# CADENCE PHARMACEUTICALS INC

## FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 10/31/2006 For Period Ending 10/30/2006

| | |
|---|---|
| Address | 12481 HIGH BLUFF DRIVE SUITE 200 |
| | SAN DIEGO, California 92130 |
| Telephone | 858-436-1400 |
| CIK | 0001333248 |
| Industry | Biotechnology & Drugs |
| Sector | Healthcare |

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# FORM 4

[ X ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

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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(f) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person * | 2. Issuer Name **and** Ticker or Trading Symbol | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) |
|---|---|---|
| **Frazier Healthcare V, LP** | **CADENCE PHARMACEUTICALS INC [ CADX ]** | _____ Director _____ 10% Owner |
| (Last) (First) (Middle)<br>**601 UNION STREET, SUITE 3200** | 3. Date of Earliest Transaction (MM/DD/YYYY)<br>**10/30/2006** | _____ Officer (give title below) __ **X** __ Other (specify below)<br>**Former 10% Owner** |
| (Street)<br>**SEATTLE, WA 98101**<br>(City) (State) (Zip) | 4. If Amendment, Date Original Filed (MM/DD/YYYY) | 6. Individual or Joint/Group Filing (Check Applicable Line)<br>___ Form filed by One Reporting Person<br>_ **X** _ 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. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| **Common Stock** | **10/30/2006** | | **C** | | **2500000** | **A** | (1) | **2500000** | **I** | **By Frazier Healthcare V, L.P.** (2) |

**Table II - Derivative Securities Beneficially Owned ( *e.g.* , puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| **Series A-3 Preferred Stock** | (1) | **10/30/2006** | | **C** | | | **10000000** | (1) | (1) | **Common Stock** | **2500000** (3) | (1) | **0** | **I** | **By Frazier Healthcare V, L.P.** (2) |

**Explanation of Responses:**

**( 1)** The Issuer's Series A-3 Preferred Stock automatically converted into Common Stock on a 4-for-1 basis upon the closing of the Issuer's initial public offering and had no expiration date.

**( 2)** The securities are owned directly by Frazier Healthcare V, LP, the designated filer. The general partner of Frazier Healthcare V, LP is FHM V, LP, a joint filer. FHM V, LLC, also a joint filer, is the general partner of FHM V, LP. FHM V, LP and FHM V, LLC disclaim beneficial ownership of these shares except to the extent of their pecuniary interest therein and this report shall not be deemed an admission for purposes of Section 16 or for any other purpose.

**( 3)** Reflects a 1-for-4 reverse stock split effective October 19, 2006, pursuant to which each share of Preferred Stock became convertible into 1/4 of a share of Common Stock.

**Remarks:**
Exhibit 99 - Joint Filer Information

**Reporting Owners**

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| **Frazier Healthcare V, LP**<br>**601 UNION STREET, SUITE 3200**<br><br>**SEATTLE, WA 98101** | | | | **Former 10% Owner** |
| **FHM V, LP**<br>**601 UNION STREET, SUITE 3200**<br><br>**SEATTLE, WA 98101** | | | | **Former 10% Owner** |
| **FHM V, LLC**<br>**601 UNION STREET, SUITE 3200**<br><br>**SEATTLE, WA 98101** | | | | **Former 10% Owner** |

**Signatures**

**Frazier Healthcare V, LP, By: FHM V, LP, its General Partner, By: FHM V, LLC, Its General Partner, By: /s/ Thomas S. Hodge, Chief Operating Officer** **10/31/2006**

** Signature of Reporting Person Date

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

***** 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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.

Exhibit 99.1

**Form 4 Joint Filer Information**

| | |
|---|---|
| Name: | FHM V, LP |
| Address: | 601 Union Street, Suite 3200<br>Seattle, WA 98101 |
| Designated Filer: | Frazier Healthcare V, LP |
| Issuer & Ticker Symbol: | Cadence Pharmaceuticals Inc. (CADX) |
| Date of Event Requiring Statement: | October 30, 2006 |

FHM V, LP
By: FHM V, LLC, its General Partner

By: /s/ Thomas S. Hodge
Thomas S. Hodge,
Chief Operating Officer

| | |
|---|---|
| Name: | FHM V, LLC |
| Address: | 601 Union Street, Suite 3200<br>Seattle, WA 98101 |
| Designated Filer: | Frazier Healthcare V, LP |
| Issuer & Ticker Symbol: | Cadence Pharmaceuticals Inc. (CADX) |
| Date of Event Requiring Statement: | October 30, 2006 |

FHM V, LLC

By: /s/ Thomas S. Hodge
Thomas S. Hodge,
Chief Operating Officer