| Form 3<br>April 12, 2006  |         |       |  |  |  |  |  |  |           |
|---|---------|-------|--|--|--|--|--|--|-----------|
| FORM 3 UNITED STATES SECURITIES AND EXCHANGE COM  |         |       |  |  |  | MISSION  | OMB APPROVAL                                       |  |           |
|   | 5       |       | Washington, D.C. 20549                       |  |  |  |  | OMB<br>Number:   | 3235-0104 |
| INITIAL STATEMENT OF BENEFICIAL OWNERSHIP<br>SECURITIES<br>Filed pursuant to Section 16(a) of the Securities Exchange Act of<br>Section 17(a) of the Public Utility Holding Company Act of 1935 of<br>30(h) of the Investment Company Act of 1940 |         |       |  |  |  | t of 1934,   | Expires:<br>Estimated a<br>burden hour<br>response |  |           |
| (Print or Type Resp   | oonses) |       |  |  |  |  |  |  |           |
| Person <u>Statem</u>  |         |       | 2. Date of Even<br>Statement<br>(Month/Day/Y |  |  | e <b>and</b> Ticker o<br>rmaceuticals                                      |  |  |           |
| (Last) (First) (Middle)   |         |       | 04/12/2006                                   |  |  |  |  | Amendment, Date Original<br>(Month/Day/Year)                                       |           |
| C/O DOMAIN ASSOCIATES,<br>LLC, ONE PALMER<br>SQUARE   |         |       | (Check all applicable)                       |  |  |  |  |  |           |
|   | Street) |       |  |  | Director<br>Officer<br>(give title below | Officer Other 6. Indi<br>e title below) (specify below) Filing             |  | lividual or Joint/Group<br>g(Check Applicable Line)<br>form filed by One Reporting |           |
| PRINCETON,  | NJ 08:  | 542   |  |  |  |  | Perso<br>F   |  |           |
| (City) (  | State)  | (Zip) | r  | Гable I - N                                  | on-Derivat                               | ive Securiti   | es Benefic   | ially Owned  | 1         |
| 1.Title of Security<br>(Instr. 4)   |         |       |  | 2. Amount of<br>Beneficially (<br>(Instr. 4) |  | 3.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 5) | 4. Nature of<br>Ownership<br>(Instr. 5)            | Indirect Benefi  | icial     |

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

Vanda Pharmaceuticals Inc.

SEC 1473 (7-02)

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 control number.

## Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security<br>(Instr. 4) | 2. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 3. Title and Amount of<br>Securities Underlying<br>Derivative Security<br>(Instr. 4) |                        | or Exercise            | 5.<br>Ownership<br>Form of<br>Derivative | 6. Nature of Indirect<br>Beneficial Ownership<br>(Instr. 5) |
|---|--|--------------------|--|------------------------|------------------------|--|---|
|   | Date<br>Exercisable  | Expiration<br>Date | Title  | Amount or<br>Number of | Derivative<br>Security | Security:<br>Direct (D)                  |   |

|                          |     |     |                 | Shares            |               | or Indirect<br>(I)<br>(Instr. 5) |                                  |
|--------------------------|-----|-----|-----------------|-------------------|---------------|----------------------------------|----------------------------------|
| Series B Preferred Stock | (2) | (2) | Common<br>Stock | 3,169,626<br>(3)  | \$ <u>(2)</u> | Ι                                | By Domain<br>Partners VI, L.P.   |
| Series B Preferred Stock | (2) | (2) | Common<br>Stock | 33,968 <u>(3)</u> | \$ <u>(2)</u> | Ι                                | By DP VI<br>Associates, L.P. (1) |

## **Reporting Owners**

| <b>Reporting Owner Name / Address</b>   | Relationships |           |         |       |  |  |
|---|---------------|-----------|---------|-------|--|--|
| reporting o when reamer radies  | Director      | 10% Owner | Officer | Other |  |  |
| DOVEY BRIAN H<br>C/O DOMAIN ASSOCIATES, LLC<br>ONE PALMER SQUARE<br>PRINCETON, NJ 08542 | Â             | X         | Â       | Â     |  |  |
| Signatures  |               |           |         |       |  |  |
| /s/Kathleen K. Schoemaker,<br>Attorney-in-Fact  | 04/12/2006    |           |         |       |  |  |
| **Signature of Reporting Person   |               | Date      |         |       |  |  |

## **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 5(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).

The Reporting Person is a Managing Member of One Palmer Square Associates VI, LLC, which is the sole general partner of Domain Partners VI, L.P. and DP VI Associates, L.P. Pursuant to Instruction (5)(b)(iv) of Form 3, the Reporting Person has elected to report as

- (1) indirectly beneficially owned the entire number of securities beneficially owned by each such entity. The Reporting Person disclaims beneficial ownership of any securities, and any proceeds thereof, that exceed his or her pecuniary interest therein and/or that are not actually distributed to him or her.
- (2) All outstanding shares of the Issuer's preferred stock will automatically convert into Common Stock immediately upon the closing of the Issuer's initial public offering, for no additional consideration.
- (3) Reflects a 1 for 3.309755 the reverse split of the Common Stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.