FORM 4

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

Washi

| ngton, D.C. 20549 | OMB APPROVAL |
|-------------------|--------------|
|                   |              |

| FATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP | OMB Number:             | 3235-028 |
|---|-------------------------|----------|
|   | Estimated average burde | en       |
|   | hours per response:     | 0.       |

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

| Name and Address of Reporting Person*     MURRAY RICHARD /CA/ |   |         |          |         |   | 2. Issuer Name and Ticker or Trading Symbol PROTEIN DESIGN LABS INC/DE [ PDLI ] |   |                                    |                                      |               |   |                    |                                    |                  |   | ationship of Reportical applicable) Director Officer (give title  |   | 10% C  |  | Owner<br>(specify |  |  |
|---|---|---------|----------|---------|---|---|---|------------------------------------|--------------------------------------|---------------|---|--------------------|------------------------------------|------------------|---|---|---|--|--|-------------------|--|--|
| (Last) (First) (Middle) C/O PROTEIN DESIGN LABS, INC.         |   |         |          |         |   | 3. Date of Earliest Transaction (Month/Day/Year) 07/13/2005                     |   |                                    |                                      |               |   |                    |                                    |                  |   | svp & cso   |   |  | below)   |                   |  |  |
| 34801 CAMPUS DRIVE  |   |         |          |         | 4. If                                   | 4. If Amendment, Date of Original Filed (Month/Day/Year)                        |   |                                    |                                      |               |   |                    |                                    |                  |   | 6. Individual or Joint/Group Filing (Check Applicable Line)   |   |  |  |                   |  |  |
| (Street) FREMOI   | NT CA   | A 9     | )4555    |         |   | X Form file   |   |                                    |                                      |               |   |                    |                                    |                  | filed by One Reporting Person<br>filed by More than One Reporting |   |   |  |  |                   |  |  |
| (City)  | (St   | ate) (. | Zip)     |         | Person                                  |   |   |                                    |                                      |               |   |                    |                                    |                  |   |   |   |  |  |                   |  |  |
|   |   | Tabl    | e I - No | n-Deriv | ative                                   | Se  | curitie   | es Acc                             | quired,                              | Dis           | posed o   | f, or              | Ben                                | efici            | ally (  | Owne  | ed  |  |  |                   |  |  |
| Date  |   |         |          |         | n/Day/Year) i                           |   | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) |                                    | Transaction Disposed Code (Instr. 5) |               | ities Acquired (A)<br>d Of (D) (Instr. 3, 4   |                    |                                    | 4 and Sec<br>Ben |   | cially<br>I Following   | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4) |  | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4)  |                   |  |  |
|   |   |         |          |         |   |   | v   | Amount                             |                                      | (A) or<br>(D) | Price   | .                  | Transaction(s)<br>(Instr. 3 and 4) |                  |   |   | (11341. 4)  |  |  |                   |  |  |
| Common Stock 0'   |   |         |          |         | 7/13/2005                               |   |   |                                    | A                                    |               | 16,200  | ) <sup>(1)</sup> A |                                    | \$               | \$0 4   |   | 49,020  |  | D  |                   |  |  |
|   | Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)      |         |          |         |   |   |   |                                    |                                      |               |   |                    |                                    |                  |   |   |   |  |  |                   |  |  |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)           | vative dirity or Exercise Price of Derivative Security Security Security Execution Date, (Month/Day/Year) Execution Date, if any (Month/Day/Year) |         |          |         | ansaction of De See Ad (A Di of (Irr an |   | osed<br>)<br>r. 3, 4  | 6. Date E<br>Expiratio<br>(Month/D | on Dat                               |               | 7. Title and<br>Amount of<br>Securities<br>Underlying<br>Derivative<br>Security (Instr.<br>and 4) |                    | ount                               | nt               |   | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction<br>(Instr. 4) | Ow<br>For<br>Dir<br>or<br>(I)                                     | 10.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |                   |  |  |
|   |   |         |          |         | Code                                    | v   | (A)   | (D)                                | Exercisa                             |               | Date  | Title              |                                    | res              |   |   |   |  |  |                   |  |  |

## **Explanation of Responses:**

1. Shares are subject to forfeiture that lapses annually over four (4) years from July 13, 2005.

## Remarks:

/s/ Richard Murray \*\* Signature of Reporting Person 07/15/2005

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 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.