

AVI BIOPHARMA INC
 Form 4
 February 08, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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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 *
 IVERSEN PATRICK L

(Last) (First) (Middle)

ONE SW COLUMBIA, SUITE 1105

(Street)

PORTLAND, OR 97258

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/06/2007

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)
 Sr VP of Research & Development

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) Code V Amount (D) Price | | | |
| Common Stock | | | | | 49,066 | D | |
| Common Stock | | | | | 3,000 | I | by Spouse |
| Common Stock | | | | | 6,000 | I | by Trust |

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

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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 Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code V | (A) (D) | Date Exercisable Expiration Date | Title |
| Incentive Stock Option (right to buy) | \$ 3 | 02/06/2007 | | A | 33,334 | 02/06/2009 ⁽¹⁾ 02/06/2017 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 3 | 02/06/2007 | | A | 91,666 | 02/06/2008 ⁽¹⁾ 02/06/2017 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 2.53 | | | | | 02/22/2006 ⁽¹⁾ 02/22/2015 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 3.6875 | | | | | 01/21/2000 ⁽²⁾ 01/21/2009 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 5.35 | | | | | 12/05/2004 ⁽¹⁾ 12/05/2012 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 5.75 | | | | | 01/03/2001 ⁽¹⁾ 01/03/2010 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 6.6875 | | | | | 09/11/1998 ⁽²⁾ 09/01/2007 | Common Stock |
| Incentive Stock Option (right to buy) | \$ 7.35 | | | | | 02/16/2007 ⁽¹⁾ 02/16/2016 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 3.6875 | | | | | 01/21/2000 ⁽²⁾ 01/21/2009 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 5.35 | | | | | 12/05/2003 ⁽¹⁾ 12/05/2012 | Common Stock |

| | | | | |
|---|-----------|---------------------------|------------|-----------------|
| Non-Qualified Stock Option (right to buy) | \$ 5.75 | 01/03/2001 ⁽¹⁾ | 01/03/2010 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 6.625 | 01/01/1999 ⁽³⁾ | 02/02/2008 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 6.6875 | 09/11/1998 ⁽²⁾ | 09/01/2007 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 7.35 | 02/16/2007 ⁽¹⁾ | 02/16/2016 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| IVERSEN PATRICK L ONE SW COLUMBIA, SUITE 1105 PORTLAND, OR 97258 | | | Sr VP of Research & Development | |

Signatures

By: Mark M. Webber, Attorney-in-fact For: Patrick L. Iversen

02/08/2007

__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.

(2) Vesting: 25% of the shares vest each year from the date of grant with all shares vesting in four years.

(3) Option Grant vests 50% each year on grant date with all shares vesting two years from grant date.

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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