

BIODELIVERY SCIENCES INTERNATIONAL INC
 Form 4
 October 04, 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 *
 Sirgo Mark A

2. Issuer Name and Ticker or Trading Symbol
 BIODELIVERY SCIENCES INTERNATIONAL INC [BDSI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 2501 AERIAL CENTER PARKWAY, SUITE 205
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 09/30/2005

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

RALEIGH, NC 27560

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 | | 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) |
|---------------------------------|--------------------------------------|--|---------------------|---|---|------------|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | | | |
| Common Stock | 09/30/2005 | 09/30/2005 | P | | 200 | A | \$ 2.54 6,200 | D | |
| Common Stock | 09/30/2005 | 09/30/2005 | P | | 100 | A | \$ 2.69 6,300 | D | |
| Common Stock | 09/30/2005 | 09/30/2005 | P | | 1,000 | A | \$ 2.58 7,300 | D | |
| Common Stock | 09/30/2005 | 09/30/2005 | P | V | 500 | A | \$ 2.55 7,800 | D | |
| Common Stock | 09/30/2005 | 09/30/2005 | P | | 400 | A | \$ 2.56 8,200 | D | |

| | | | | | | | | |
|--------------|------------|------------|---|--------|---|---------|--------|---|
| Common Stock | 09/30/2005 | 09/30/2005 | P | 100 | A | \$ 2.57 | 8,300 | D |
| Common Stock | 09/30/2005 | 09/30/2005 | P | 10,000 | A | \$ 2 | 18,300 | D |
| Common Stock | 09/30/2005 | 09/30/2005 | P | 100 | A | \$ 1.9 | 18,400 | D |
| Common Stock | 09/30/2005 | 09/30/2005 | P | 400 | A | \$ 1.91 | 18,800 | D |
| Common Stock | 09/30/2005 | 09/30/2005 | P | 1,000 | A | \$ 1.88 | 19,800 | D |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Series A Preferred | \$ 4.25 | | | | | (1) (1) | Common Stock | 797,414 |
| Options | \$ 2.94 | | | | | 07/28/2005 07/28/2015 | Common Stock | 20,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Sirgo Mark A 2501 AERIAL CENTER PARKWAY SUITE 205 RALEIGH, NC 27560 | X | | Chief Executive Officer | |

Signatures

/s/ Mark A.
Sirgo

10/03/2005

__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).

The Series A Preferred will be convertible into shares of the Company's common stock (the "Common Stock") on a one for one basis. The Series A Preferred is eligible for conversion upon the earlier to occur of: (i) FDA approval of Arius' first proposed product (ii) 30 days notice to the Company of a Conversion Event (hereinafter defined) or (iii) five years form the closing date of the Transaction. The

- (1) term "Conversion Event" is defined in the Certificate of Designation of the series A Preferred to mean the failure of the Company to provide at least \$3,000,000 to Arius as required to: (i) pay Atrix Laboratories, Inc. ("Atrix") \$1,000,000 by August 24, 2004 pursuant to the terms of a license agreement between Arius and Atrix and (ii) fund, in a total amount of no less than \$2,000,000, the operations of Arius.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.