KISHBAUCH MICHAEL D

Form 4

December 26, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB Number:

3235-0287

0.5

Check this box if no longer

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005

OMB APPROVAL

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subject to Section 16. Form 4 or Form 5

obligations

may continue.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

See Instruction

1. Name and Address of Reporting Person * KISHBAUCH MICHAEL D

(First)

(Middle)

2. Issuer Name and Ticker or Trading

Issuer

Symbol

ACHILLION

PHARMACEUTICALS INC

[ACHN]

10% Owner _X__ Director X_ Officer (give title Other (specify

(Check all applicable)

5. Relationship of Reporting Person(s) to

3. Date of Earliest Transaction

(Month/Day/Year) 12/19/2006

below) CEO and President

C/O ACHILLION

(Last)

PHARMACEUTICALS, 300

GEORGE STREET

4. If Amendment, Date Original

(Instr. 8)

6. Individual or Joint/Group Filing(Check Applicable Line)

Filed(Month/Day/Year)

X Form filed by One Reporting Person Form filed by More than One Reporting

NEW HAVEN, CT 06511

(City) (State) (Zip)

(Street)

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

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed

(Month/Day/Year) Execution Date, if

(Month/Day/Year)

any

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D)

(Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned

6. Ownership 7. Nature of Indirect Form: Direct (D) or Indirect Beneficial Ownership (Instr. 4) (Instr. 4)

(A) or Code V Amount (D) Reported Transaction(s)

(Instr. 3 and 4) Price

Following

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

Persons who respond to the collection of **SEC 1474** information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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. Transactic Code (Instr. 8)	5. Number of orderivative Securities Acquired (A) Disposed of (Instr. 3, 4, an 5)	Expiration I (Month/Day or D)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (Date D) Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Option (right to buy)	\$ 14.75	12/19/2006		A	160,000	<u>(1)</u>	12/18/2016	Common Stock	160,000	

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
KISHBAUCH MICHAEL D C/O ACHILLION PHARMACEUTICALS 300 GEORGE STREET NEW HAVEN, CT 06511	X		CEO and President			

Signatures

/s/ Mary Kay Fenton, Attorney in fact 12/26/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * 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).
- (1) This option vests as to 25% of the shares on the first anniversary of the date of grant and as to an additional 6.25% at the end of each three-month period thereafter.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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