

Michael Kao  
 Form 4  
 December 23, 2008

**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 \*  
 AKANTHOS CAPITAL  
 MANAGEMENT LLC

2. Issuer Name and Ticker or Trading Symbol  
 OSCIENT PHARMACEUTICALS  
 CORP [OSCI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 21700 OXNARD ST, SUITE 1520  
 (Street)

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 11/25/2008

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 \_\_\_X\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)

WOODLAND  
 HILLS, CA 91367-7584

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 Beneficial Ownership (Instr. 4)
				(A) or (D)	Amount		Price

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

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SEC 1474  
 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction Code	5. Number	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	(Instr. 8)	of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)						
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares		
12.50% Convertible Guaranteed Senior Notes Due 2011	\$ 1.1 <sup>(6)</sup>	12/19/2008	J <sup>(2)</sup> (3)(7)(8)			0 <u>(2)</u> <u>(3)</u>	<u>(5)</u>	<u>(5)</u>	COMMON STOCK	4,532 <u>(2)</u> <u>(3)</u>		

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
AKANTHOS CAPITAL MANAGEMENT LLC 21700 OXNARD ST SUITE 1520 WOODLAND HILLS, CA 91367-7584		X		
AKANTHOS ARBITRAGE MASTER FUND LP C/O APPLEBY TRUST (CAYMAN) LTD. CLIFTON HOUSE, 75 FORT ST., P.O. BOX 1350 GRAND CAYMAN KY1-1108, E9 00000		X		
Michael Kao 21700 OXNARD STREET SUITE 1520 WOODLAND HILLS, CA 91367-7584		X		

## Signatures

By: /s/ Michael Kao, Manager, Akanthos Capital Management, LLC, general partner to Akanthos Arbitrage Master Fund, L.P. 12/23/2008

\_\_Signature of Reporting Person Date

By: /s/ Michael Kao, Manager, Akanthos Capital Management, LLC 12/23/2008

\_\_Signature of Reporting Person Date

By: /s/ Michael Kao, an individual 12/23/2008

\_\_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).

This statement is filed by and on behalf of each of Akanthos Capital Management, LLC ("ACM"), Akanthos Arbitrage Master Fund, L.P. ("AAMF"), and Michael Kao ("Mr. Kao"). ACM acts as the investment adviser and general partner to, and manages investment and trading accounts of, other persons, including AAMF. ACM may be deemed, through investment advisory contracts or otherwise, to beneficially own securities owned by other persons, including AAMF. Mr. Kao is the Manager of ACM and may be deemed to beneficially own securities owned by ACM. On December 15, 2008, AAMF and ACM reported ownership in excess of 10% due to an exchange offer (the "Exchange") made by the issuer in which AAMF participated. (Mr. Kao was added as a reporting person through an amendment to the original Form 3, dated December 17, 2008.) All Shares (as defined below) beneficially owned by ACM and Mr. Kao are held by AAMF.

(1) On December 15, 2008, the reporting persons reported ownership of 8,299,091 shares of common stock, par value \$.10 per share ("Shares"), of the issuer, consisting of: (A) 1,790,000 Shares; and (B) \$7,160,000 worth of 12.50% Convertible Guaranteed Senior Notes due 2011 (the "Notes"), convertible at \$1.10 per share into 6,509,091 Shares.

(2) Pursuant to an agreement by and between the issuer and AAMF effective as of December 19, 2008 (the "Blocking Agreement"), AAMF may not convert any of the Notes to the extent that AAMF would beneficially own, after any such conversion, more than 9.9% of the issuer's outstanding Shares. The Blocking Agreement had the immediate effect of restricting AAMF's use of the conversion feature of the Notes with respect to 4,532,787 Shares.

(3) Each reporting person states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each reporting person disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.

(4) The Notes are immediately convertible into Shares. The Notes mature on January 15, 2011, unless earlier converted or repurchased.

(5) The initial conversion rate of the Notes is 909.0909 Shares per \$1,000 principal amount of Notes (equal to a conversion price of approximately \$1.10 per Share).

(6) AAMF currently owns \$7,160,000 worth of Notes, which, absent the Blocking Agreement, would be convertible at \$1.10 per share into 6,509,091 Shares. The Blocking Agreement prohibits conversion of the Notes to the extent that AAMF would beneficially own, after any such conversion, more than 9.9% of the issuer's outstanding Shares. As of the date hereof, the Blocking Agreement would permit conversion of the Notes into 1,976,304 Shares. Adding such 1,976,304 Shares to the 1,790,000 Shares currently held by AAMF would result in total ownership of 3,766,304 Shares.

(7) As per the information provided by the Issuer: (i) in its Prospectus dated November 24, 2008, prior to the Exchange, on November 3, 2008, the Issuer had 14,256,628 Shares outstanding; and (ii) in its Form 8-K dated November 24, 2008, 21,310,549 Shares were issued in the Exchange and 500,000 Shares were issued to Paul Royalty Fund Holdings II pursuant to that certain First Amendment to the Revenue Interests Assignment Agreement. Therefore, as of November 24, 2008, outstanding shares of the Issuer totaled 36,067,177 ("Current Shares Outstanding"). The number of Shares of which AAMF (and, therefore, ACM and Mr. Kao) may be deemed to be the beneficial owner constitutes approximately 9.9% of the total number of Shares outstanding (i.e., 3,766,304 divided by 38,043,481 total Shares outstanding which total is the sum of (A) the Current Shares Outstanding plus (B) the 1,976,304 Shares attributable to the Notes).

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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