

AVI BIOPHARMA INC
 Form 4
 May 21, 2008

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 *
 FARA JOHN W PHD

(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)
 05/20/2008

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)
 Director

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 Ownership (Instr. 4)
Common Stock				(A) or (D) Code V Amount (D) Price	500	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 and Underlying Security (Instr. 3 and 4)
Non-Qualified Stock Option (right to buy)	\$ 1.55	05/20/2008		A	20,000	06/20/2008 ⁽¹⁾ 05/20/2018	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 2.24					06/15/2005 ⁽¹⁾ 05/18/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 2.55					06/05/2004 ⁽¹⁾ 05/05/2014	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 3.03					06/22/2007 ⁽¹⁾ 05/22/2017	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 4.64					06/24/2006 ⁽¹⁾ 05/24/2016	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 7.1875					08/02/2001 ⁽³⁾ 08/02/2010	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FARA JOHN W PHD ONE SW COLUMBIA, SUITE 1105 PORTLAND, OR 97258	X			Director

Signatures

By: Mark M Webber, Attorney-in-fact For:
John Fara

05/21/2008

__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) Option Grant vests monthly until all shares are vested one year from date of grant.
- (2) Price not required on initial report of stock option granted.
- (3) 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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