ARADIGM CORP Form 4 May 19, 2006

# FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or

Form 5 obligations may continue.

See Instruction 1(b).

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** 

**OMB** 3235-0287 Number:

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(Print or Type Responses)

(Last)

(City)

Security

(Instr. 3)

1. Name and Address of Reporting Person \* THOMPSON VIRGIL

(First)

(Street)

(State)

(Month/Day/Year)

(Middle)

(Zip)

2. Issuer Name and Ticker or Trading Symbol

ARADIGM CORP [ARDM]

3. Date of Earliest Transaction (Month/Day/Year) 05/18/2006

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

C/O ARADIGM CORP, 3929 POINT EDEN WAY

4. If Amendment, Date Original

Filed(Month/Day/Year)

\_X\_\_ Director 10% Owner Officer (give title 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

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

HAYWARD, CA 94545

1.Title of 2. Transaction Date 2A. Deemed

3. 4. Securities

Execution Date, if TransactionAcquired (A) or Code Disposed of (D) (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following

7. Nature of 6. Ownership Form: Direct Indirect (D) or Indirect Beneficial (I) Ownership (Instr. 4) (Instr. 4)

Reported (A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

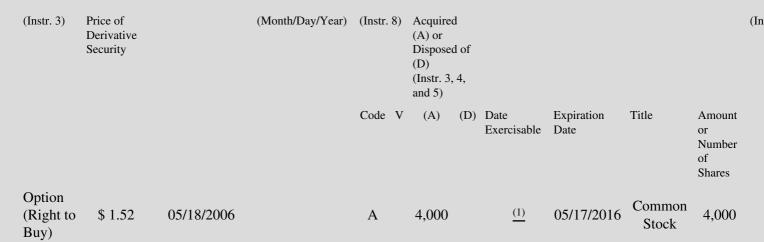
#### Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of 3. Transaction Date 3A. Deemed 5. Number 6. Date Exercisable and 7. Title and Amount of 8. l Derivative Conversion (Month/Day/Year) Execution Date, if Transaction of Derivative Expiration Date Underlying Securities Security or Exercise any Code Securities (Month/Day/Year) (Instr. 3 and 4)

De

Sec

#### Edgar Filing: ARADIGM CORP - Form 4



# **Reporting Owners**

Relationships			
Director	10% Owner	Officer	Other
X			
		Director 10% Owner	Director 10% Owner Officer

## **Signatures**

Virgil D. Thompson, By: /s/ Ron A. Metzger, Attorney-in-Fact 05/19/2006

\*\*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 vests in equal quarterly installments from the Transaction Date.
- (2) Inapplicable.

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.

Reporting Owners 2