

KNOTT DAVID M  
Form 4  
June 04, 2012

**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 \*  
KNOTT DAVID M

2. Issuer Name and Ticker or Trading Symbol  
LIGAND PHARMACEUTICALS  
INC [LGND]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
485 UNDERHILL BLVD, STE 205  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/31/2012

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

SYOSSET, NY 11791-3419

(City) (State) (Zip)

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

**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)<br>Code V Amount (D) Price                             |   |  |  |
| Common Stock                    |                                      |  |                                |   | 972,100   | I  | By Knott Partners, L.P. (1) (3)              |
| Common Stock                    |                                      |  |                                |   | 264,661   | I  | By Shoshone Partners, L.P. (1) (3)           |
| Common Stock                    |                                      |  |                                |   | 331,396   | I  | By Knott Partners Offshore Master Fund, L.P. |

|                             |            |  |   |       |   |        |        |   |
|-----------------------------|------------|--|---|-------|---|--------|--------|---|
| Common Stock                |            |  |   |       |   | 1,666  | I      | (1) (3)<br>By<br>Managed<br>Accounts C<br>(2) (3) |
| Common Stock                |            |  |   |       |   | 41,583 | I      | By<br>Managed<br>Accounts D<br>(2) (3)            |
| Common Stock <sup>(4)</sup> | 05/31/2012 |  | A | 4,721 | A | \$ 0   | 59,425 | D   |

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

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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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
|  |  |                                      |  | Code V (A) (D)                 |   | Date Exercisable Expiration Date                         | Title   |                            |
| Non-Qualified Stock Option (right to buy) <sup>(5)</sup> | \$ 12.53   | 05/31/2012                           |  | A                              | 7,335   | <sup>(5)</sup> 05/31/2022                                | Common Stock  | 7,335                      |
| Non-Qualified Stock Option (right to buy) <sup>(6)</sup> | \$ 10.12   |                                      |  |                                |   | <sup>(6)</sup> 06/01/2021                                | Common Stock  | 7,335                      |

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |

KNOTT DAVID M  
485 UNDERHILL BLVD  
STE 205  
SYOSSET, NY 11791-3419

X

## Signatures

/s/ David M.  
Knott

06/04/2012

\*\*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) The Reporting Person is the managing member of Knott Partners Management, LLC, which is (a) the sole general partner of Shoshone Partners, L.P., and Knott Partners Offshore Master Fund, L.P. and (b) the managing general partner of Knott Partners, L.P. The Reporting Person is also a general partner of Knott Partners, L.P.

(2) The Reporting Person is the sole director and the president of Dorset Management Corporation, which provides investment management services to separate institutional managed accounts (each, a "Managed Account").

As a result of the Reporting Person's interests in Knott Partners Management, LLC and in Dorset Management Corporation, the Reporting Person has investment discretion and control of the securities in this entry. The Reporting Person may be deemed to beneficially own an indirect pecuniary interest in securities in this entry as a result of a performance related fee. Except with respect to Knott Partners, L.P., (3) Knott Partners Offshore Master Fund, L.P., and Shoshone Partners, L.P., in which the Reporting Person owns a beneficial interest, the Reporting Person disclaims beneficial ownership therein except to the extent ultimately realized. Each of Knott Partners, L.P., Knott Partners Offshore Master Fund, L.P., Shoshone Partners, L.P., and each of the Managed Accounts disclaims beneficial ownership of securities reported as owned by any other party.

(4) These securities, as represented in Columns 4 and 5, represent (a) 1,796 restricted shares issued in lieu of annual cash retainer at the Company's annual meeting of its shareholders on May 31, 2012 (the "2012 Meeting"), which shares are immediately vested, and (b) 2,925 restricted shares acquired by a grant of the Board of Directors of the Company at the 2012 Meeting, which shares will vest in full on the first anniversary of the grant date.

(5) These securities, as represented in Column 5, were acquired by a grant of 7,335 shares by the Board of Directors of the Company at the 2012 Meeting. That grant vests in full on the first anniversary of the grant date or immediately (x) upon a change in control or a hostile takeover of the Company or (y) the death or permanent disability of the grantee if still serving at that time.

(6) These securities were previously reported on a Form 4 for this Reporting Person filed on June 6, 2011, and are included on this Form 4 only to report that they are now fully vested and 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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