

GALE JAMES C  
Form 4  
April 19, 2007

**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 \*  
GALE JAMES C

2. Issuer Name and Ticker or Trading Symbol  
INDEVUS PHARMACEUTICALS  
INC [IDEV]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
04/18/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)

126 EAST 56TH STREET, 24TH FLOOR

(Street)

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

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

NEW YORK, NY 10022

(City) (State) (Zip)

**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	04/18/2007		J <sup>(1)</sup>		341,977	A	\$ 0 (1)	341,977	I	By Corporate Opportunity Fund, L.P. <sup>(6)</sup>
Common Stock	04/18/2007		J <sup>(4)</sup>		817	A	\$ 0 (4)	342,794	I	By Corporate Opportunity Fund, L.P. <sup>(6)</sup>
Common Stock	04/18/2007		J <sup>(1)</sup>		1,650,752	A	\$ 0 (1)	1,650,752	I	By SMH Hyrdo Med, LLC <sup>(7)</sup>
Common	04/18/2007		J <sup>(1)</sup>		1,074,234	A	\$ 0	1,074,234	I	By SMH

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Stock					<u>(1)</u>				Hydro Med II, LLC <u>(8)</u>
Common Stock	04/20/2007		<u>J(1)</u>	815,058	A	<u>\$ 0 (1)</u>	815,058	I	By SMH Valera, LLC <u>(9)</u>
Common Stock	04/18/2007		<u>J(1)</u>	361,745	A	<u>\$ 0 (1)</u>	361,745	I	By Life Sciences Opportunity Fund, L.P. <u>(10)</u>
Common Stock	04/18/2007		<u>J(1)</u>	81,371	A	<u>\$ 0 (1)</u>	81,371	I	By Life Sciences Opportunity Fund (Institutional), L.P. <u>(11)</u>
Common Stock	04/18/2007		<u>J(1)</u>	1,843,186	A	<u>\$ 0 (1)</u>	1,843,186	I	By Corporate Opportunities Fund (Institutional), L.P. <u>(12)</u>
Common Stock	04/18/2007		<u>J(5)</u>	4,394	A	<u>\$ 0 (5)</u>	1,847,580	I	By Corporate Opportunities Fund (Institutional), L.P. <u>(12)</u>
Common Stock	04/18/2007		<u>J(2)</u>	3,474	A	<u>\$ 0 (2)</u>	3,474	D	
Common Stock	04/18/2007		<u>J(3)</u>	578	A	<u>\$ 0 (3)</u>	4,052	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)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu...
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(Instr. 3,  
4, and 5)

	Date	Expiration	Title	Amount
	Exercisable	Date		or
Code	V	(A)	(D)	Number
				of
				Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GALE JAMES C 126 EAST 56TH STREET, 24TH FLOOR NEW YORK, NY 10022		X		

## Signatures

James C. Gale                      04/19/2007  
 \_\_Signature of                      Date  
 Reporting Person

## 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).

The beneficial owner acquired these securities of the Issuer as merger consideration pursuant to that certain Agreement and Plan of Merger dated December 11, 2006 (the "Merger Agreement"), among the Issuer, Hayden Merger Sub, Inc., a wholly-owned subsidiary of the Issuer, and Valera Pharmaceuticals, Inc. ("Valera") On the effective date of the merger, each issued and outstanding share of Valera common stock was converted into the right to receive 1.1337 shares of Issuer common stock plus contingent stock rights ("CSRs") convertible into \$1.00 of the Issuer's common stock, \$1.00 of the Issuer's common stock, and \$1.50 of the Issuer's common stock, respectively, if applicable milestones are achieved with respect to three of Valera's product candidates. The Reporting Person is deemed to have become the beneficial owner of such securities upon the effective date of the merger.

(1) Received upon the effective date of the merger pursuant to the Merger Agreement in exchange for a stock option to acquire 5,000 shares of common stock of Valera at an exercise price of \$3.00 per share.

(2) Received upon the effective date of the merger pursuant to the Merger Agreement in exchange for a stock option to acquire 833 shares of common stock of Valera at an exercise price of \$3.00 per share.

(3) Received upon the effective date of the merger pursuant to the Merger Agreement in exchange for a stock option to acquire 1,176 shares of common stock of Valera at an exercise price of \$3.00 per share.

(4) Received upon the effective date of the merger pursuant to the Merger Agreement in exchange for a stock option to acquire 6,324 shares of common stock of Valera at an exercise price of \$3.00 per share.

(5) These securities are owned directly by Corporate Opportunities Fund, L.P. and indirectly by SMM Corporate Management, LLC, the general partner of Corporate Opportunities Fund, L.P., James C. Gale, the chief investment officer and manager of SMM Corporate Management, LLC, and SMH Capital Inc., the controlling member of SMM Corporate Management, LLC. Mr. Gale, SMH Capital Inc., and SMM Corporate Management, LLC disclaim any beneficial ownership of such shares except to the extent of their respective pecuniary interest therein.

(6) These securities are owned directly by SMH Hydro Med, LLC and indirectly by James C. Gale, the chief investment officer and manager of SMH Hydro Med, LLC. Mr. Gale disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein.

(7) These securities are owned directly by SMH Hydro Med II, LLC and indirectly by James C. Gale, the chief investment officer and manager of SMH Hydro Med II, LLC. Mr. Gale disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein.

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- (9) These securities are owned directly by SMH Valera, LLC and indirectly by James C. Gale, the chief investment officer and manager of SMH Valera, LLC. Mr. Gale disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein.
- These securities are owned directly by Life Sciences Opportunity Fund, L.P. and indirectly by LOF Partners, LLC, the general partner of Life Sciences Opportunity Fund, L.P., James C. Gale, the chief investment officer and manager of LOF Partners, LLC, and SMH Capital Inc., the controlling member of LOF Partners, LLC. Mr. Gale, SMH Capital Inc., and LOF Partners, LLC disclaim any beneficial ownership of such securities except to the extent of their respective pecuniary interest therein.
- (10) These securities are owned directly by Life Sciences Opportunity Fund (Institutional), L.P. and indirectly by LOF Partners, LLC, the general partner of Life Sciences Opportunity Fund (Institutional), L.P., James C. Gale, the chief investment officer and manager of LOF Partners, LLC, and SMH Capital Inc., the controlling member of LOF Partners, LLC. Mr. Gale, SMH Capital Inc., and LOF Partners, LLC disclaim any beneficial ownership of such securities except to the extent of their respective pecuniary interest therein.
- (11) These securities are owned directly by Corporate Opportunities Fund (Institutional), L.P. and indirectly by SMM Corporate Management, LLC, the general partner of Corporate Opportunities Fund (Institutional), L.P., James C. Gale, the chief investment officer and manager of SMM Corporate Management, LLC, and SMH Capital Inc., the controlling member of SMM Corporate Management, LLC. Mr. Gale, SMH Capital Inc., and SMM Corporate Management, LLC disclaim any beneficial ownership of such shares except to the extent of their respective pecuniary interest therein.
- (12)

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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