

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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).

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

1. Name and Address of Reporting Person* <u>RHO VENTURES IV LP</u> (Last) (First) (Middle) <u>CARNEGIE HALL TOWER</u> <u>152 WEST 57TH STREET, 23RD FLOOR</u> (Street) <u>NEW YORK NY 10019</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Vanda Pharmaceuticals Inc. [VNDA]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>04/18/2006</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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	04/18/2006		C		300,841 ⁽²⁾	A	(1)	300,841 ⁽²⁾	I	See Footnote ⁽⁵⁾
Common Stock	04/18/2006		C		738,108 ⁽²⁾	A	(1)	738,108 ⁽²⁾	I	See Footnote ⁽⁶⁾
Common Stock	04/18/2006		C		708,258 ⁽²⁾	A	(1)	708,258 ⁽²⁾	I	See Footnote ⁽⁷⁾
Common Stock	04/18/2006		C		655,485 ⁽²⁾	A	(1)	655,485 ⁽²⁾	I	See Footnote ⁽⁸⁾

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series B Preferred Stock	(1)	04/18/2006		C			995,716	(3)	(4)	Common Stock	300,841 ⁽²⁾	(1)	0	I	See Footnote ⁽⁵⁾
Series B Preferred Stock	(1)	04/18/2006		C			2,442,961	(3)	(4)	Common Stock	738,108 ⁽²⁾	(1)	0	I	See Footnote ⁽⁶⁾
Series B Preferred Stock	(1)	04/18/2006		C			2,344,164	(3)	(4)	Common Stock	708,258 ⁽²⁾	(1)	0	I	See Footnote ⁽⁷⁾
Series B Preferred Stock	(1)	04/18/2006		C			2,169,502	(3)	(4)	Common Stock	655,485 ⁽²⁾	(1)	0	I	See Footnote ⁽⁸⁾

1. Name and Address of Reporting Person*
RHO VENTURES IV LP

 (Last) (First) (Middle)
CARNEGIE HALL TOWER
152 WEST 57TH STREET, 23RD FLOOR

 (Street)
NEW YORK NY 10019

 (City) (State) (Zip)

1. Name and Address of Reporting Person*
RHO MANAGEMENT VENTURES IV LLC

 (Last) (First) (Middle)
CARNEGIE HALL TOWER

152 WEST 57TH STREET, 23RD FLOOR

(Street)

NEW YORK NY 10019

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

[RHO MANAGEMENT TRUST I](#)

(Last) (First) (Middle)

CARNEGIE HALL TOWER
152 WEST 57TH STREET, 23RD FLOOR

(Street)

NEW YORK NY 10019

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

[RHO VENTURES IV QP LP](#)

(Last) (First) (Middle)

CARNEGIE HALL TOWER
152 WEST 57TH STREET, 23RD FLOOR

(Street)

NEW YORK NY 10019

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

[RHO VENTURES IV GMBH & CO
BETEILIGUNGS KG](#)

(Last) (First) (Middle)

CARNEGIE HALL TOWER
152 WEST 57TH STREET, 23RD FLOOR

(Street)

NEW YORK NY 10019

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

[RHO CAPITAL PARTNERS VERWALTUNGS
GMBH](#)

(Last) (First) (Middle)

CARNEGIE HALL TOWER
152 WEST 57TH STREET, 23RD FLOOR

(Street)

NEW YORK NY 10019

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

[RHO CAPITAL PARTNERS INC](#)

(Last) (First) (Middle)

CARNEGIE HALL TOWER
152 WEST 57TH STREET, 23RD FLOOR

(Street)

NEW YORK NY 10019

(City)

(State)

(Zip)

1. Name and Address of Reporting Person*

[LESCHLY MARK](#)

(Last)	(First)	(Middle)
CARNEGIE HALL TOWER		
152 WEST 57TH STREET, 23RD FLOOR		
(Street)		
NEW YORK	NY	10019
(City)	(State)	(Zip)

1. Name and Address of Reporting Person *

KAIROUZ HABIB

(Last)	(First)	(Middle)
CARNEGIE HALL TOWER		
152 WEST 57TH STREET, 23RD FLOOR		
(Street)		
NEW YORK	NY	10019
(City)	(State)	(Zip)

1. Name and Address of Reporting Person *

RUCH JOSHUA

(Last)	(First)	(Middle)
CARNEGIE HALL TOWER		
152 WEST 57TH STREET, 23RD FLOOR		
(Street)		
NEW YORK	NY	10019
(City)	(State)	(Zip)

Explanation of Responses:

- Reflects the automatic conversion of each share of Series B Preferred Stock into one share of Common Stock upon the close of business of the day immediately preceding the closing of the issuer's initial public offering.
- Reflects a 1-for-3.309755 reverse stock split to occur immediately following the effectiveness of the registration statement covering the issuer's initial public offering.
- Immediately.
- Not applicable.
- Shares are held of record by Rho Ventures IV, L.P. Rho Management Ventures IV, L.L.C. is the general partner of Rho Ventures IV, L.P. Rho Management Ventures IV, L.L.C. disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Management Ventures IV, L.L.C. is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing members of Rho Management Ventures IV, L.L.C. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.
- Shares are held of record by Rho Ventures IV GmbH & Co. Beteiligungs KG. Rho Capital Partners Verwaltungs GmbH is the general partner of Rho Ventures IV GmbH & Co. Beteiligungs KG. Rho Capital Partners Verwaltungs GmbH disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Capital Partners Verwaltungs GmbH is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing partners of Rho Capital Partners Verwaltungs GmbH. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.
- Shares are held of record by Rho Ventures IV (QP), L.P. Rho Management Ventures IV, L.L.C. is the general partner of Rho Ventures IV (QP), L.P. Rho Management Ventures IV, L.L.C. disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Management Ventures IV, L.L.C. is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing members of Rho Management Ventures IV, L.L.C. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.
- Shares are held of record by Rho Management Trust I. Rho Capital Partners, Inc. is the general partner of Rho Management Trust I. Rho Capital Partners, Inc. disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Capital Partners, Inc. is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing directors of Rho Capital Partners, Inc. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.

/s/ Jeffrey Martin, Authorized 04/18/2006
Signatory

** 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.

POWER OF ATTORNEY

Jeffrey Martin has signed certain of these documents as an Authorized Signatory. Note that copies of the applicable Statement Appointing Designated Filer and Authorized Signatories are already on file with the appropriate agencies.

JOINT FILER INFORMATION

Joint Filer Name: Rho Management Ventures IV, L.L.C.

Relationship to Issuer: 10% Owner

Address: Carnegie Hall Tower, 152 West 57th Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature: Rho Management Ventures IV, L.L.C.

By: /s/ Jeffrey Martin

Authorized Signatory Jeffrey Martin,

Joint Filer Name: Rho Management Trust I

Relationship to Issuer: 10% Owner

Address: Carnegie Hall Tower, 152 West 57th Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature: Rho Management Trust I

By: Rho Capital

Partners, Inc. Trustee

By: /s/ Jeffrey Martin

Authorized Signatory Jeffrey Martin,

Joint Filer Name: Rho Ventures IV (QP), L.P.

Relationship to Issuer: 10% Owner

Address:
Carnegie Hall Tower, 152 West 57th

Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event
Requiring
Statement: April 18, 2006

Issuer Name and Ticker
or
Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature Rho Ventures IV (QP), L.P.

Management Ventures IV, L.L.C.
By: Rho
Its General Partner

By: /s/ Jeffrey Martin

Jeffrey Martin, Authorized Signatory

Joint Filer
Name: Rho Ventures IV GmbH & Co. Beteiligungs KG

Relationship to
Issuer: 10% Owner

Address: Carnegie Hall Tower, 152 West
57th Street, 23rd Floor

Designated Filer: Rho
Ventures IV, L.P.

Date of Event Requiring
Statement: April
18, 2006

Issuer Name and Ticker or
Trading Symbol: Vanda
Pharmaceuticals Inc. (VNDA)

Signature Rho Ventures IV GmbH
& Co. Beteiligungs KG

Verwaltungs GmbH
By: Rho Capital Partners

By: /s/ Jeffrey Martin

Signatory Jeffrey Martin, Authorized

Joint Filer Name: Rho Capital Partners
Verwaltungs GmbH

Relationship to Issuer: 10% Owner

Address: Carnegie Hall Tower, 152 West 57th
23rd Floor Street,

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature Rho Capital Partners Verwaltungs GmbH

By: /s/ Jeffrey Martin

Signatory Jeffrey Martin, Authorized

Joint Filer Name: Rho Capital Partners, Inc.

Relationship to Issuer: 10% Owner

Address: Carnegie Hall Tower, 152 West 57th Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature Rho Capital Partners, Inc.

By: Rho Capital Partners, Inc.
Trustee

By: /s/ Jeffrey Martin

Signatory Jeffrey Martin, Authorized

Joint Filer Name: Mark Leschly

Relationship to Issuer: 10% Owner

Address: Carnegie Hall Tower, 152 West 57th Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature
Mark Leschly

By: /s/ Jeffrey Martin

Signatory

Jeffrey Martin, Authorized

Joint Filer Name: Habib Kairouz

Relationship to Issuer: 10% Owner

Address: Carnegie Hall
Tower, 152 West 57th Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring

Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature: Habib Kairouz

By: /s/ Jeffrey Martin

Signatory

Jeffrey Martin, Authorized

Joint Filer Name: Joshua Ruch

Relationship to Issuer: 10% Owner

Address: Carnegie Hall
Tower, 152 West 57th Street, 23rd Floor

Designated Filer: Rho Ventures IV, L.P.

Date of Event Requiring

Statement: April 18, 2006

Issuer Name and Ticker or Trading Symbol: Vanda Pharmaceuticals Inc. (VNDA)

Signature
Joshua Ruch

By: /s/ Jeffrey Martin

Signatory

Jeffrey Martin, Authorized