

ALKERMES INC  
Form 4  
November 19, 2007

**FORM 4**

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

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Pugh Gordon G

(Last) (First) (Middle)

88 SIDNEY STREET

(Street)

CAMBRIDGE, MA 02139

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
ALKERMES INC [ALKS]

3. Date of Earliest Transaction  
(Month/Day/Year)  
11/15/2007

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

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

SVP &amp; COO

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_X\_\_ 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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V                                                                          | Amount                                                                                                             | (D)                                                                  | Price                                                             |

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  
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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<br>Derivative<br>Security | 2. Conversion<br>or Exercise | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any | 4. Transaction<br>Code | 5. Number of<br>Derivative Securities<br>Acquired (A) or | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Underlying<br>(Instr. 3 and 4) |
|---------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|------------------------|----------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------|
|---------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|------------------------|----------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------|

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| (Instr. 3)                                      | Price of<br>Derivative<br>Security | (Month/Day/Year) | (Instr. 8)       |   | Disposed of (D) |         | Date<br>Exercisable | Expiration<br>Date | Title           |
|-------------------------------------------------|------------------------------------|------------------|------------------|---|-----------------|---------|---------------------|--------------------|-----------------|
|                                                 |                                    |                  | Code             | V | (A)             | (D)     |                     |                    |                 |
| Non-qualified<br>stock option<br>(right to buy) | \$ 25.96                           | 11/15/2007       | D <sup>(1)</sup> |   |                 | 144,592 | 01/07/2003          | 01/07/2012         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 25.96                           | 11/15/2007       | A <sup>(2)</sup> |   | 144,592         |         | <sup>(3)</sup>      | 01/07/2012         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 14.57                           | 11/15/2007       | D <sup>(1)</sup> |   |                 | 25,772  | 10/17/2004          | 10/17/2013         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 14.57                           | 11/15/2007       | A <sup>(2)</sup> |   | 25,772          |         | <sup>(3)</sup>      | 10/17/2013         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 14.9                            | 11/15/2007       | D <sup>(1)</sup> |   |                 | 69,480  | 12/17/2005          | 12/17/2014         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 14.9                            | 11/15/2007       | A <sup>(2)</sup> |   | 69,480          |         | <sup>(4)</sup>      | 12/17/2014         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 18.6                            | 11/15/2007       | D <sup>(1)</sup> |   |                 | 32,124  | 12/09/2006          | 12/09/2015         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 18.6                            | 11/15/2007       | A <sup>(2)</sup> |   | 32,124          |         | <sup>(5)</sup>      | 12/09/2015         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 20.79                           | 11/15/2007       | D <sup>(1)</sup> |   |                 | 14,063  | 05/02/2007          | 05/02/2016         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 20.79                           | 11/15/2007       | A <sup>(2)</sup> |   | 14,063          |         | <sup>(6)</sup>      | 05/02/2016         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 14.38                           | 11/15/2007       | D <sup>(1)</sup> |   |                 | 19,823  | 12/12/2007          | 12/12/2016         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 14.38                           | 11/15/2007       | A <sup>(2)</sup> |   | 19,823          |         | <sup>(7)</sup>      | 12/12/2016         | Common<br>Stock |
| Non-qualified<br>stock option<br>(right to buy) | \$ 15.95                           | 11/15/2007       | D <sup>(1)</sup> |   |                 | 23,731  | 06/01/2008          | 06/01/2017         | Common<br>Stock |

|                                                 |          |            |                  |        |     |            |                 |
|-------------------------------------------------|----------|------------|------------------|--------|-----|------------|-----------------|
| Non-qualified<br>stock option<br>(right to buy) | \$ 15.95 | 11/15/2007 | A <sup>(2)</sup> | 23,731 | (8) | 06/01/2017 | Common<br>Stock |
|-------------------------------------------------|----------|------------|------------------|--------|-----|------------|-----------------|

## Reporting Owners

| Reporting Owner Name / Address                           | Relationships |           |           |       |
|----------------------------------------------------------|---------------|-----------|-----------|-------|
|                                                          | Director      | 10% Owner | Officer   | Other |
| Pugh Gordon G<br>88 SIDNEY STREET<br>CAMBRIDGE, MA 02139 |               |           | SVP & COO |       |

## Signatures

|                                                           |            |
|-----------------------------------------------------------|------------|
| Jennifer Baptiste, Attorney-in-Fact for Gordon G.<br>Pugh | 11/19/2007 |
|-----------------------------------------------------------|------------|

\_\_\_\_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) Cancellation of non-qualified stock option by mutual agreement of Alkermes and the reporting person. As consideration for the cancellation, the reporting person was granted a new stock option under the Company's Amended and Restated 1999 Stock Option Plan with the same terms, including exercise price, vesting and number of shares, as the cancelled stock option

(2) Re-grant of non-qualified stock option under the Amended and Restated 1999 Stock Option Plan as consideration for the cancellation of the non-qualified stock option. Re-granted non-qualified option has the same terms as the cancelled option, including exercise price, vesting and number of shares.

(3) Stock option vests in its entirety upon date of grant.

(4) Original Stock Option grant to which this relates included non-qualified stock options (set forth herein) and incentive stock options. Fifty percent (50%) of the Stock Option vests upon date of grant. The remainder of the Stock Option vests in equal annual installments on each of 12/17/2007 and 12/17/2008.

(5) Original Stock Option grant to which this relates included non-qualified stock options (set forth herein) and incentive stock options. Twenty-five percent (25%) of the Stock Option vests upon date of grant. The remainder of the Stock Option vests in equal annual installments on each of 12/9/2007, 12/9/2008 and 12/9/2009.

(6) Original Stock Option grant to which this relates included non-qualified stock options (set forth herein) and incentive stock options. Twenty-five (25%) of the Stock Option vests upon date of grant. The remainder of the Stock Option vests in equal annual installments on each of 5/2/2008, 5/2/2009 and 5/2/2010.

(7) Original Stock Option grant to which this relates included non-qualified stock options (set forth herein) and incentive stock options. The Stock Option vests in equal annual installments over a four-year period, at the rate of 25% per year commencing on 12/12/2007.

(8) Original Stock Option grant to which this relates included non-qualified stock options (set forth herein) and incentive stock options. The Stock Option vests in equal annual installments over a four-year period, at the rate of 25% per year commencing on 6/1/2008.

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.