

Shah Gautam
Form 4
January 18, 2011

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 *
Shah Gautam

(Last) (First) (Middle)

C/O ACHILLION
PHARMACEUTICALS, 300
GEORGE STREET

(Street)

NEW HAVEN, CT 06511

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ACHILLION
PHARMACEUTICALS INC
[ACHN]

3. Date of Earliest Transaction
(Month/Day/Year)
01/18/2011

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 and Chief Compliance Ofc.

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	01/18/2011		M		4,000	A	\$ 1.6
Common Stock	01/18/2011		M		2,000	A	\$ 1.6
Common Stock	01/18/2011		M		5,000	A	\$ 1.05
Common Stock	01/18/2011		M		3,312	A	\$ 3.28
					10,250	D	
					12,250	D	
					17,250	D	
					20,562	D	

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Common Stock	01/18/2011		S	14,312	D	\$ 4.858 <u>(1)</u>	6,250	D
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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
Employee Stock Option (Right to Buy)	\$ 1.6	01/18/2011		M	4,000	<u>(2)</u> 05/26/2014	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 1.6	01/18/2011		M	2,000	<u>(3)</u> 12/16/2014	Common Stock	2,000
Employee Stock Option (Right to Buy)	\$ 1.05	01/18/2011		M	5,000	<u>(4)</u> 12/15/2018	Common Stock	5,000
Employee Stock Option (Right to Buy)	\$ 3.28	01/18/2011		M	3,312	<u>(5)</u> 12/18/2019	Common Stock	3,312

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Shah Gautam C/O ACHILLION PHARMACEUTICALS 300 GEORGE STREET NEW HAVEN, CT 06511			SVP and Chief Compliance Ofc.	

Signatures

/s/ Gautam Shah 01/18/2011

__Signature of Date
Reporting Person

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).
The price in Column 4 is a weighted average price. The actual sale prices for these transactions ranged from \$4.74 to \$5.00. The reporting person will provide to the issuer, any security holder of the issuer, or the SEC staff, upon request, information regarding the number of shares sold at each price within the range.
- (1) This option was granted on May 26, 2004 and vested over a four year period with 25% of the shares vesting on the first anniversary of the date of grant and an additional 6.25% vesting at the end of each three-month period thereafter.
- (2) This option was granted on December 16, 2004 and vested over a four year period with 25% of the shares vesting on the first anniversary of the date of grant and an additional 6.25% vesting at the end of each three-month period thereafter.
- (3) This option was granted on December 15, 2008 and vests over a four year period with 25% of the shares vesting on the first anniversary of the date of grant and an additional 6.25% vesting at the end of each three-month period thereafter.
- (4) This option was granted on December 18, 2009 and vests over a four year period with 25% of the shares vesting on the first anniversary of the date of grant and an additional 6.25% vesting at the end of each three-month period thereafter.
- (5)

Remarks:

The transactions reported on this Form 4 were executed pursuant to a Rule 10b5-1 trading plan adopted by Mr. Shah on Decem

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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