

AINSLIE LEE S III
Form 4
February 27, 2009

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
MAVERICK CAPITAL LTD

2. Issuer Name and Ticker or Trading Symbol
CARDIOVASCULAR SYSTEMS INC [CSII]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
300 CRESCENT COURT, 18TH FLOOR
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/25/2009

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

DALLAS, TX 75201

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X 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 (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 Indirect Beneficial Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|----------------------|
| | | | Code V | Amount | (A) or (D) Price | | | |
| Common Stock | 02/25/2009 | | C | 2,112,551 | A <u>(4)</u> <u>(5)</u> <u>(6)</u> | 2,112,551 | I | See footnote (1) (3) |
| Common Stock | 02/25/2009 | | U | 2,112,551 | D <u>(2)</u> | 0 | I | See footnote (1) (3) |

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

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number.

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) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Underlying (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|--|--------------------------|--|-------------------------------|--|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | |
| Series A Convertible Preferred Stock | \$ 5.68 ⁽⁴⁾ | 02/25/2009 | | C | V | 1,751,313 ⁽⁷⁾ | | ⁽⁴⁾ ⁽⁴⁾ | Common Stock |
| Series A-1 Convertible Preferred Stock | \$ 8.24 ⁽⁵⁾ | 02/25/2009 | | C | | 235,394 ⁽⁸⁾ | | ⁽⁵⁾ ⁽⁵⁾ | Common Stock |
| Series B Convertible Preferred Stock | \$ 9.16 ⁽⁶⁾ | 02/25/2009 | | C | | 108,108 ⁽⁹⁾ | | ⁽⁶⁾ ⁽⁶⁾ | Common Stock |
| Warrants | \$ 5.71 | 02/25/2009 | | C | | 248,686 ⁽¹⁵⁾ | | ⁽¹⁷⁾ 07/19/2011 | Series A Convertible Preferred Stock |
| Warrants | \$ 5.68 | 02/25/2009 | | C | | 249,998 ⁽²²⁾ | | ⁽¹⁷⁾ 07/19/2011 | Common Stock |
| Stock Options | \$ 7.36 | 02/25/2009 | | U | | 23,319 | 11/13/2007 | 11/12/2017 | Common Stock |
| Stock Options | \$ 5.11 | 02/25/2009 | | U | | 6,681 | 10/09/2007 | 10/08/2017 | Common Stock |
| Stock Options | \$ 5.71 | 02/25/2009 | | U | | 40,000 | ⁽¹¹⁾ | 08/14/2011 | Common Stock |
| Warrants | \$ 6 | 02/25/2009 | | U | | 208,333 ⁽¹³⁾ | ⁽¹⁷⁾ | 09/12/2013 | Common Stock |
| Warrants | \$ 5.68 | 02/25/2009 | | U | | 249,998 ⁽²²⁾ | ⁽¹⁷⁾ | 07/19/2011 | Common Stock |

| | | | | | | | |
|----------|---------|------------|---|------------------------|-------------|------------|--------------|
| Warrants | \$ 5.71 | 02/25/2009 | U | 803,401 <u>(20)</u> | <u>(17)</u> | 02/24/2014 | Comm Stoc |
|----------|---------|------------|---|------------------------|-------------|------------|--------------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| MAVERICK CAPITAL LTD 300 CRESCENT COURT 18TH FLOOR DALLAS, TX 75201 | | | X | |
| MAVERICK CAPITAL MANAGEMENT LLC 300 CRESCENT COURT 18TH FLOOR DALLAS, TX 75201 | | | X | |
| AINSLIE LEE S III 767 FIFTH AVENUE, 11TH FLOOR NEW YORK, NY 10153 | | | X | |

Signatures

/s/ John T. McCafferty,
Attorney-in-Fact

02/27/2009

**Signature of Reporting Person

Date

/s/ John T. McCafferty,
Attorney-in-Fact

02/27/2009

**Signature of Reporting Person

Date

/s/ John T. McCafferty,
Attorney-in-Fact

02/27/2009

**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).

Maverick Capital, Ltd. ("Maverick Capital") is a registered investment adviser under the Investment Advisers Act of 1940, as amended, and acts as the investment manager for each of the portfolio funds that directly holds the reported securities. Maverick Capital Management, LLC ("Maverick") is the general partner of Maverick Capital. Lee S. Ainslie III is the manager of Maverick who is granted sole investment decision pursuant to Maverick's limited liability company regulations. Each reporting owner disclaims beneficial ownership of the reported securities except to the extent of pecuniary interest therein.

(1) Disposed of pursuant to the merger agreement between Replidyne, Inc., Responder Merger Sub, Inc. and the issuer, dated November 3, 2008 (the "Merger Agreement") in exchange for 1,366,820 shares of Replidyne, Inc. common stock on 02/25/09.

(2) 929,082 shares of Common Stock were held by Maverick Fund L.D.C.; 375,090 shares of Common Stock were held by Maverick Fund USA, Ltd.; and 808,379 shares of Common Stock were held by Maverick Fund II, Ltd.

(3) Each share of Series A Convertible Preferred Stock is convertible at any time at the holder's election into 1.01 shares of Common Stock and has no expiration date. The reporting entity converted 1,751,313 shares of Series A Convertible Preferred Stock on 2/25/09, resulting in its acquisition of 1,760,562 shares of Common Stock.

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- (5) Each share of Series A-1 Convertible Preferred Stock is convertible at any time at the holder's election into 1.03 shares of Common Stock and has no expiration date. The reporting entity converted 235,394 shares of Series A-1 Convertible Preferred Stock on 2/25/09, resulting in its acquisition of 242,820 shares of Common Stock.
- (6) Each share of Series B Convertible Preferred Stock is convertible at any time at the holder's election into 1.01 shares of Common Stock and has no expiration date. The reporting entity converted 108,108 shares of Series B Convertible Preferred Stock on 2/25/09, resulting in its acquisition of 109,169 shares of Common Stock.
- (7) 770,212 shares of Series A Convertible Preferred Stock were held by Maverick Fund L.D.C.; 310,952 shares of Series A Convertible Preferred Stock were held by Maverick Fund USA, Ltd.; and 670,149 shares of Series A Convertible Preferred Stock were held by Maverick Fund II, Ltd.
- (8) 103,524 shares of Series A-1 Convertible Preferred Stock were held by Maverick Fund L.D.C.; 41,795 shares of Series A-1 Convertible Preferred Stock were held by Maverick Fund USA, Ltd.; and 90,075 shares of Series A-1 Convertible Preferred Stock were held by Maverick Fund II, Ltd.
- (9) 47,545 shares of Series B Convertible Preferred Stock were held by Maverick Fund L.D.C.; 19,195 shares of Series B Convertible Preferred Stock were held by Maverick Fund USA, Ltd.; and 41,368 shares of Series B Convertible Preferred Stock were held by Maverick Fund II, Ltd.
- (10) These Stock Options were held by Christina Wyskiel for the benefit of Maverick Fund L.D.C., Maverick Fund USA, Ltd., and Maverick Fund II, Ltd. Ms. Wyskiel is an employee of an affiliate of Maverick Capital.
- (11) These Stock Options are exercisable in three equal annual installments. The first installment became exercisable on August 15, 2007, the second installment became exercisable on August 15, 2008, and the third installment will become exercisable on August 15, 2009.
- (12) Pursuant to the Merger Agreement, these Stock Options were assumed on 02/25/2009 by Replidyne, Inc. and replaced with options to purchase 15,087 shares of Replidyne, Inc. common stock at an exercise price of \$11.38 and otherwise having the same terms and conditions as the assumed Stock Options.
- (13) Warrants to acquire 91,623 shares of Common Stock were held by Maverick Fund L.D.C.; Warrants to acquire 36,990 shares of Common Stock were held by Maverick Fund USA, Ltd.; and Warrants to acquire 79,720 shares of Common Stock were held by Maverick Fund II, Ltd.
- (14) Pursuant to the Merger Agreement, these Warrants were assumed on 02/25/2009 by Replidyne, Inc. and replaced with warrants to purchase Replidyne, Inc. common stock at a \$9.28 per share exercise price. Warrants to purchase 59,280 shares of Replidyne common stock were acquired by Maverick Fund L.D.C.; warrants to purchase 23,932 shares of Replidyne common stock were acquired by Maverick Fund USA, Ltd.; and warrants to purchase 51,578 shares of Replidyne common stock were acquired by Maverick Fund II, Ltd.
- (15) Warrants to acquire 109,370 shares of Series A Convertible Preferred Stock convertible into 109,947 shares of Common Stock were held by Maverick Fund L.D.C.; Warrants to acquire 44,155 shares of Series A Convertible Stock convertible into 44,388 shares of Common Stock were held by Maverick Fund USA, Ltd.; and Warrants to acquire 95,161 shares of Series A Convertible Preferred Stock convertible into 95,663 shares of Common Stock were held by Maverick Fund II, Ltd.
- (16) Pursuant to the Merger Agreement, these Warrants were assumed on 02/25/2009 by Replidyne, Inc. and replaced with warrants to purchase Replidyne, Inc. common stock at a \$8.78 per share exercise price. Warrants to purchase 71,135 shares of Replidyne common stock were acquired by Maverick Fund L.D.C.; warrants to purchase 28,719 shares of Replidyne common stock were acquired by Maverick Fund USA, Ltd.; and warrants to purchase 61,893 shares of Replidyne common stock were acquired by Maverick Fund II, Ltd.
- (17) These Warrants are exercisable at any time at the holder's discretion.
- (18) Pursuant to the Merger Agreement, these Stock Options were assumed on 02/25/2009 by Replidyne, Inc. and replaced with stock options to purchase 4,322 shares of Replidyne, Inc. common stock at an exercise price of \$7.90 and otherwise having the same terms and conditions as the assumed Stock Options.
- (19) Pursuant to the Merger Agreement, these Stock Options were assumed on 02/25/2009 by Replidyne, Inc. and replaced with stock options to purchase 25,880 shares of Replidyne, Inc. common stock at an exercise price of \$8.83 and otherwise having the same terms and conditions as the assumed Stock Options.
- (20) Warrants to acquire 353,329 shares of Common Stock were held by Maverick Fund L.D.C.; Warrants to acquire 142,646 shares of Common Stock were held by Maverick Fund USA, Ltd.; and Warrants to acquire 307,426 shares of Common Stock were held by Maverick Fund II, Ltd.
- (21) Pursuant to the Merger Agreement, these Warrants were assumed on 02/25/2009 by Replidyne, Inc. and replaced with warrants to purchase Replidyne, Inc. common stock at an \$8.83 per share exercise price. Warrants to purchase 228,603 shares of Replidyne common stock were acquired by Maverick Fund L.D.C.; warrants to purchase 92,291 shares of Replidyne common stock were acquired by

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Maverick Fund USA, Ltd; and warrants to purchase 198,904 shares of Replidyne common stock were acquired by Maverick Fund II, Ltd.

(22) Warrants to acquire 109,947 shares of Common Stock were held by Maverick Fund L.D.C.; Warrants to acquire 44,388 shares of Common Stock were held by Maverick Fund USA, Ltd.; and Warrants to acquire 95,663 shares of Common Stock were held by Maverick Fund II, Ltd.

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.