

**FORM 5**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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).
- Form 3 Holdings Reported.
- Form 4 Transactions Reported.

Filed 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>LAIDLEY FORREST D</u>  (Last) (First) (Middle) 339 N. MILWAUKEE SUITE 200  (Street) LIBERTYVILLE IL 60048  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>VASCO DATA SECURITY INTERNATIONAL INC [ VDSI ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 12/31/2003	
	4. 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 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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock, \$0.001 par value	05/16/2003		S	4,600	D	\$1.45	542,803	D	
Common Stock, \$0.001 par value	05/16/2003		S	1,000	D	\$1.53	541,803	D	
Common Stock, \$0.001 par value	05/16/2003		S	1,000	D	\$1.5	540,803	D	
Common Stock, \$0.001 par value	05/16/2003		S	500	D	\$1.51	540,303	D	
Common Stock, \$0.001 par value	05/16/2003		S	200	D	\$1.55	540,103	D	
Common Stock, \$0.001 par value	05/16/2003		S	100	D	\$1.52	540,003	D	
Common Stock, \$0.001 par value	05/16/2003		S	100	D	\$1.46	539,903	D	
Common Stock, \$0.001 par value	05/19/2003		S	3,650	D	\$1.558	536,253	D	
Common Stock, \$0.001 par value	05/19/2003		S	2,011	D	\$1.45	534,242	D	
Common Stock, \$0.001 par value	05/19/2003		S	1,339	D	\$1.4	532,903	D	
Common Stock, \$0.001 par value	05/19/2003		S	400	D	\$1.5	532,503	D	
Common Stock, \$0.001 par value	05/19/2003		S	100	D	\$1.42	532,403	D	
Common Stock, \$0.001 par value	05/20/2003		S	4,900	D	\$1.44	527,503	D	
Common Stock, \$0.001 par value	05/20/2003		S	1,600	D	\$1.42	525,903	D	
Common Stock, \$0.001 par value	05/20/2003		S	1,000	D	\$1.421	524,903	D	
Common Stock, \$0.001 par value	05/21/2003		S	6,000	D	\$1.49	518,903	D	
Common Stock, \$0.001 par value	05/21/2003		S	1,500	D	\$1.5	517,403	D	
Common Stock, \$0.001 par value	05/22/2003		S	4,029	D	\$1.47	513,374	D	
Common Stock, \$0.001 par value	05/22/2003		S	3,471	D	\$1.48	509,903	D	
Common Stock, \$0.001 par value	05/23/2003		S	4,900	D	\$1.38	505,003	D	
Common Stock, \$0.001 par value	05/23/2003		S	1,700	D	\$1.41	503,303	D	
Common Stock, \$0.001 par value	05/23/2003		S	800	D	\$1.4	502,503	D	
Common Stock, \$0.001 par value	05/23/2003		S	100	D	\$1.38	502,403	D	
Common Stock, \$0.001 par value	05/27/2003		S	6,000	D	\$1.35	496,403	D	
Common Stock, \$0.001 par value	05/27/2003		S	1,000	D	\$1.32	495,403	D	
Common Stock, \$0.001 par value	05/27/2003		S	500	D	\$1.351	494,903	D	
Common Stock, \$0.001 par value	05/28/2003		S	3,100	D	\$1.31	491,803	D	
Common Stock, \$0.001 par value	05/28/2003		S	1,600	D	\$1.36	490,203	D	

**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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock, \$0.001 par value	05/28/2003		S	1,200	D	\$1.32	489,003	D	
Common Stock, \$0.001 par value	05/28/2003		S	1,100	D	\$1.35	487,903	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
					(A)	(D)	Date Exercisable	Expiration Date					

Explanation of Responses:

/s/ Clifford K. Bown, Attorney. 01/12/2004  
-in -Fact

\*\* Signature of Reporting Person      Date

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

\* 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).

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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