcy Rule 1003(a) but will file such statements if and to the extent that the Court determines that they are required*

**REQUEST FOR RELIEF**

Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition. If any petitioner is a foreign representative appointed in a foreign proceeding, a certified copy of the order of the court granting recognition is attached.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X   
Signature of Petitioner or Representative (State title)

AQR Absolute Return Master Account, L.P. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Brad Asness  
Address of Individual Todd Pulvino 3rd  
Signing in Representative 2 Greenwich Plaza, 1st Floor  
Capacity Greenwich, CT 06830

X \_\_\_\_\_  
Signature of Attorney Date

\_\_\_\_\_  
Name of Attorney Firm (if any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone No.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X   
Signature of Petitioner or Representative (State title)

CNH CA Master Account, L.P. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Brad Asness  
Address of Individual Todd Pulvino 3rd  
Signing in Representative 2 Greenwich Plaza, 1st Floor  
Capacity Greenwich, CT 06830

X \_\_\_\_\_  
Signature of Attorney Date

\_\_\_\_\_  
Name of Attorney Firm (if any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone No.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X \_\_\_\_\_  
Signature of Petitioner or Representative (State title)

Tamalpais Global Partner Master Fund, LTD. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Darren Huber  
Address of Individual 3 Harbor Dr.  
Signing in Representative Sausalito, CA 94965  
Capacity

X \_\_\_\_\_  
Signature of Attorney Date

\_\_\_\_\_  
Name of Attorney Firm (if any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone No.

**PETITIONING CREDITORS**

Name and Address of Petitioner	Nature of Claim	Amount of Claim
<b>AQR Absolute Return Master Account, L.P.</b>	<b>Bond</b>	<b>\$9,993,000.00</b>
<b>CNH CA Master Account, L.P.</b>	<b>Bond</b>	<b>\$2,000,000.00</b>
<b>Tamalpais Global Partner Master Fund, LTD.</b>	<b>Bond</b>	<b>\$3,000,000.00</b>

B 5 (Official Form 5) (12/07) - Page 2

Name of Debtor AtheroGenics  
Case No. \_\_\_\_\_

**TRANSFER OF CLAIM**

Check this box if there has been a transfer of any claim against the debtor or to any petitioner. Attach all documents that evidence the transfer and any statements that are required under Bankruptcy Rule 1003(a).  
\* The petitioners are beneficial holders (or for investment managers or advisors for the beneficial owners) of bonds that are traded regularly in established markets. None of the beneficial holdings were purchased for the purpose of commencing this case. Attached are statements from the petitioners pursuant to Bankruptcy Rule 1003; the petitioners do not believe that any other statements are required under Bankruptcy Rule 1003(a) but will file such statements if and to the extent that the Court determines that they are required.

**REQUEST FOR RELIEF**

Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition. If any petitioner is a foreign representative appointed in a foreign proceeding, a certified copy of the order of the court granting recognition is attached.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X \_\_\_\_\_  
Signature of Petitioner or Representative (State title)

AQR Absolute Return Master Account, L.P. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Todd Pulvino  
Address of Individual 2 Greenwich Plaza, 1<sup>st</sup> Floor  
Signing in Representative Greenwich, CT 06830  
Capacity \_\_\_\_\_

X \_\_\_\_\_ Date  
Signature of Attorney

\_\_\_\_\_  
Name of Attorney Firm (if any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone No.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X \_\_\_\_\_  
Signature of Petitioner or Representative (State title)

CNH CA Master Account, L.P. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Todd Pulvino  
Address of Individual 2 Greenwich Plaza, 1<sup>st</sup> Floor  
Signing in Representative Greenwich, CT 06830  
Capacity \_\_\_\_\_

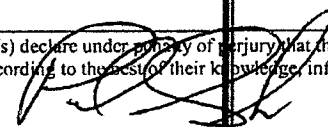
X \_\_\_\_\_ Date  
Signature of Attorney

\_\_\_\_\_  
Name of Attorney Firm (if any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone No.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X  CEO  
Signature of Petitioner or Representative (State title)

Tamalpais Global Partner Master Fund, LTD. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Harren Huber  
Address of Individual 3 Harbor Dr.  
Signing in Representative Sausalito, CA 94965  
Capacity \_\_\_\_\_

X \_\_\_\_\_ Date  
Signature of Attorney

\_\_\_\_\_  
Name of Attorney Firm (if any)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone No.

**PETITIONING CREDITORS**

Name and Address of Petitioner	Nature of Claim	Amount of Claim
<b>AQR Absolute Return Master Account, L.P.</b>	<b>Bond</b>	<b>\$9,993,000.00</b>
<b>CNH CA Master Account, L.P.</b>	<b>Bond</b>	<b>\$2,000,000.00</b>
<b>Tamalpais Global Partner Master Fund, LTD.</b>	<b>Bond</b>	<b>\$3,000,000.00</b>

B 5 (Official Form 5) (12/07) - Page 3

Name of Debtor AtheroGenics  
Case No. \_\_\_\_\_

Check this box if there has been a transfer of any claim against the debtor or to any petitioner. Attach all documents that evidence the transfer and any statements that are required under Bankruptcy Rule 1003(a).

**TRANSFER OF CLAIM**

**REQUEST FOR RELIEF**  
Petitioner(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this petition. If any petitioner is a foreign representative appointed in a foreign proceeding, a certified copy of the order of the court granting recognition is attached.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X \_\_\_\_\_  
Signature of Petitioner or Representative (State title)

Managing Director  
**Tang Capital Partners, LP** 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Address of Individual Signing in Representative Capacity  
**Kevin C. Tang, Managing Director**  
4401 Eastgate Mall  
San Diego, CA 92121

X \_\_\_\_\_  
Signature of Attorney Date

Name of Attorney Firm (if any)  
Address  
Telephone No.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X \_\_\_\_\_  
Signature of Petitioner or Representative (State title)

Zazove High Yield Convertible Securities Fund, L.P. 9/15/08  
Name of Petitioner Date Signed

Name & Mailing Address of Individual Signing in Representative Capacity  
**Steven M. Kleiman, COO**

X \_\_\_\_\_  
Signature of Attorney Date

Name of Attorney Firm (if any)  
Address  
Telephone No.

Petitioner(s) declare under penalty of perjury that the foregoing is true and correct according to the best of their knowledge, information, and belief.

X \_\_\_\_\_  
Signature of Petitioner or Representative (State title)

Name of Petitioner Date Signed

Name & Mailing Address of Individual Signing in Representative Capacity

X \_\_\_\_\_  
Signature of Attorney Date

Name of Attorney Firm (if any)  
Address  
Telephone No.

**PETITIONING CREDITORS**

Name and Address of Petitioner	Nature of Claim	Amount of Claim
<b>Tang Capital Partners, LP</b>	Bond	\$3,500,000.00
<b>Zazove High Yield Convertible Securities Fund, L.P.</b>	Bond	\$1,920,000.00
Name and Address of Petitioner	Nature of Claim	Amount of Claim
Note: If there are more than three petitioners, attached additional sheets with the statement under penalty of perjury, each petitioner's signature under the statement and the name of attorney and petitioning creditor information in the format above.		Total Amount of Petitioners' Claims <b>\$20,413,000.00</b>



UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

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In re:	:	
ATHEROGENICS, INC.,	:	Chapter 11
	:	Case No. _____
Alleged Debtor.	:	
	:	
	:	

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**DECLARATION OF AQR ABSOLUTE RETURN MASTER ACCOUNT, L.P.  
PURSUANT TO BANKRUPTCY RULE 1003(a) IN SUPPORT OF THE  
INVOLUNTARY PETITION FILED AGAINST ATHEROGENICS, INC.**

Pursuant to 28 U.S.C. § 1746, Brad Asness declares as follows:

1. I am the General Counsel for AQR Capital Management, LLC, investment manager for AQR Absolute Return Master Account, L.P. (the "Petitioner"), a holder of a claim against the above-captioned alleged debtor, AtheroGenics, Inc. ("AtheroGenics"), and I submit this declaration on behalf of Petitioner in support of the involuntary petition filed for relief against AtheroGenics pursuant to section 303 of title 11 of the United States Code (the "Bankruptcy Code").

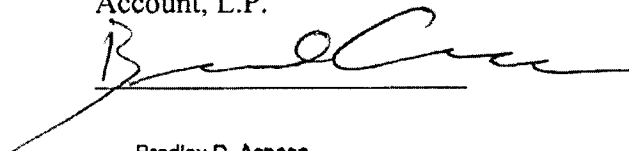
2. Petitioner is a holder of the 4 1-2% Convertible Notes Due 2008 (the "Notes") issued by AtheroGenics, which it acquired via in-kind redemptions from the CNH CA Master Account, L.P. on November 1, 2007 and April 1, 2008. Petitioner has held the Notes continuously since the redemption dates. All Notes held by Petitioner were transferred to Petitioner unconditionally and not for security or otherwise. The aggregate face amount of the Notes held by Petitioner is \$9,993,000.

3. Petitioner did not purchase the Notes for the purpose of commencing this case under the Bankruptcy Code.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

Executed on September 15, 2008

AQR Absolute Return Master  
Account, L.P.

A handwritten signature in black ink, appearing to read "Bradley D. Asness", is written over a horizontal line. The signature is fluid and cursive.

Bradley D. Asness  
General Counsel  
AQR Capital Management, LLC

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

In re:	:	
ATHEROGENICS, INC.,	:	Chapter 11
	:	Case No. _____
Alleged Debtor.	:	
	:	
	:	

**DECLARATION OF CNH CA MASTER ACCOUNT, L.P.  
PURSUANT TO BANKRUPTCY RULE 1003(a) IN SUPPORT OF THE  
INVOLUNTARY PETITION FILED AGAINST ATHEROGENICS, INC.**

Pursuant to 28 U.S.C. § 1746, Brad Asness declares as follows:

1. I am the General Counsel for CNH Partners, LLC, investment manager for CNH CA Master Account, L.P. (the "Petitioner"), a holder of a claim against the above-captioned alleged debtor, AtheroGenics, Inc. ("AtheroGenics"), and I submit this declaration on behalf of Petitioner in support of the involuntary petition filed for relief against AtheroGenics pursuant to section 303 of title 11 of the United States Code (the "Bankruptcy Code").

2. Petitioner is a holder of 4 1-2% Convertible Notes Due 2008 (the "Notes") issued by AtheroGenics, which it acquired on the open market for cash prior to March 31, 2006. Petitioner purchased Notes with a par value of \$11,993,000 and subsequently transferred \$9,993,000 par value of Notes via in-kind redemptions to the AQR Absolute Return Master Account, L.P. All Notes held by Petitioner were transferred to Petitioner unconditionally and not for security or otherwise. The aggregate face amount of the Notes held by Petitioner is \$2,000,000.

3. Petitioner did not purchase the Notes for the purpose of commencing this case under the Bankruptcy Code.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

Executed on September 15, 2008

CNH CA Master Account, L.P.

A handwritten signature in black ink, appearing to read 'Bradley D. Asness', written over a horizontal line.

**Bradley D. Asness**  
General Counsel  
CNH Partners, LLC

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

In re:	:	
ATHEROGENICS, INC.,	:	Chapter 11
	:	Case No. _____
Alleged Debtor.	:	
	:	

**DECLARATION OF TAMALPAIS GLOBAL PARTNER MASTER FUND, LTD.  
PURSUANT TO BANKRUPTCY RULE 1003(a) IN SUPPORT OF THE  
INVOLUNTARY PETITION FILED AGAINST ATHEROGENICS, INC.**

Pursuant to 28 U.S.C. § 1746, Paul Giordano declares as follows:

1. I am a director for Tamalpais Global Partner Master Fund, Ltd. (the "Petitioner"), a holder of a claim against the above-captioned alleged debtor, AtheroGenics, Inc. ("AtheroGenics"), and I submit this declaration on behalf of Petitioner in support of the involuntary petition filed for relief against AtheroGenics pursuant to section 303 of title 11 of the United States Code (the "Bankruptcy Code").

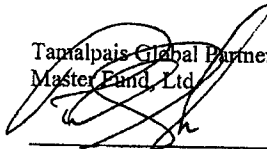
2. Petitioner is a holder of the 4 1-2% Convertible Notes Due 2008 (the "Notes") issued by AtheroGenics, which it acquired on the open market for cash. From 12/31/2006 through 09/02/2008, Petitioner purchased on the open market Notes with a par value of \$3,000,000. Petitioner has held the Notes continuously since the purchase of the Notes. All Notes held by Petitioner were transferred to Petitioner unconditionally and not for security or otherwise. The aggregate face amount of the Notes held by Petitioner is \$3,000,000. ~~Copies of documents evidencing trading relating to Petitioner's acquisition of the Notes are attached hereto.~~

3. Petitioner did not purchase the Notes for the purpose of commencing this case under the Bankruptcy Code.

I declare under penalty of perjury of the laws of the United States that the  
foregoing is true and correct.

Executed on September 15, 2008


Tamalpais Global Partner  
Master Fund, Ltd



Paul Giordano as Director

Tamalpais Asset Management  
**TRANSACTION SUMMARY**  
*Tamalpais Global Ptrs Master Ltd*  
 From 12-31-06 To 09-11-08

Tran Code	Security	Trade Date	Settle Date	Quantity	Close Meth.	S/D Type	S/D Symbol	Trade Amount	Lot
li	AGIX 4.50 SEP2008 4.500% Du 09-01-08	12-31-06	12-31-06	2,000,000		awus client		2,070,000.00	1
li	AGIX 4.50 SEP2008 4.500% Du 09-01-08	12-31-06	12-31-06	2,000,000		awus client		2,070,000.00	2
li	AGIX 4.50 SEP2008 4.500% Du 09-01-08	12-31-06	12-31-06	1,000,000		awus client		1,035,000.00	3
in	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-01-07	03-01-07			caus cash		112,500.00	
sl	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-19-07	03-22-07	2,000,000	f	caus cash		1,580,000.00	1
sl	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-19-07	03-22-07	2,000,000	f	caus cash		1,580,000.00	2
sl	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-19-07	03-22-07	1,000,000	f	caus cash		790,000.00	3
sa	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-19-07	03-22-07			caus cash		13,125.00	
<del>by</del>	<del>AGIX 4.50 SEP2008 4.500% Du 09-01-08</del>	<del>09-26-07</del>	<del>10-01-07</del>	<del>1,000,000</del>		<del>caus cash</del>		<del>825,000.00</del>	<del>4</del>
pa	AGIX 4.50 SEP2008 4.500% Du 09-01-08	09-26-07	10-01-07			caus cash		3,750.00	
by	AGIX 4.50 SEP2008 4.500% Du 09-01-08	10-02-07	10-05-07	1,500,000		caus cash		1,231,249.50	5
ja	AGIX 4.50 SEP2008 4.500% Du 09-01-08	10-02-07	10-05-07			caus cash		6,375.00	
by	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-03-08	03-06-08	500,000		caus cash		257,500.00	6
pa	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-03-08	03-06-08			caus cash		312.50	
in	AGIX 4.50 SEP2008 4.500% Du 09-01-08	03-03-08	03-03-08			caus cash		56,250.00	
in	AGIX 4.50 SEP2008 4.500% Du 09-01-08	09-02-08	09-02-08			caus cash		67,500.00	
in	AGIX 4.50 SEP2008 4.500% Du 09-01-08	09-02-08	09-02-08			caus cash		-67,500.00	

  
 CURRENT POSITION

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

In re:	:	
ATHEROGENICS, INC.,	:	Chapter 11
	:	Case No. _____
Alleged Debtor.	:	
	:	
	:	
	:	

**DECLARATION OF TANG CAPITAL PARTNERS, L.P. PURSUANT TO  
BANKRUPTCY RULE 1003(a) IN SUPPORT OF THE INVOLUNTARY  
PETITION FILED AGAINST ATHEROGENICS, INC.**

Pursuant to 28 U.S.C. § 1746, Kevin C. Tang declares as follows:

1. I am the Managing Director for Tang Capital Management, LLC, General Partner of Tang Capital Partners, L.P. (the "Petitioner"), a holder of a claim against the above-captioned alleged debtor, AtheroGenics, Inc. ("AtheroGenics"), and I submit this declaration on behalf of Petitioner in support of the involuntary petition filed for relief against AtheroGenics pursuant to section 303 of title 11 of the United States Code (the "Bankruptcy Code").

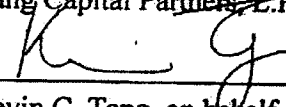
2. Petitioner is a holder of the 4 1-2% Convertible Notes Due 2008 (the "Notes") issued by AtheroGenics, which it acquired on the open market for cash. On January 18, 2007 and January 30, 2007, Petitioner purchased on the open market Notes with a par value of \$1,500,000 and \$2,000,000 respectively. Petitioner has held the Notes continuously since the purchase of the Notes. All Notes held by Petitioner were transferred to Petitioner unconditionally and not for security or otherwise. The aggregate face amount of the Notes held by Petitioner is \$3,500,000. Copies of documents evidencing trading relating to Petitioner's acquisition of the Notes are attached hereto.

3. Petitioner did not purchase the Notes for the purpose of commencing this case under the Bankruptcy Code.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

Executed on September 15, 2008

Tang Capital Partners, L.P.



Kevin C. Tang, on behalf of  
Tang Capital Management,  
LLC, General Partner of  
Tang Capital Partners, L.P.

ID-018611-L

Your Broker/Dealer is

**CITIGROUP GLOBAL MKTS INC.**  
 390 GREENWICH ST  
 3RD FLOOR  
 NEW YORK, NY 10013

**Confirmation**

Account Number: 522-9216B-2-1-473



Page 1 of 1

**NOTICE OF AWAY EXECUTION**

018ND006 004848

TANG CAPITAL PARTNERS LP #1,220  
 4401 EAST GATE MALL  
 SAN DIEGO CA 92121-1909

Summary For Settlement Date 01/23/2007	
Total Purchases	\$ 1,739,925.00
Net Amount	\$ 1,739,925.00 Debit

You Bought 1,500,000 at a price of 114.22

ATHEROGENICS INC CV  
 BOOK/ENTRY DD 8/19/2003  
 YTM - 3.986  
 UNRATED BY NATIONAL RATING ORG  
 4.5000% MS-01 DUE 09/01/2008  
 CTSY MORGAN, STANLEY AND COMPA  
 FULL PRICE IS 114.22000000  
 SEE CORP/MUNI BONDS NOTE BELOW  
 SEE CONVERTIBLES NOTE BELOW  
 SEE HIGH YIELD BOND NOTE BELOW

Gross Amount	\$ 1,713,300.00
Accrued Bond Int.	26,625.00
Amount	\$ 1,739,925.00
Settlement Date	01/23/2007

Trade Date: 01/18/2007 CUSIP#: 047439-AB-0 Unsolicited Order  
 Market: Other Markets Security#: 5286005 Margin Acct. HOLD SECURITIES  
 Symbol: AGIX.GB Ref #: 1278292

We acted as your agent in this transaction.

**Corp/Muni Bonds**

Bonds can be called prior to maturity which may reduce yield. Ordinary call information is above. Other call features may exist. Bond prices fluctuate reflecting market interest rates and the issuer's credit status.

**Convertibles & Equity-Linked**

This security is subject to special risks which may include call prior to maturity; restriction on any right to convert to equity; price volatility resulting from issuer's credit, market volatility, interest rates and yield; and risk of owning the related equity.

**High Yield Securities**

This security's credit rating is not "investment grade" or has not been rated by a nationally recognized statistical rating organization. Non-investment grade securities present significant risks, including a higher risk of default on interest and principal (or default on dividends and redemption at par for preferred stocks), reduced liquidity, and greater price fluctuation than investment grade securities. Issues may also be called prior to maturity. Ordinary call information is above. Other call features may exist.

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As a reminder, payment for securities purchased or delivery of securities sold must be deposited with us by the Settlement Date. See reverse for further details. Keep this document for your records. Thank you for doing business with us.

ID-022074-L

Your Broker/Dealer is

**CITIGROUP GLOBAL MKTS INC.**  
 390 GREENWICH ST  
 3RD FLOOR  
 NEW YORK, NY 10013

**Confirmation**

Account Number: 522-9216B-2-1-473



Page 1 of 1

**NOTICE OF AWAY EXECUTION**

031ND009 004949

**TANG CAPITAL PARTNERS LP #254**  
 4401 EAST GATE MALL  
 SAN DIEGO CA 92121-1909

Summary For Settlement Date	02/02/2007
Total Purchases	\$ 2,517,490.00
Net Amount	\$ 2,517,490.00 Debit

You Bought 2,000,000 at a price of 123.987

**ATHEROGENICS INC CV**  
 BOOK/ENTRY DD 8/19/2003  
 YTM - 9.239  
 UNRATED BY NATIONAL RATING ORG  
 4.5000% MS-01 DUE 09/01/2008  
 CTSY UBS SECURITIES, LLC  
 FULL PRICE IS 123.98700000  
 TRADE AS OF 01/30/07  
 SEE CORP/MUNI BONDS NOTE BELOW  
 SEE CONVERTIBLES NOTE BELOW  
 SEE HIGH YIELD BOND NOTE BELOW

Gross Amount	\$ 2,479,740.00
Accrued Bond Int.	37,750.00
<b>Amount</b>	<b>\$ 2,517,490.00</b>
<b>Settlement Date</b>	<b>02/02/2007</b>

Trade Date: 01/30/2007  
 Market: Other Markets

CUSIP#: 047439-AB-0  
 Security#: 5286005  
 Symbol: AGIX.GB

Unsolicited Order  
 Margin Acct.  
 Ref #: 425598

**HOLD SECURITIES**

We acted as your agent in this transaction.

**Corp/Muni Bonds**

Bonds can be called prior to maturity which may reduce yield. Ordinary call information is above. Other call features may exist. Bond prices fluctuate reflecting market interest rates and the issuer's credit status.

**Convertibles & Equity-Linked**

This security is subject to special risks which may include call prior to maturity; restriction on any right to convert to equity; price volatility resulting from issuer's credit, market volatility, interest rates and yield; and risk of owning the related equity.

**High Yield Securities**

This security's credit rating is not "investment grade" or has not been rated by a nationally recognized statistical rating organization. Non-investment grade securities present significant risks, including a higher risk of default on interest and principal (or default on dividends and redemption at par for preferred stocks), reduced liquidity, and greater price fluctuation than investment grade securities. Issues may also be called prior to maturity. Ordinary call information is above. Other call features may exist.

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As a reminder, payment for securities purchased or delivery of securities sold must be deposited with us by the Settlement Date. See reverse for further details. Keep this document for your records. Thank you for doing business with us.

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

---

In re:	:	
ATHEROGENICS, INC.,	:	Chapter 11
	:	Case No. _____
Alleged Debtor.	:	
	:	
	:	

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**DECLARATION OF ZAZOVE HIGH YIELD CONVERTIBLE SECURITIES FUND, L.P. PURSUANT TO BANKRUPTCY RULE 1003(a) IN SUPPORT OF THE INVOLUNTARY PETITION FILED AGAINST ATHEROGENICS, INC.**

Pursuant to 28 U.S.C. § 1746, Steven M. Kleiman declares as follows:

1. I am the Chief Operating Officer of Zazove Associates, LLC, which is the general partner for Zazove High Yield Convertible Securities Fund, L.P. (the "Petitioner"), a holder of a claim against the above-captioned alleged debtor, AtheroGenics, Inc. ("AtheroGenics"), and I submit this declaration on behalf of Petitioner in support of the involuntary petition filed for relief against AtheroGenics pursuant to section 303 of title 11 of the United States Code (the "Bankruptcy Code").

2. Petitioner is a holder of the 4 1-2% Convertible Notes Due 2008 (the "Notes") issued by AtheroGenics, which it acquired on the open market for cash. On June 27, 2007 and July 25, 2007, Petitioner purchased on the open market Notes with a par value of \$2,380,000. Petitioner has held Notes with a par value of \$1,920,000 continuously since the purchase of the Notes. All Notes held by Petitioner were transferred to Petitioner unconditionally and not for security or otherwise. The aggregate face amount of the Notes held by Petitioner is \$1,920,000. Copies of documents evidencing trading relating to Petitioner's acquisition of the Notes are attached hereto.


3. Petitioner did not purchase the Notes for the purpose of commencing this case under the Bankruptcy Code.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

Executed on September 15, 2008

Zazove High Yield  
Convertible Securities Fund,  
L.P.

By: Zazove Associates LLC  
Its: General Partner

By:   
Steven M. Kleiman,  
Chief Operating Officer

CLEARED THROUGH ITS  
WHOLLY OWNED SUBSIDIARY  
Bear Stearns Securities Corp.  
One Metropolitan Center North  
Brooklyn, New York 11201-3869  
C219 273-1000


ZAZOVE HIGH YIELD CONVERTIBLE

**Trades Executed Pending Settlement (continued)**

SETTLEMENT DATE	TRADE DATE	TRANSACTION	DESCRIPTION	SYMBOL/CUSIP	QUANTITY	PRICE	DEBIT AMOUNT	CREDIT AMOUNT
07/02/07	09/27/07	BOUGHT	ATHEROGENICS INC CONV NOTE DUE 09/01/2008 04.5000% INTEREST DATES MAR, SEP 01 12/22/03 DATED DATE EXECUTION BY MISCO BOOK ENTRY FORM ONLY AVAILABLE	047439AB0	1,780,000.00	89	1,611,130.50	
<b>TOTAL</b>							<b>\$1,652,023.20</b>	<b>\$2,008,242.00</b>

The above trades do not appear in any other section of this statement.

**Your messages**

 Confirmation: Unless we hear from you to the contrary, it is our understanding that any free credit balances in your account are being maintained to facilitate your intention to invest such amounts through us.

**SPECIAL NOTICE FOR MARGIN CUSTOMERS**

If you are a customer with a margin account, you consent to Bear Stearns's right to use, lend or pledge any securities held by Bear Stearns in your margin account. In certain circumstances, such loans or other use may limit, in whole or in part, your ability to receive dividends directly from the issuing company and/or your right to exercise voting and other attendant rights of ownership with respect to the loaned, sold or pledged securities. Such circumstances include, but are not limited to, loans of securities that you own in your margin account that continue over record dates for voting purposes and ex-dividend dates for dividend distributions. If you do not receive dividends directly from the issuing company, you may receive payments-in-lieu of dividends which could cause you to lose the benefit of the preferential tax treatment accorded to dividends.

CLEARED THROUGH ITS WHOLLY OWNED SUBSIDIARY  
 Bear, Stearns Securities Corp.  
 One Metrotech Center North  
 Brooklyn, New York 11201-3889  
 (212) 272-1000

ZAYONE HIGH YIELD CONVERTIBLE

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Transaction Detail (continued)

INVESTMENT ACTIVITY (continued)

SETTLEMENT DATE	TRADE DATE	TRANSACTION	DESCRIPTION	SYMBOL/CLERK	QUANTITY	PRICE	DEBIT AMOUNT	CREDIT AMOUNT
07/25/07	07/20/07	BOUGHT	FORD MOTOR CO CAP TR II TR ORIGINATED PFD SECS CONV 8.5% EXECUTION BY GSCO	FPRS	6,350	37.75440	239,748.44	
07/25/07	07/20/07	SOLD	PRG-SCHULTZ INTERNATIONAL INC NEW EXECUTION BY BLTR COMMISSION 1.23 FEE .03	PRGX	-82	17.70000		1,442.14
07/30/07	07/25/07	BOUGHT	ATHEROGENICS INC CONV NOTE DUJE 08/01/2008 04.500% MS 01 EXECUTION BY MSCO YIELD 17.197 % TO MATURITY	047439AB0	600,000	87.87500	527,258.00	
07/31/07	07/28/07	BOUGHT	CALPINE CORP COVER SHORT EXECUTION BY FAGI COMMISSION 1,500.00	CPNLQ	100,000	2.79750	281,258.00	
<b>TOTAL</b>							<b>\$-3,328,356.79</b>	<b>\$8,543,109.28</b>

DEPOSITS AND WITHDRAWALS

DATE	TRANSACTION	DESCRIPTION	DEBIT AMOUNT	CREDIT AMOUNT
07/02/07	FUNDS REC	FNDS WIRED TO CITIBANK FROM THE NORTHERN TRUST INTERNAT 00071832039601		1,430,000.00
07/02/07	FND WIRED	SDA# 07113935 FNDS WIRED TO CITIBANK NA A03800150 BOOK	90,000.00	
07/02/07	FND WIRED	SDA# 07115197 FNDS WIRED TO MELLON TRUST OF NEW ENGLAN ACAGIF30LE002 NY#30761	29,890,891.25	

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