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FINANCIAL

SEC 1972 Potential persons who are to respond to the collection of information contained  
(5-05) in this form are not required to respond unless the form displays a currently  
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ATTENTION

Failure to file notice in the appropriate states will not result in a loss of  
the federal exemption. Conversely, failure to file the appropriate federal  
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such exemption is predicated on the filing of a federal notice.

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

FORM D  
NOTICE OF SALE OF SECURITIES  
PURSUANT TO REGULATION D,  
SECTION 4(6), AND/OR  
UNIFORM LIMITED OFFERING EXEMPTION

OMB APPROVAL

OMB Number: 3235-0076

Expires: April 30, 2008

Estimated average burden  
hours per response... 16.00

SEC USE ONLY

Prefix Serial

DATE RECEIVED



Name of Offering ([ ] check if this is an amendment and name has changed, and indicate change.)  
DARA BioSciences, Inc. Series B Preferred Stock Offering

Filing Under (Check box(es) that apply): [ ] Rule 504 [ ] Rule 505 [X] Rule 506 [ ] Section 4(6) [ ] ULOE

Type of Filing: [ ] New Filing [X] Amendment



06025424

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer ([ ] check if this is an amendment and name has changed, and indicate change.)  
DARA BioSciences, Inc.

Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)  
4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609 (919) 872-5578

Address of Principal Business Operations (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)  
(if different from Executive Offices)

Brief Description of Business  
Developing pharmaceutical products focused on the treatment of metabolic diseases and central nervous system disorders.



**A. BASIC IDENTIFICATION DATA**

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Franco, R.Ph., Richard A.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**D'Alonzo, Thomas W.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Gorlin, Steve**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Thomas, Jr., John C.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Jordan, W. Hamilton.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Eichler, Kurt M.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**McWhorter, Stuart**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Didsbury, John**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Gorlin Revocable Trust u/i/d May 19, 1998, Steve Gorlin, Trustee**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**c/o DARA BioSciences, Inc., 4505 Falls of Neuse Road, Suite 125, Raleigh, NC 27609**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)  
**Louis Herlands Family LLC**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**21 Ellsworth Avenue, Cambridge, MA 02139**

**B. INFORMATION ABOUT OFFERING**

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering?..... Yes No

Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual?..... **\$ 15,000.00**

3. Does the offering permit joint ownership of a single unit?..... Yes No

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)  
**Guilford Securities, Inc.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**850 Third Avenue, 14<sup>th</sup> Floor, New York, NY 10022**

Name of Associated Broker or Dealer  
**Robert Maley**

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) .....  All States

[AL] [AK] [AZ] [AR] [CA] x [CO] [CT] [DE] x [DC] [FL] x [GA] [HI] [ID]  
[IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] x [MI] [MN] [MS] [MO]  
[MT] [NE] [NV] [NH] [NJ] x [NM] [NY] x [NC] x [ND] [OH] [OK] [OR] [PA] x  
[RI] [SC] [SD] [TN] x [TX] x [UT] [VT] [VA] [WA] x [WV] [WI] [WY] [PR]

Full Name (Last name first, if individual)  
**Guilford Securities, Inc.**

Business or Residence Address (Number and Street, City, State, Zip Code)  
**850 Third Avenue, 14<sup>th</sup> Floor, New York, NY 10022**

Name of Associated Broker or Dealer  
**Chris Laffey**

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) .....

[ ] All States

[AL] [AK] [AZ] [AR] [CA] x [CO] [CT] [DE] x [DC] [FL] x [GA] [HI] [ID]  
 [IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] x [MI] [MN] [MS] [MO]  
 [MT] [NE] [NV] [NH] [NJ] x [NM] [NY] x [NC] x [ND] [OH] [OK] [OR] [PA] x  
 [RI] [SC] [SD] [TN] x [TX] x [UT] [VT] [VA] [WA] x [WV] [WI] [WY] [PR]

**C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS**

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box " " and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt .....	\$ _____	\$ _____
Equity .....	\$ <b>22,000,000.00</b>	\$ <b>10,256,002.00</b>
	[ ] Common [X] Preferred	
Convertible Securities .....	\$ _____	\$ _____
Partnership Interests .....	\$ _____	\$ _____
Other (Specify) .....	\$ _____	\$ _____
<b>Total .....</b>	<b>\$ 22,000,000.00</b>	<b>\$ 10,256,002.00</b>

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors .....	<b>39</b>	\$ <b>10,256,002.00</b>
Non-accredited Investors .....	_____	\$ _____
<b>Total (for filings under Rule 504 only) .....</b>	_____	\$ _____

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C-Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505 .....	_____	\$ _____

Regulation A .....  
 Rule 504 .....  
 Total .....

\_\_\_\_\_  
 \$ \_\_\_\_\_  
 \_\_\_\_\_  
 \$ \_\_\_\_\_  
 \_\_\_\_\_  
 \$ 0

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees .....	<input type="checkbox"/>	\$ _____
Printing and Engraving Costs.....	<input type="checkbox"/>	\$ _____
Legal Fees .....	<input checked="" type="checkbox"/>	\$ <u>40,000.00</u>
Accounting Fees .....	<input type="checkbox"/>	\$ _____
Administrative, Postage, Secretary Fees.....	<input type="checkbox"/>	\$ _____
Sales Commissions (specify finders' fees separately)* .....	<input checked="" type="checkbox"/>	\$ <u>771,050.00</u>
Other Expenses (State Filing Fees).....	<input checked="" type="checkbox"/>	\$ <u>2,725.00</u>
Total .....	<input checked="" type="checkbox"/>	\$ <u>813,775.00</u>

b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer." ..... \$21,186,225.00

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

	Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees .....	\$ _____	\$ _____
Purchase of real estate .....	\$ _____	\$ _____
Purchase, rental or leasing and installation of machinery and equipment .....	\$ _____	\$ _____
Construction or leasing of plant buildings and facilities.....	\$ _____	\$ _____
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger) .....	\$ _____	\$ _____
Repayment of indebtedness .....	\$ _____	\$ _____
Working capital .....	\$ _____	\$ <u>21,186,225.00</u>
Other (specify): _____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
Column Totals .....	\$ _____	\$ <u>21,186,225.00</u>
Total Payments Listed (column totals added) .....		\$ <u>21,186,225.00</u>

**D. FEDERAL SIGNATURE**

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type)	Signature	Date
<b>DARA BioSciences, Inc.</b>		<b>February 14, 2006</b>
Name of Signer (Print or Type)	Title of Signer (Print or Type)	
<b>John C. Thomas, Jr.</b>	<b>Chief Financial Officer and Secretary</b>	

**ATTENTION**

**Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)**