

VERTEX PHARMACEUTICALS INC / MA

Form 4

January 26, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287

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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 *
ALAM JOHN J

(Last) (First) (Middle)

C/O VERTEX
PHARMACEUTICALS
INCORPORATED, 130 WAVERLY
STREET

(Street)

CAMBRIDGE, MA 01239

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
VERTEX PHARMACEUTICALS
INC / MA [VRTX]

3. Date of Earliest Transaction
(Month/Day/Year)
01/24/2007

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)
EVP, Med. Product Dev. & CMO

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 01/24/2007 | | A | (A) 12,084 (1) | \$ 0.01 115,460 | D | |
| Common Stock | 01/24/2007 | | A | (A) 20,000 (2) | \$ 0.01 135,460 | D | |
| Common Stock | 01/24/2007 | | M | 1,000 | \$ 18.47 136,460 | D | |
| Common Stock | 01/24/2007 | | M | 500 | \$ 9.07 136,960 | D | |

| | | | | | | | | |
|--------------|------------|------------------|-------|---|---------|---------|---|--------|
| Common Stock | 01/24/2007 | S ⁽³⁾ | 1,000 | D | \$ 36.2 | 135,960 | D | |
| Common Stock | 01/24/2007 | S ⁽³⁾ | 500 | D | \$ 36.2 | 135,460 | D | |
| Common Stock | | | | | | 6,265 | I | 401(k) |

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) | | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------------------|-----------------|--------------|----------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Am or Nur of S |
| Stock Option | \$ 36.3 | 01/24/2007 | | A | | 54,375 | | 04/24/2007 ⁽⁴⁾ | 01/23/2017 | Common Stock | 54 |
| Stock Option | \$ 18.47 | 01/24/2007 | | M | | 1,000 | | ⁽⁵⁾ | 09/25/2007 | Common Stock | 1, |
| Stock Option | \$ 9.07 | 01/24/2007 | | M | | 500 | | 03/11/2004 ⁽⁶⁾ | 12/10/2013 | Common Stock | 5 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| ALAM JOHN J C/O VERTEX PHARMACEUTICALS INCORPORATED 130 WAVERLY STREET CAMBRIDGE, MA 01239 | | | EVP, Med. Product Dev. & CMO | |

Signatures

Valerie L. Andrews,
Attorney-In-Fact

01/26/2007

__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) Stock grant made under 2006 Stock and Option Plan, vesting on 1/24/2011, subject to acceleration upon achievement of certain performance-based milestones.
- (2) Stock grant made under 2006 Stock and Option Plan, vesting as to 5,000 shares on May 6, 2008, and as to 15,000 shares on May 6, 2010.
- (3) Transaction made pursuant to Dr. Alam's company approved trading plan established under rule 10b5-1.
- (4) Right to buy under 2006 Stock and Option Plan, vesting in 16 equal quarterly installments from 01/24/2007.
- (5) Fully exercisable.
- (6) Right to buy under 1996 Stock and Option Plan, vesting quarterly over 4 years from 12/11/2003.

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.