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## FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

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

# OMB APPROVAL

hours per response:	0.5
Estimated average burden	

	ess of Reporting Person KER KATHLE		2. Issuer Name <b>and</b> Ticker or Trading Symbol <u>Vanda Pharmaceuticals Inc.</u> [ VNDA ]		tionship of Reporting all applicable) Director	Person X	n(s) to Issuer 10% Owner
C/O DOMAIN ASSOCIATES, LLC ONE PALMER SQUARE		( )	3. Date of Earliest Transaction (Month/Day/Year) 12/12/2006		Officer (give title below)		Other (specify below)
			4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Indiv Line)	lividual or Joint/Group Filing (Check Applicable		
(Street)				X	Form filed by One F	Report	ting Person
PRINCETON	NJ	08542			Form filed by More Person	than (	One Reporting
(City)	(State)	(Zip)					

#### Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Table 1 Hon Bernaure Cecunices Acquirea, Bisposed oi, or Benenolary owned										
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Transaction Code (Instr.		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported	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	Transaction(s) (Instr. 3 and 4)		(1130. 4)
Common Stock	12/12/2006		J <sup>(1)</sup>		581,176	D	(1)	1,954,450	Ι	By Domain Partners VI, L.P. <sup>(2)</sup>
Common Stock	12/12/2006		J <sup>(1)</sup>		9,783	A	(1)	20,458	Ι	By One Palmer Square Associates VI, L.L.C. (2)
Common Stock	12/12/2006		S		12,900	D	\$25.62	21,068	Ι	By DP VI Associates, L.P. <sup>(2)</sup>

#### 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. Transa Code ( 8)		of Deriv Secu Acqu (A) or Dispo of (D) (Instr	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		ate	7. Title Amour Securi Underl Deriva Securi and 4)	nt of ties ying tive ty (Instr. 3	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	ide V (A)		(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

Explanation of Responses:

1. Distribution of shares by Domain Partners VI, L.P. to its partners.

2. The Reporting Person is a Managing Member of One Palmer Square Associates VI, L.L.C., which is the sole general partner of Domain Partners VI, L.P. and DP VI Associates, L.P. Pursuant to Instruction 4(b)(iv) of Form 4, the Reporting Person has elected to report as indirectly beneficially owned the entire number of securities beneficially owned by each such entity. The Reporting Person disclaims beneficial ownership of any securities, and any proceeds thereof, that exceed his or her pecuniary interest therein and/or that are not actually distributed to him or her.

#### Remarks:



\*\* Signature of Reporting Person Date

12/12/2006

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

 $\ast$  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.