

Rue Matthew L III
 Form 4
 April 18, 2007

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Rue Matthew L III

(Last) (First) (Middle)

C/O VALERA
 PHARMACEUTICALS, INC., 7
 CLARKE DRIVE

(Street)

CRANBURY, NJ 08512-3617

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Valera Pharmaceuticals Inc [VLRX]

3. Date of Earliest Transaction
 (Month/Day/Year)
 04/17/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 VP, Marketing

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

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 Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount	(D)	Price

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

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SEC 1474
 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)								
							Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 3	04/17/2007	D	50,000	12/27/2005	10/15/2012							Common Stock	50,000
Stock Option	\$ 3	04/17/2007	D	33,333	(2)	12/01/2013							Common Stock	33,333
Stock Option	\$ 3	04/17/2007	D	33,333	(4)	10/04/2014							Common Stock	33,333
Stock Option	\$ 9	04/17/2007	D	20,000	(6)	02/02/2016							Common Stock	20,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Rue Matthew L III C/O VALERA PHARMACEUTICALS, INC. 7 CLARKE DRIVE CRANBURY, NJ 08512-3617			VP, Marketing	

Signatures

/s/ David S. Tierney, M.D., Attorney in Fact for Matthew L. Rue, III 04/18/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) In connection with that certain Merger Agreement dated December 11, 2006 by and among the Issuer, Indevus Pharmaceuticals, Inc. ("Indevus") and Indevus' wholly-owned subsidiary Hayden Merger Sub, Inc. ("Hayden"), pursuant to which the Issuer was the surviving entity in a merger with Hayden and became a wholly-owned subsidiary of Indevus on April 17, 2007, this option was exchanged for 34,742 shares of Indevus common stock, plus Indevus' unfunded and unsecured promise to issue, in the future, the number of shares of Indevus common stock that would have been issuable had option holders received, for each share of Indevus common stock received in the exchange, three contingent stock rights ("CSRs") convertible into \$1.00 of Indevus common stock, \$1.00 of Indevus common stock, \$1.50 of Indevus common stock, respectively, if applicable milestones are achieved with respect to three of the Issuer's product candidates.
- (2) This option vested ratably on an annual basis over a four year period beginning on 12/01/03.
- (3) This option was exchanged for 23,161 shares of Indevus common stock, plus Indevus' unfunded and unsecured promise to issue, in the future, the number of shares of Indevus common stock that would have been issuable had option holders received CSRs.
- (4) This option vested ratably on an annual basis over a four year period beginning on 10/04/04.

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- (5) This option was exchanged for 23,161 shares of Indevus common stock, plus Indevus' unfunded and unsecured promise to issue, in the future, the number of shares of Indevus common stock that would have been issuable had option holders received CSRs.
- (6) This option vested ratably on an annual basis over a four year period beginning on 02/02/06.
- (7) This option, the exercise price of which was \$9.00, was exchanged for Indevus' unfunded and unsecured promise to issue, in the future, a number of shares of Indevus common stock determined by a formula intended to provide value equivalent to the CSRs, net of the option exercise price exceeding \$7.75.

Remarks:

No fraction of a share of Indevus common stock was issued to the Reporting Person by virtue of the merger, but in lieu thereof

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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