AVI BIOPHARMA INC
Form 4
May 21, 2009

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
HODGMAN JOHN

(Last) (First) (Middle)

4575 SW RESEARCH WAY, SUITE 200

(Street)

CORVALLIS, OR 97333

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
05/19/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	(A) or (D)	Price			
Common Stock	05/19/2009		A		5,000 (1)	A	$ 0	5,000	D	

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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	$ 1.1	05/19/2009		A		20,000		06/19/2009(2)	05/19/2019	Common Stock	
Non-Qualified Stock Option (right to buy)	$ 1.55							06/20/2008(2)	05/20/2018	Common Stock	
Non-Qualified Stock Option (right to buy)	$ 2.24							06/15/2005(2)	05/18/2015	Common Stock	
Non-Qualified Stock Option (right to buy)	$ 2.92							03/22/2005(4)	03/22/2014	Common Stock	
Non-Qualified Stock Option (right to buy)	$ 3.03							06/22/2007(2)	05/22/2017	Common Stock	
Non-Qualified Stock Option (right to buy)	$ 4.64							06/24/2006(2)	05/24/2016	Common Stock	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HODGMAN JOHN 4575 SW RESEARCH WAY, SUITE 200 CORVALLIS, OR 97333	X			

Signatures

John Hodgman	05/21/2009
**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) Restricted Stock Award granted 5/19/2009 to active non-employee Director. Award vests one year from date of grant and will be released provided the Director still is an active member of the Board.

(2) Option Grant vests monthly until all shares are vested one year from date of grant.

(3) Price not required on initial report of stock option granted.

(4) Option Grant vests 25% per year on grant date with all shares vesting four years from date of grant.

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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