

HAWRAN PAUL W
Form 4
December 21, 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 *
HAWRAN PAUL W

2. Issuer Name and Ticker or Trading Symbol
NEUROCRINE BIOSCIENCES INC [NBIX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
12/19/2005

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

NEUROCRINE BIOSCIENCES, INC., 12790 EL CAMINO REAL

(Street)

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

SAN DIEGO, CA 92130

(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) | | |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|------------------|------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | 12/19/2005 | | A ⁽¹⁾⁽³⁾ | | 5,647 | A | \$ 61.39 257,481 | I | By Limited Liability Company |
| Common Stock | 12/21/2005 | | S | | 2,500 | D | \$ 64.358 254,981 | D | |
| Common Stock | 12/21/2005 | | S | | 2,500 | D | \$ 64.42 252,481 | D | |
| Common Stock | 12/21/2005 | | S | | 5,000 | D | \$ 65 247,481 | D ⁽²⁾ | |

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

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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 Security (Instr. 3 and 4) | Amount or Number of Shares |
|-------------------------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|----------------------------|
| Variable prepaid forward contract (put equivalent position) | (1) (3) | 12/19/2005 | | X(1)(3) | 39,533 (1) (3) | 12/15/2003 12/19/2005 | Common Stock | 39,5 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|----------------------------------------------------------------------------------------------|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HAWRAN PAUL W NEUROCRINE BIOSCIENCES, INC. 12790 EL CAMINO REAL SAN DIEGO, CA 92130 | | | Executive VP and CFO | |

Signatures

Margaret E. Valeur-Jensen, By Power of Attorney
Date: 12/21/2005

__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).

- (1) Reporting person entered into a prepaid forward purchase agreement dated December 15, 2003, pursuant to which, (i) the reporting person delivered to the broker, the shares listed in item 7 as collateral for the reporting person's obligations, (ii) the broker delivered to the reporting person, an agreed percentage of the market value of the shares listed in item 7 as collateral for broker's obligations, and (iii) the reporting person is obligated to deliver to the broker payment in stock or cash pursuant to the following formula: At Maturity (two years

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from date of transaction) (Payment in Stock or Cash, if available): (1) If NBIX price is < downside protection price: reporting person pays Salomon Smith Barney Number of Shares x NBIX price; (2) if NBIX price is between downside protection price and capped upside protection price: reporting person pays Salomon Smith Barney Number of Shares x downside protection price;

- (2) 186,337 non-derivative securities are held by the Reporting Person; 61,144 non-derivative securities are held by the PNH Limited Liability Company.

Footnote (1) continued: The parties agreed to a maturity date of December 19, 2005. Accordingly on the maturity date the reporting

- (3) person settled his obligation by delivering 39,533 non-derivative shares and retaining ownership of the remaining 5,647 pledged non-derivative shares.

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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