

BOYLE J DAVID II
Form 4
February 11, 2010

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 *
BOYLE J DAVID II

2. Issuer Name and Ticker or Trading Symbol
AVI BIOPHARMA INC [AVII]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
**4575 SW RESEARCH WAY,
SUITE 200**

3. Date of Earliest Transaction
(Month/Day/Year)
02/09/2010

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

(Street)
CORVALLIS, OR 97333

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | | | | (A) or (D) Price | 65,282 | D | |

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)

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| 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 Underlying (Instr. 3) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--------------------------------|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Incentive Stock Option (right to buy) | \$ 1.45 | 02/09/2010 | | A | 97,241 | 02/09/2011 ⁽¹⁾ | 02/09/2020 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 1.21 | 02/09/2010 | | J | 150,000 ⁽³⁾ | 08/18/2008 ⁽⁴⁾ | 08/18/2018 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 1.45 | 02/09/2010 | | A | 82,759 | 02/09/2011 ⁽¹⁾ | 02/09/2020 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 0.92 | | | | | 02/10/2010 ⁽¹⁾ | 02/10/2019 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 1.21 | | | | | 08/18/2008 ⁽⁴⁾ | 08/18/2018 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 0.92 | | | | | 02/10/2010 ⁽¹⁾ | 02/10/2019 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| BOYLE J DAVID II 4575 SW RESEARCH WAY, SUITE 200 CORVALLIS, OR 97333 | | | CFO | |

Signatures

John David
Boyle II

02/11/2010

**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 Stock Option Grant vest as follows: 1/3 vest one year from date of grant and 1/3 each year thereafter until all shares vest three years from grant date.

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- (2) Price not required on initial report of stock option granted.
- (3) Cancellation of 150,000 shares due to performance goals not met according to grant agreement.
- (4) The options vest in equal annual installments over three years beginning on August 18, 2008.

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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