Instruction 1(b).

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| 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

| 1. Name and Address of Reporting Person* Clark William D (Last) (First) (Middle) | | | | | 3. E | Issuer Name and Ticker or Trading Symbol Vanda Pharmaceuticals Inc. [VNDA] One of Earliest Transaction (Month/Day/Year) 02/18/2010 | | | | | | | | | ck all applic Directo Officer below) | ationship of Reporting Per c all applicable) Director Officer (give title below) Sr. VP, Chief Busin | | | vner pecify |
|---|--------|---------------------------------|------------|-----------|---|---|-------|---------------------------------------|--|---------|---|-----------|---|---|---|---|--|---|----------------|
| 9605 MEDICAL CENTER DRIVE SUITE 300 | | | | 4. II | If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | | 6. Individual or Joint/Group Filing (Check Applicable | | | | | | |
| (Street) ROCKV | ILLE M | D | 20850 | | | | | | | | | | | Line) | Form fi | led by Mor | • | orting Persor one Repor | |
| (City) | (S | tate) | (Zip) | | | | | | | | | | | | | | | | |
| | | Tab | le I - Nor | n-Deriv | ative | e Se | curit | ies Ac | quired, | Dis | posed c | of, or Bo | enefic | ially | Owned | | | | |
| Date | | | | Day/Year) | | 2A. Deemed Execution Date, if any (Month/Day/Year) | | Transaction Dispos Code (Instr. 5) | | Dispose | rities Acquired (A) ed Of (D) (Instr. 3, 4 | | 4 and Securiti Benefic | | es Foially (D Following (I) | | : Direct r Indirect str. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | |
| | | | | | | | | Code | v | Amount | (A) or (D) | | ice | Transact | nsaction(s) str. 3 and 4) | | | (1115ti. 4) | |
| Common | Stock | | | 02/18 | 3/201 | .0 | | | M | | 25,00 | 00 A | | (1) | 177 | ,801 | | D | |
| | | - | Гable II - | | | | | | | | osed of, onverti | | | | Owned | | | | |
| 1. Title of Derivative Security (Instr. 3) 1. Title of Conversion or Exercise Price of Derivative Security | | se (Month/Day/Year) if any (Mon | | Date, T | 1. Fransaction Code (Instr. 3) | | of I | | 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) | s Illy | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownership (Instr. 4) | |
| | | | | c | Code | v | (A) | (D) | Date Exercisal | | xpiration ate | Title | Amo or Num of Shar | ber | | | | | |
| Restricted Stock | (1) | 02/18/2010 | | | М | | | 25,000 | (1) | | (2) | Common | 25,0 | 000 | (1) | 0 | | D | |

Explanation of Responses:

1. The Restricted Stock Units represented a contingent right to receive a share of the Issuer's common stock which vested on December 31, 2009.

2. N/A

Remarks:

/s/ William D. Clark

02/19/2010

** 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.