## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

| Check this box if no longer subject to |
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| Section 16. Form 4 or Form 5           |
| obligations may continue. See          |
| Instruction 1(b).                      |

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

**OMB APPROVAL** OMB Number: Estimated average burden hours per response: 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| Name and Address of Reporting Person*     Kelly James Patrick |   |  |   |          |  | 2. Issuer Name and Ticker or Trading Symbol  Vanda Pharmaceuticals Inc. [ VNDA ]                |                               |  |                    |   |  |   | of Reportin<br>cable)<br>or<br>(give title   | ig Pers   | son(s) to Iss<br>10% Ow<br>Other (s | ner   |  |
|---|---|--|---|----------|--|---|-------------------------------|--|--------------------|---|--|---|--|---|-------------------------------------|---|--|
|   | (Last) (First) (Middle)<br>2200 PENNSYLVANIA AVENUE<br>SUITE 300E     |  |   |          |  | 3. Date of Earliest Transaction (Month/Day/Year) 02/12/2016                                     |                               |  |                    |   |  |   | X Officer (give title Other (specify below) SVP, CFO, Sec & Treasurer  |   |                                     |   |  |
| (Street) WASHINGTON DC 20037 (City) (State) (Zip)             |   |  |   |          | 4. If Amendment, Date of Original Filed (Month/Day/Year) |   |                               |  |                    |   |  | G. Individual or Joint/Group Filing (Check Applicable Line)     X Form filed by One Reporting Person     Form filed by More than One Reporting Person |  |   |                                     |   |  |
| . ,,  | `   | •  | le I - Non-E  | Derivati | ve Se  | curities  | s Ac                          | auired. Di   | sposed             | of. or Be   | neficiall                              | v Owned   |  |   |                                     |   |  |
| 1. Title of Security (Instr. 3)  2. Transac Date (Month/Date) |   |  |   |          | action 2A. Deemed Execution Date,                        |   | ed<br>Date                    | 3.<br>Transactio   | 4. Secu            | 4. Securities Acquired (A)<br>Disposed Of (D) (Instr. 3,<br>5)                              |  | 5. Amou<br>Securitie<br>Beneficia<br>Owned F<br>Reported  | nt of<br>es<br>ally<br>following   | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4) |                                     | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |  |
|   |   |  |   |          |  |   | Code V                        | Amoun  | (A) oi<br>(D)      | Price   | Transact<br>(Instr. 3 a                |   |  |   |                                     |   |  |
|   |   | -  | Table II - De<br>(e.                                    |          |  |   |                               | uired, Dis<br>s, options,                                      |                    |   |  | Owned   |  |   |                                     |   |  |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)           | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date<br>if any<br>(Month/Day/Ye | Code     | saction<br>(Instr.                                       | 5. Numb<br>of<br>Derivati<br>Securiti<br>Acquire<br>(A) or<br>Dispose<br>of (D) (II<br>3, 4 and | ve<br>es<br>ed<br>ed<br>nstr. | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amour<br>of Securities<br>Underlying<br>Derivative Securit<br>(Instr. 3 and 4) |  | 8. Price of<br>Derivative<br>Security<br>(Instr. 5)   | 9. Numbe<br>derivative<br>Securities<br>Beneficia<br>Owned<br>Following<br>Reported<br>Transacti<br>(Instr. 4) | Ownersl<br>Form:<br>Direct (Dor Indirect)<br>(I) (Instr.          | Ownership                           | Beneficial<br>Ownership<br>ct (Instr. 4)                          |  |
|   |   |  |   | Code     | · v  | (A)   | (D)                           | Date<br>Exercisable  | Expiration<br>Date | Title   | Amount<br>or<br>Number<br>of<br>Shares |   |  |   |                                     |   |  |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)              | \$7.94  | 02/12/2016                                 |   | A        |  | 70,000  |                               | (1)  | 02/11/2026         | Common<br>Stock   | 70,000                                 | \$0.00  | 70,00  | 0   | D                                   |   |  |
| Restricted  | (2)   | 02/12/2016                                 |   | A        |  | 30,000  |                               | (3)  | (4)                | Common  | 30,000                                 | \$0.00  | 30,00  | 0   | D                                   |   |  |

# **Explanation of Responses:**

- 1. The shares subject to this option shall vest in forty-eight (48) equal monthly installments beginning March 12, 2016, provided Reporting Person remains continuously employed by the Issuer through each monthly vesting date.
- 2. Each Restricted Stock Unit ("RSU") represents a contingent right to receive a share of the Issuer's common stock.
- 3. The RSUs shall vest in four (4) equal annual installments beginning January 1, 2017, provided Reporting Person remains continuously employed by the Issuer through each annual vesting date. Vested shares will be delivered on the First Permissable Trading Day (as defined in the RSU Agreement) that occurs on or after the day when the RSUs vest.
- 4. Not Applicable.

#### Remarks:

/s/ James Patrick Kelly

02/12/2016

\*\* Signature of Reporting Person

Date

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

- \* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.