

Iwanicki David
Form 4
May 22, 2007

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 OF
SECURITIES**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Iwanicki David

(Last) (First) (Middle)

C/O PDL BIOPHARMA,
INC., 34801 CAMPUS DRIVE

(Street)

FREMONT, CA 94555

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

PDL BIOPHARMA, INC. [PDLI]

3. Date of Earliest Transaction
(Month/Day/Year)

05/21/2007

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
X Officer (give title below) ____ Other (specify below)

VP, Sales & Sales Operations

6. Individual or Joint/Group Filing(Check
Applicable Line)
X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

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 | 05/21/2007 | | M | | 645 | A \$ 17.13 | 645 | | D |
| Common Stock | 05/21/2007 | | S ⁽¹⁾ | | 64 | D \$ 26.54 | 581 | | D |
| Common Stock | 05/21/2007 | | S ⁽¹⁾ | | 64 | D \$ 25.59 | 517 | | D |
| Common Stock | 05/21/2007 | | S ⁽¹⁾ | | 64 | D \$ 26.63 | 453 | | D |
| Common Stock | 05/21/2007 | | S ⁽¹⁾ | | 64 | D \$ 26.66 | 389 | | D |

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| | | | | | | | |
|--------------|------------|------------------|----|---|----------|-----|---|
| Common Stock | 05/21/2007 | S ⁽¹⁾ | 64 | D | \$ 26.25 | 325 | D |
| Common Stock | 05/21/2007 | S ⁽¹⁾ | 65 | D | \$ 26.4 | 260 | D |
| Common Stock | 05/21/2007 | S ⁽¹⁾ | 65 | D | \$ 25.56 | 195 | D |
| Common Stock | 05/21/2007 | S ⁽¹⁾ | 65 | D | \$ 26.58 | 130 | D |
| Common Stock | 05/21/2007 | S ⁽¹⁾ | 65 | D | \$ 26.14 | 65 | D |
| Common Stock | 05/21/2007 | S ⁽¹⁾ | 65 | D | \$ 26.4 | 0 | D |

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

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 control number.

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(9-02)

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 Underlying Securities (Instr. 3 and 4) | | 8. Filing Date of Derivative Security (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|----------------------------|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Employee Stock Option (Right to Buy) | \$ 17.13 | 05/21/2007 | | M | 645 | <u>(2)</u> | 07/20/2013 | Common Stock | 645 | |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Iwanicki David
C/O PDL BIOPHARMA, INC.
34801 CAMPUS DRIVE
FREMONT, CA 94555

VP, Sales & Sales Operations

Signatures

/s/ Francis Sarena by Francis Sarena, Attorney-in-Fact for David
Iwanicki

05/22/2007

__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) Sale was made pursuant to a 10b5-1 plan established by the reporting person.
- (2) Option vests with respect to approximately 645 shares per month and 8 shares remained exercisable immediately after this transaction.
Only vested options are exercisable

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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