

BAB INC
Form 4
October 21, 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 *
EVANS MICHAEL W

(Last) (First) (Middle)

500 LAKE COOK ROAD, SUITE 475

(Street)

DEERFIELD, IL 60015

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BAB INC [BABB]

3. Date of Earliest Transaction (Month/Day/Year)
10/19/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chief Executive Officer

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	10/19/2005		G		22,222	D	\$ 0
Common Stock					2,096,195	I	
							Manager of Holdings Investments, LLC ⁽¹⁾

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

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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. Price of Derivative Security (Instr. 5)
Incentive Common Stock	(2)			Code V (A) (D)		Date Exercisable (2) Expiration Date (3)	Incentive Common Stock	Amount or Number of Shares 0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EVANS MICHAEL W 500 LAKE COOK ROAD, SUITE 475 DEERFIELD, IL 60015	X	X	Chief Executive Officer	

Signatures

Michael W. Evans 10/21/2005

**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) Indirect common stock held as a Manager of Holdings Investments, LLC

(2) 6,666 options exercisable 12/01/04 at \$0.51 6,667 options exercisable 12/01/05 at \$0.51 6,666 options exercisable 01/25/06 at \$0.97 6,667 options exercisable 12/01/06 at \$0.51 6,667 options exercisable 01/25/07 at \$0.97 6,667 options exercisable 01/25/08 at \$0.97

(3) 20,000 options expire 01/25/2015 20,000 options expire 12/02/2013

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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