

Vanda Pharmaceuticals Inc.
Form 4
February 20, 2014

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 *
Polymeropoulos Mihael Hristos

(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)
02/18/2014

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)
President and CEO

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 | (A) or (D) | Price | | | |
| Common Stock | 02/18/2014 | | M | | 18,750 | A | Ⓣ | 490,386 | D | |
| Common Stock | 02/18/2014 | | M | | 12,500 | A | Ⓣ | 502,886 | D | |
| Common Stock | 02/18/2014 | | M | | 12,500 | A | Ⓣ | 515,386 | D | |
| Common Stock | 02/18/2014 | | M | | 6,250 | A | Ⓣ | 521,636 | D | |
| Common Stock | 02/18/2014 | | F | | 17,772 | D | \$ | 503,864 | D | |
| | | | | | (2) | | 13.46 | | | |

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

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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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Restricted Stock Unit | (1) | 02/18/2014 | | M | 18,750 | (3) (4) | Common Stock | 18,750 |
| Restricted Stock Units | (1) | 02/18/2014 | | M | 12,500 | (5) (4) | Common Stock | 12,500 |
| Restricted Stock Units | (1) | 02/18/2014 | | M | 12,500 | (6) (4) | Common Stock | 12,500 |
| Restricted Stock Units | (1) | 02/18/2014 | | M | 6,250 | (7) (4) | Common Stock | 6,250 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Polymeropoulos Mihael Hristos 2200 PENNSYLVANIA AVENUE SUITE 300E WASHINGTON, DC 20037 | X | | President and CEO | |

Signatures

/s/ Mihael Hristos
Polymeropoulos
02/20/2014

**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) Each Restricted Stock Unit ("RSU") represents a contingent right to receive a share of the Issuer's common stock.
- (2) Represents shares of the Issuer's common stock withheld to satisfy tax obligations relating to the acquisition of shares of the Issuer's common stock in connection with the settlement of the vested portion of RSUs as reflected in this Form 4.

The RSUs vest in four equal annual installments beginning January 1, 2011, provided that Mr. Polymeropoulos has remained in continuous service with the Issuer on each applicable vesting date. Vested shares will be delivered on the First Permissible Trading Day (as defined in the RSU Agreement) that occurs on or after the day when the RSUs vest.

- (4) Not Applicable.

The RSUs vest in four equal annual installments beginning January 1, 2012, provided that Mr. Polymeropoulos has remained in continuous service with the Issuer on each applicable vesting date. Vested shares will be delivered on the First Permissible Trading Day (as defined in the RSU Agreement) that occurs on or after the day when the RSUs vest.

The RSUs vest in four equal annual installments beginning January 1, 2013, provided that Mr. Polymeropoulos has remained in continuous service with the Issuer on each applicable vesting date. Vested shares will be delivered on the First Permissible Trading Day (as defined in the RSU Agreement) that occurs on or after the day when the RSUs vest.

50% of the original RSU award vested on July 29, 2013 due to milestone achievement, the remaining RSUs vest in four equal annual installments beginning January 1, 2014, provided that Mr. Polymeropoulos has remained in continuous service with the Issuer on each applicable vesting date. Vested shares will be delivered on the First Permissible Trading Day (as defined in the RSU Agreement) that occurs on or after the day when the RSUs vest.

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.