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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): December 4, 2014

PDL BioPharma, Inc.

(Exact name of Company as specified in its charter)

000-19756
(Commission File Number)

Delaware
(State or Other Jurisdiction of Incorporation)

94-3023969
(I.R.S. Employer Identification No.)

932 Southwood Boulevard
Incline Village, Nevada 89451
(Address of principal executive offices, with zip code)

(775) 832-8500
(Company's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On December 4, 2014, PDL BioPharma, Inc. (the Company) issued a press release specifying the adjustment of the conversion rates of its outstanding convertible notes as a result of the Company's upcoming dividend payment on December 12, 2014. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Cautionary Statements

This filing, the press release and the Company's statements herein and in the attached press release include and constitute "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although we believe that the expectations reflected in the forward looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors that could impair the Company's assets or business and limit the Company's ability to pay dividends, purchase income generating assets and take other corporate actions are disclosed in the "Risk Factors" contained in the Company's 2013 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 3, 2014, as updated by subsequent quarterly reports. All forward looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward looking statement except as required by law.

Item 9.01 Financial Statements and Exhibits.

| Exhibit No. | Description |
|--------------------|--------------------|
| 99.1 | Press Release |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PDL BIOPHARMA, INC.
(Company)

By: /s/ Peter S. Garcia
Peter S. Garcia
Vice President and Chief Financial Officer

Dated: December 4, 2014

Exhibit Index

| Exhibit No. | Description |
|--------------------|--------------------|
| 99.1 | Press Release |

**Contacts:**

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**PDL BioPharma Announces Conversion Rate Adjustments for
 Convertible Notes**

INCLINE VILLAGE, NV, December 4, 2014 - PDL BioPharma, Inc. (PDL) (NASDAQ: PDLI) today announced that the adjusted conversion rate for the:

- 3.75% Convertible Senior Notes due May 1, 2015 (May 2015 Notes), is 171.1768 shares of common stock per \$1,000 principal amount or approximately \$5.84 per share, effective December 3, 2014; and
- 2.875% Series 2012 Convertible Senior Notes due February 15, 2015 (Series 2012 Notes), is 195.248 shares of common stock per \$1,000 principal amount or approximately \$5.12 per share, effective December 3, 2014.

The conversion rates for the notes are adjusted in connection with the regular quarterly dividend of \$0.15 to be paid on December 12, 2014, to all stockholders who own shares of PDL on December 5, 2014, the record date.

May 2015 Notes

The conversion rate for the May 2015 Notes was previously 167.9812 shares of common stock per \$1,000 principal amount of the May 2015 Notes. In connection with a cash dividend, the conversion rate is increased by multiplying the previous conversion rate by a fraction, the numerator of which is the average closing price of PDL's common stock for the 10 consecutive trading days immediately preceding the ex-dividend date of December 3, 2014, for the cash dividend, and the denominator of which is such average closing price minus the per share dividend amount.

Series 2012 Notes

The conversion rate for the Series 2012 Notes was previously 191.671 shares of common stock per \$1,000 principal amount of the Series 2012 Notes. In connection with a cash dividend, the conversion rate is increased by multiplying the previous conversion rate by a fraction, the numerator of which is the average closing price of PDL's common stock for the five consecutive trading days immediately preceding the ex-dividend date of December 3, 2014, for the cash dividend, and the denominator of which is such average closing price minus the per share dividend amount.

About PDL BioPharma

PDL manages a portfolio of patents and royalty assets, consisting primarily of its Queen et al. patents and license agreements with various biotechnology and pharmaceutical companies. PDL pioneered the humanization of monoclonal antibodies and, by doing so, enabled the discovery of a new generation of targeted treatments for cancer and immunologic diseases for which it receives significant royalty revenue. PDL is currently focused on intellectual property asset management, acquiring new income generating assets and maximizing value for its shareholders.

The Company was formerly known as Protein Design Labs, Inc. and changed its name to PDL BioPharma, Inc. in 2006. PDL was founded in 1986 and is headquartered in Incline Village, Nevada.

PDL provides non-dilutive growth capital and financing solutions to late-stage public and private healthcare companies and offers immediate financial monetization of royalty streams to companies, academic institutions, and inventors. PDL has

invested approximately \$780 million to date. PDL evaluates its investments based on the quality of the income generating assets and potential returns on investment.

For more information, please visit www.pdl.com.

NOTE: PDL BioPharma and the PDL BioPharma logo are considered trademarks of PDL BioPharma, Inc.

Forward-looking Statements

The foregoing statements regarding PDL's intentions with respect to the cash dividend payment described above constitute "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Important factors that could impair the value of the Company's assets and limit the Company's ability to pay dividends are disclosed in the risk factors contained in the Company's 2013 Annual Report on Form 10-K, as updated by subsequent quarterly reports, filed with the Securities and Exchange Commission. All forward looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward looking statement except as required by law.

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