

PDL BIOPHARMA, INC.
 Form 4
 November 22, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
 Iwanicki David

(Last) (First) (Middle)

C/O PDL BIOPHARMA,
 INC., 34801 CAMPUS DRIVE

(Street)

FREMONT, CA 94555

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 PDL BIOPHARMA, INC. [PDLI]

3. Date of Earliest Transaction
 (Month/Day/Year)
 11/20/2006

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, Sales & Sales Operations

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock | 11/20/2006 | | M | | 645 \$ 17.13 | D | |
| Common Stock | 11/20/2006 | | S ⁽¹⁾ | | 65 \$ 22.37 | D | |
| Common Stock | 11/20/2006 | | S ⁽¹⁾ | | 64 \$ 22.41 | D | |
| Common Stock | 11/20/2006 | | S ⁽¹⁾ | | 50 \$ 22.44 | D | |
| Common Stock | 11/20/2006 | | S ⁽¹⁾ | | 100 \$ 22.45 | D | |

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| | | | | | | | |
|--------------|------------|------------------|-----|---|----------|-----|---|
| Common Stock | 11/20/2006 | S ⁽¹⁾ | 52 | D | \$ 22.48 | 314 | D |
| Common Stock | 11/20/2006 | S ⁽¹⁾ | 250 | D | \$ 22.51 | 64 | D |
| Common Stock | 11/20/2006 | S ⁽¹⁾ | 64 | D | \$ 22.75 | 0 | D |

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

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.

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(9-02)

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 Underlying Securities (Instr. 3 and 4) | 8. F... Der... Sec... (Ins...) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------------------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V (A) (D) | | |
| Employee Stock Option (Right to Buy) | \$ 17.13 | 11/20/2006 | | M | 645 | <u>(2)</u> 07/20/2013 | Common Stock | 645 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Iwanicki David C/O PDL BIOPHARMA, INC. 34801 CAMPUS DRIVE FREMONT, CA 94555 | | | VP, Sales & Sales Operations | |

Signatures

/s/ Francis Sarena by Francis Sarena, Attorney in Fact for David
Iwanicki

11/22/2006

__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) Sale was made pursuant to a 10b5-1 plan established by the reporting person.
 - (2) Option vests with respect to 2,187.5 shares per month and 3 shares remained exercisable immediately after this transaction. Only vested options are exercisable.

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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