

Vanda Pharmaceuticals Inc.
 Form 4
 November 21, 2013

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 *
Repella Robert

(Last) (First) (Middle)
 2200 PENNSYLVANIA AVENUE, SUITE 300E
 (Street)

WASHINGTON, DC 20037

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Vanda Pharmaceuticals Inc. [VNDA]

3. Date of Earliest Transaction (Month/Day/Year)
 11/19/2013

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
SVP & Chief Commercial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 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 | (D) | Price |
| Common Stock | 11/19/2013 | | S ⁽¹⁾ | | 2,885 | D | \$ 12.0724 ⁽²⁾ |
| Common Stock | 11/20/2013 | | M | | 40,515 | A | \$ 5.9 62,005 |
| Common Stock | 11/20/2013 | | S | | 40,515 | D | \$ 11.8884 ⁽³⁾ |
| Common Stock | 11/21/2013 | | M | | 23,040 | A | \$ 5.9 44,530 |
| | 11/21/2013 | | M | | 34,570 | A | \$ 3.12 79,100 |

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Common
Stock

| | | | | | | | | |
|-----------------|------------|--|---|--------|---|-----------------------------|--------|---|
| Common Stock | 11/21/2013 | | S | 64,100 | D | \$ 12.1184 <u>(4)</u> | 15,000 | D |
|-----------------|------------|--|---|--------|---|-----------------------------|--------|---|

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

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 Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Employee Stock Option (Right to Buy) | \$ 5.9 | 11/20/2013 | | M | 40,515 | <u>(5)</u> 10/24/2021 | Common Stock | 40,515 | |
| Employee Stock Option (Right to Buy) | \$ 5.9 | 11/21/2013 | | M | 23,040 | <u>(5)</u> 10/24/2021 | Common Stock | 23,040 | |
| Employee Stock Option (Right to Buy) | \$ 3.12 | 11/21/2013 | | M | 34,570 | <u>(6)</u> 12/06/2022 | Common Stock | 34,570 | |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other
SVP & Chief Commercial Officer

Repella Robert
2200 PENNSYLVANIA AVENUE
SUITE 300E
WASHINGTON, DC 20037

Signatures

/s/ Robert
Repella

11/21/2013

**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) Represents shares of the Issuer's common stock sold to satisfy tax obligations relating to the acquisition of shares of the Issuer's common stock in connection with the settlement of certain Restricted Stock Units.
- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$12.03 to \$12.15, inclusive. The Reporting Person undertakes to provide to the Issuer, any security holder of the Issuer or the staff of the Securities Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in footnotes (2), (3) and (4) to this Form 4.
- (2) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$11.80 to \$12.115, inclusive.
- (3) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$11.80 to \$12.46, inclusive.
- (4) The option becomes exercisable with respect to 25% of the shares after 12 months of continuous service with the Issuer, with the balance becoming exercisable in equal monthly installments over the next 36 months of continuous service thereafter.
- 50% of the shares subject to this option shall vest in 48 equal monthly installments beginning January 7, 2013 (the "Initial Vesting Date"), provided Reporting Person remains continuously employed by the Issuer through the Initial Vesting Date. 50% of the shares subject to
- (6) this option shall vest upon acceptance by the U.S. Food and Drug Administration of the Issuer's New Drug Application Filing for tasimelteon for the treatment of Non-24-Hour Disorder (the "Vesting Event"), provided Reporting Person remains continuously employed by the Issuer through the Vesting Event.

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.