

CROSS HERB
Form 4
January 27, 2009

FORM 4

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

OMB APPROVAL

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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 *
CROSS HERB

(Last) (First) (Middle)
1400 SEAPORT BLVD
(Street)

REDWOOD CITY, CA 94063

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
FACET BIOTECH CORP [FACT]

3. Date of Earliest Transaction
(Month/Day/Year)
01/23/2009

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 below) ___ Other (specify below)
Corp Controller/Prin Acctg Off

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 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 | 01/23/2009 | | A | | 551 ⁽¹⁾ A \$ 0 1,007 | D | |
| Common Stock | 01/23/2009 | | A | | 3,860 ⁽²⁾ A \$ 0 4,867 | D | |
| Common Stock | 01/23/2009 | | A | | 1,653 ⁽³⁾ A \$ 0 6,520 | D | |
| Common Stock | 01/23/2009 | | A | | 9,000 ⁽⁴⁾ A \$ 0 15,520 | D | |
| Common Stock | 01/23/2009 | | F | | 237 ⁽⁵⁾ D \$ 6.17 15,283 | D | |

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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 Security (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Non-Qualified Stock Option (right to buy) | \$ 6.17 | 01/23/2009 | | A | 14,000 | (6) 01/23/2016 | Common Stock | 14,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| CROSS HERB 1400 SEAPORT BLVD REDWOOD CITY, CA 94063 | | | Corp Controller/Prin Acctg Off | |

Signatures

/s/ Herb Cross 01/27/2009

**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) These restricted shares were subject to a risk of forfeiture that lapsed with respect to all the shares on January 23, 2009.
- (2) These restricted shares are subject to a risk of forfeiture that lapses with respect to all the shares on September 14, 2009.
- (3) These restricted shares are subject to a risk of forfeiture that lapses with respect to 1/3rd of the shares on December 19, 2009 and 1/3rd of the shares annually each year thereafter.
- (4) These restricted shares are subject to a risk of forfeiture that lapses with respect to 1/3rd of the shares annually from the date of grant.
- (5) Represents the number of shares on January 23, 2009 withheld by the issuer and canceled to satisfy tax withholding obligations that arose in connection with the vesting of restricted shares of common stock.

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(6) This option will vest with respect to 1/48th of the shares monthly after the date of grant.

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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