

AMERICAN TECHNOLOGY CORP /DE/  
Form 4  
February 17, 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 \*  
CROFT JAMES III

2. Issuer Name and Ticker or Trading Symbol  
AMERICAN TECHNOLOGY CORP /DE/ [ATCO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
02/15/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Chief Tech Officer & VP Dev

13114 EVENING CREEK DRIVE SOUTH

(Street)

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

SAN DIEGO, CA 92128

(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	02/15/2006		M	1,700 A \$ 3	1,750	D	(1)
Common Stock	02/15/2006		S	1,000 D \$ 4.1015	750	D	(1)
Common Stock	02/15/2006		S	700 D \$ 4.11	50	D	(1)
Common Stock	02/16/2006		M	8,500 A \$ 3	8,550	D	(1)
Common Stock	02/16/2006		S	300 D \$ 4.08	8,250	D	(1)

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Common Stock	02/16/2006	S	1,000	D	\$ 4.05	7,250	D <sup>(1)</sup>
Common Stock	02/16/2006	S	6,000	D	\$ 3.99	1,250	D <sup>(1)</sup>
Common Stock	02/16/2006	S	100	D	\$ 4.01	1,150	D <sup>(1)</sup>
Common Stock	02/16/2006	S	400	D	\$ 4	750	D <sup>(1)</sup>
Common Stock	02/16/2006	S	650	D	\$ 3.9517	50	D <sup>(1)</sup>
Common Stock	02/17/2006	M	2,000	A	\$ 3	2,050	D <sup>(1)</sup>

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 displays a currently valid OMB control number.**

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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)	8. Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 3	02/15/2006		M	1,700	<sup>(2)</sup> 02/20/2006	Common Stock	1,700
Employee Stock Option (right to buy)	\$ 3	02/16/2006		M	8,500	<sup>(2)</sup> 02/20/2006	Common Stock	8,500
Employee Stock	\$ 3	02/17/2006		M	2,000	<sup>(2)</sup> 02/20/2006	Common Stock	2,000

Option  
(right to  
buy)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CROFT JAMES III 13114 EVENING CREEK DRIVE SOUTH SAN DIEGO, CA 92128			Chief Tech Officer & VP Dev	

## Signatures

/s/ James Croft  
III 02/17/2006

\_\_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) The option and the shares acquired upon exercise are subject to a domestic relations order. The reporting person disclaims beneficial ownership of the shares subject to and acquired upon exercise of the option except to the extent of his pecuniary interest therein.
- (2) Grant to reporting person on February 20, 2001 of an option to purchase 30,000 shares. The option vested as to 1/8 of the shares in equal quarterly installments over two years beginning on April 1, 2001.

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.