

Polymeropoulos Mihael Hristos  
 Form 4  
 December 11, 2012

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

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).

**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

2. Issuer Name and Ticker or Trading Symbol

Vanda Pharmaceuticals Inc. [VNDA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

12/07/2012

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

President and CEO

2200 PENNSYLVANIA AVENUE, SUITE 300E

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

WASHINGTON, DC 20037

(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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4) |     |       |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----|-------|
|                                 |                                      |  |                                | (A) or (D)  | Code  | V  | Amount  | (D) | 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 Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

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| (Instr. 3)                                       | Price of<br>Derivative<br>Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4, and<br>5) | Code | V | (A)     | (D) | Date<br>Exercisable | Expiration<br>Date | Title           | Amount<br>Number<br>Shares |
|--|------------------------------------|------------------|------------|---|------|---|---------|-----|---------------------|--------------------|-----------------|----------------------------|
| Employee<br>Stock<br>Option<br>(Right to<br>Buy) | \$ 3.12                            | 12/07/2012       |            | A   |      |   | 150,000 |     | <u>(1)</u>          | 12/06/2022         | Common<br>Stock | 150,000                    |
| Restricted<br>Stock Unit                         | <u>(2)</u>                         | 12/07/2012       |            | A   |      |   | 50,000  |     | <u>(3)</u>          | <u>(4)</u>         | Common<br>Stock | 50,000                     |

## Reporting Owners

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

## Signatures

/s/ Mihael  
Polymeropoulos 12/11/2012

\*\*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) 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 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.
  - (2) Each Restricted Stock Unit ("RSU") represents a contingent right to receive a share of the Issuer's common stock. 50% of the RSUs shall vest in four equal annual installments beginning January 1, 2014. 50% of the RSUs shall vest upon the Vesting Event, provided Reporting Person remains continuously employed by the Issuer through the Vesting Event. 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.

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.