FORM 3

## **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

| OMB APPROVAL             |           |  |  |  |  |  |  |  |  |
|--------------------------|-----------|--|--|--|--|--|--|--|--|
| OMB Number:              | 3235-0104 |  |  |  |  |  |  |  |  |
| 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*  TREU JESSE I   |           |  | 2. Date of Ev<br>Requiring Sta<br>(Month/Day/\)<br>04/12/2006 | atement<br>/ear)   | 3. Issuer Name and Ticker or Trading Symbol Vanda Pharmaceuticals Inc. [ VNDA ]   |                                  |  |   |   |  |  |  |
|--|-----------|--|---|--|---|----------------------------------|--|---|---|--|--|--|
| (Last) (First) (Middle) C/O DOMAIN ASSOCIATES, LLC   |           |  |   |  | Relationship of Reporting Person(s) to Issuer (Check all applicable)     Director |                                  |  | 5. If Amendment, Date of Original Filed (Month/Day/Year)    |   |  |  |  |
| ONE PALMEI   |           |  |   | Officer (give title below)   | Other (spec<br>below)   |                                  | 6. Individual or Joint/Group Filing (Check<br>Applicable Line) |   |   |  |  |  |
| (Street) PRINCETON   | NJ        | 08542  |   |  |   |                                  | X  |   | One Reporting Person  More than One  Person   |  |  |  |
| (City)   | (State)   | (Zip)  |   |  |   |                                  |  |   |   |  |  |  |
| Table I - Non-Derivative Securities Beneficially Owned   |           |  |   |  |   |                                  |  |   |   |  |  |  |
| 1. Title of Security (Instr. 4)  |           |  |   | 2. Amount of Securities<br>Beneficially Owned (Instr. 4)                       | 3. Ownershi<br>Form: Direc<br>or Indirect (I<br>(Instr. 5)                        | (D) (Instr.                      | . Nature of Indirect Beneficial Ownership<br>Instr. 5)         |   |   |  |  |  |
| Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) |           |  |   |  |   |                                  |  |   |   |  |  |  |
| 1. Title of Derivative Security (Instr. 4)   |           | 2. Date Exercisable and Expiration Date (Month/Day/Year) |   | 3. Title and Amount of Securities<br>Underlying Derivative Security (Instr. 4) |   | 4.<br>Conversion<br>or Exercise  | 5.<br>Ownership<br>Form:                                       | 6. Nature of Indirect<br>Beneficial Ownership<br>(Instr. 5) |   |  |  |  |
|  |           |  | Date<br>Exercisable   | Expiration<br>Date   | Title   | Amount or<br>Number of<br>Shares | Price of<br>Derivative<br>Security                             | Direct (D)<br>or Indirect<br>(I) (Instr. 5)                 |   |  |  |  |
| Series B Prefer  | red Stock |  | (2)   | (2)  | Common Stock  | 3,169,626 <sup>(3)</sup>         | (2)  | I   | By Domain<br>Partners VI, L.P. <sup>(1)</sup> |  |  |  |
| Series B Preferred Stock   |           | (2)  | (2)   | Common Stock   | 33,968 <sup>(3)</sup>   | (2)                              | I  | By DP VI<br>Associates, L.P. <sup>(1)</sup>                 |   |  |  |  |

## **Explanation of Responses:**

- 1. The Reporting Person is a Managing Member of One Palmer Square Associates VI, LLC, which is the sole general partner of Domain Partners VI, L.P. and DP VI Associates, L.P. Pursuant to Instruction (5) (b)(iv) of Form 3, 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.
- 2. All outstanding shares of the Issuer's preferred stock will automatically convert into Common Stock immediately upon the closing of the Issuer's initial public offering, for no additional consideration.
- 3. Reflects a 1 for 3.309755 the reverse split of the Common Stock.

## Remarks:

/s/Kathleen K. Schoemaker,

04/12/2006

Attorney-in-Fact

\*\* Signature of Reporting Person Date

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

- $^{\star}$  If the form is filed by more than one reporting person, see Instruction 5 (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.