

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person* <u>Stone Christopher Lewis</u>			2. Issuer Name and Ticker or Trading Symbol <u>PDL BIOPHARMA, INC. [pdli]</u>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP, Gen. Counsel & Secretary</u>			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>01/18/2012</u>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person			
<u>932 SOUTHWOOD BLVD.</u>			4. If Amendment, Date of Original Filed (Month/Day/Year)						
(Street)	(City)	(State)	(Zip)						
<u>INCLINE VILLAGE</u>	<u>NV</u>	<u>89451</u>							

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			
<u>Common stock</u>	<u>01/18/2012</u>		<u>A</u>		<u>17,583</u>	<u>A</u>	<u>\$6.29</u>	<u>60,212</u>	<u>D</u>	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

Explanation of Responses:

Remarks:

1. The shares will vest on December 31, 2013, provided Mr. Stone is continuously employed by the Company through such date. In the event Mr. Stone is terminated by PDLI without cause or resigns for good reason, the shares shall ratably accelerate and vest in proportion to the time lapsed during the vesting period. During the vesting period, Mr. Stone has the right to vote the shares and will receive any dividends and other shareholder distributions paid by PDLI. Such dividends and other distributions shall accumulate with interest and will vest and pay if and when the underlying shares vest.

/s/Danny J. Hart, Jr., Attorney 01/20/2012
in Fact for

Christopher L. Stone 01/20/2012

** 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.