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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of Earliest Event Reported): April 5, 2010**

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**PDL BioPharma, Inc.**

(Exact name of Company as specified in its charter)

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**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 April 5, 2010, PDL BioPharma, Inc. issued a press release announcing its completion of the April 1 special dividend payment. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, Dated April 5, 2010 Regarding Payment of April 1 Special Dividend

**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/ CHRISTINE LARSON                                  
**Christine Larson**  
**Vice President and Chief Financial Officer**

Dated: April 5, 2010

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, Dated April 5, 2010 Regarding Payment of April 1 Special Dividend

**Contacts:**

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**PDL BioPharma Completes April 1 Special Dividend Payment**

INCLINE VILLAGE, NV, April 5, 2010 — PDL BioPharma, Inc. (PDL) (NASDAQ: PDLI) today announced that it has paid the April 1, 2010 special dividend payment of \$0.50 per share to all stockholders owning shares of PDL as of March 15, 2010, the Record Date.

As previously announced, the conversion rate for the Company's 2.00% Convertible Senior Notes due February 15, 2012 (the "2012 Notes") was adjusted to 128.318 shares of common stock per \$1,000 principal amount or \$7.79 per share. The conversion rate for the 2.75% Convertible Subordinated Notes due August 16, 2023 (the "2023 Notes") was adjusted to 177.1594 shares of common stock per \$1,000 principal amount or \$5.64 per share. These conversion rate adjustments went into effect March 16, 2010.

**About PDL BioPharma**

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. PDL is focused on maximizing the value of its antibody humanization patents and related assets. The Company receives royalties on sales of a number of humanized antibody products marketed today based on patents which expire in late 2014. For more information, please visit [www.pdl.com](http://www.pdl.com).

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

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