

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

OMB Number: 3235-0104  
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hours per response: 0.5Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Jones Elaine V</u>  (Last) (First) (Middle) <u>C/O EUCLIDSR PARTNERS, L.P.</u> <u>45 ROCKEFELLER PLAZA, SUITE 3240</u>  (Street) <u>NEW YORK NY 10111</u>  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>04/11/2006</u>	3. Issuer Name and Ticker or Trading Symbol <u>TARGACEPT INC [ TRGT ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year)  6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

## Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	679	I	By EuclidSR Partners, L.P. <sup>(1)</sup>
Common Stock	320	I	By EuclidSR Biotechnology Partners, L.P. <sup>(2)</sup>

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Series B Convertible Preferred Stock	(3)	(4)	Common Stock	642,735 <sup>(5)</sup>	(5)	I	By EuclidSR Partners, L.P. <sup>(1)</sup>
Series C Convertible Preferred Stock	(3)	(4)	Common Stock	866,666 <sup>(6)</sup>	(6)	I	By EuclidSR Partners, L.P. <sup>(1)</sup>
Series C Convertible Preferred Stock	(3)	(4)	Common Stock	371,428 <sup>(6)</sup>	(6)	I	By EuclidSR Biotechnology Partners, L.P. <sup>(2)</sup>
Stock Option (Right to Buy)	08/08/2003	08/07/2012	Common Stock	4,333	0.075	I	By EuclidSR Partners, L.P. <sup>(1)</sup>
Stock Option (Right to Buy)	06/11/2004	06/10/2013	Common Stock	1,000	0.075	I	By EuclidSR Partners, L.P. <sup>(1)</sup>
Stock Option (Right to Buy)	06/07/2006	(7)	Common Stock	803	0.075	I	By EuclidSR Partners, L.P. <sup>(1)</sup>
Stock Option (Right to Buy)	06/07/2006	(7)	Common Stock	197	0.075	I	By EuclidSR Biotechnology Partners, L.P. <sup>(2)</sup>

## Explanation of Responses:

- The reporting person is a general partner of EuclidSR Associates, L.P., the general partner of EuclidSR Partners, L.P. The reporting person disclaims beneficial ownership of these securities except to the extent of her pecuniary interest therein.
- The reporting person is a general partner of EuclidSR Biotechnology Associates, L.P., the general partner of EuclidSR Biotechnology Partners, L.P. The reporting person disclaims beneficial ownership of these securities except to the extent of her pecuniary interest therein.
- The securities are immediately convertible.
- The securities have no expiration date.
- Each share of Series B Convertible Preferred Stock is automatically convertible into approximately 0.318 share of the Issuer's Common Stock, for no additional consideration. This conversion ratio reflects a 1 for 7.5 share reverse stock split of the Issuer's common stock effected February 3, 2005.
- Each share of Series C Convertible Preferred Stock is automatically convertible into approximately 0.144 share of the Issuer's Common Stock, for no additional consideration. This conversion ratio reflects a 1 for 7.5 share reverse stock split of the Issuer's common stock effected February 3, 2005.
- This stock option expires on the later of (1) the date that is two and one-half months following the end of the optionee's first taxable year during which the option vests, or (2) the date that is two and one-half months following the end of the Issuer's taxable year in which the option vests, and in no event after March 15, 2007.

## Remarks:

/s/Elaine V. Jones

04/11/2006

\*\* Signature of Reporting Person

Date

\* If the form is filed by more than one reporting person, see Instruction 5 (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).

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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