Instruction 1(b).

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| Check this box if no longer subject to | STATEMENT O |
|--|-------------|
| Section 16. Form 4 or Form 5 | |
| obligations may continue. See | |

F CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

C Deletionship of Deporting December (a) to Jacus

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 MCDADE MARK | | | | | PROTEIN DESIGN LABS INC/DE [PDLI] | | | | | | | | | | (Check all applicable) | | | | | | |
|--|---|--|---|---------------------|-------------------------------------|---|--------|---------|---------------------------------|-----------------------------------|--|---------------------|---|---|------------------------|---|---|-----------------------------------|--|--|--|
| MCDA | DE MAF | <u>CK</u> | | | | | | | | | | | | , |)) | Oirector | or | | 10% Ow | /ner | |
| (Last) (First) (Middle) C/O PROTEIN DESIGN LABS, INC. 34801 CAMPUS | | | | | 06/ | 3. Date of Earliest Transaction (Month/Day/Year) 06/20/2005 | | | | | | | | | | below) | Officer (give title below) CEO Other (specify below) | | | | |
| (Street) FREMO | | | 94555 (Zip) | | 4. 1 | Line) X Form fi | | | | | | | | | | Joint/Group Filing (Check Applicable liled by One Reporting Person liled by More than One Reporting | | | | | |
| | | Tab | le I - Nor | า-Deriv | ative | e Se | curit | ties Ac | qui | red, C | Disp | osed o | f, or B | enef | iciall | y Owned | | | | | |
| 1. Title of Security (Instr. 3) | | | 2. Transaction Date (Month/Day/Year) | | ear) | 2A. Deemed Execution Date, if any (Month/Day/Year) | | , T | 3. Transac Code (In 8) | | 4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4 5) | | | 4 and Securitie Benefici Owned F | | s ally following | Form (D) o | : Direct r Indirect str. 4) | 7. Nature of Indirect Beneficial Ownership | | |
| | | | | C | Code | | | v | Amount | (A) (D) | or F | Price | | ported ansaction(s) str. 3 and 4) | | | (Instr. 4) | | | | |
| Common | Stock | | | 06/20 | 0/200 |)5 | | | | M | | 10,00 | 0 A | | \$8.3 | 10, | 000 D | | | | |
| Common | Stock | | | 06/20 | 0/200 |)5 | | | | S ⁽¹⁾ | | 10,00 | 0 [| | \$20 | | 0 D | | | | |
| | | - | Fable II - | | | | | | | | | sed of, onvertil | | | | Owned | | | | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution I if any (Month/Day | ate, Transa Code | | | of E | | Expi | ate Exe piration I pnth/Day | Date | able and | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | urity | 8. Price of Derivative Security (Instr. 5) | 9. Numbe derivative Securities Beneficia Owned Following Reported Transactie (Instr. 4) | e s Illy | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
| | | | | c | Code | v | (A) (D | (D) | Date Exe | e ercisable | | xpiration ate | Title | or Nu of | nount mber ares | | | | | | |
| Employee stock option (right to | \$8.3 | 06/20/2005 | | | M | | | 10,000 | | (2) | 1 | 0/24/2012 | Common Stock | 10 | ,000 | \$0 | 700,00 | 00 | D | | |

Explanation of Responses:

- 1. Sale was made pursuant to a 10b5-1 plan established by the reporting person.
- 2. Options vest 1/4 on the first anniversary of the vesting date and thereafter vest 1/48 per month. Only vested options are exercisable.

Remarks:

/s/ Glen Y. Sato by Glen Y. Sato, Attorney in Fact for Mark 06/22/2005 **McDade**

** Signature of Reporting Person Date

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

- * 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.