

ALKERMES INC

Form 4

May 29, 2008

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
FRATES JAMES M

(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)
05/27/2008

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)

SVP, CFO & Treasurer

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 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	05/27/2008		<u>M</u> ⁽¹⁾	V Amount (A) or (D) Price 3,335 A \$ 9.045	75,228	D	
Common Stock	05/27/2008		<u>S</u> ⁽¹⁾	2,135 D \$ 12.61	73,093	D	
Common Stock	05/27/2008		<u>S</u> ⁽¹⁾	800 D \$ 12.62	72,293	D	
Common Stock	05/27/2008		<u>S</u> ⁽¹⁾	100 D \$ 12.63	72,193	D	
Common Stock	05/27/2008		<u>S</u> ⁽¹⁾	300 D \$ 12.64	71,893	D	

Common Stock	05/27/2008	A ⁽²⁾	6,500	A	\$ 0	78,393	D
Common Stock	05/27/2008	A ⁽³⁾	5,000	A	\$ 0	83,393	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 Underlying (Instr. 3 and 4)
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					Date Exercisable	Expiration Date	Title
			Code	V	(A)	(D)	
Non-Qualified Stock Option (right to buy)	\$ 9.045	05/27/2008	M			3,335 06/29/1999 ⁽⁴⁾	06/29/2008 Common Stock
Employee Stock Option (right to buy)	\$ 12.29	05/27/2008	A		50,000	05/27/2009 ⁽⁴⁾	05/27/2018 Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRATES JAMES M 88 SIDNEY STREET CAMBRIDGE, MA 02139			SVP, CFO & Treasurer	

Signatures

Jennifer Baptiste, Attorney-in-Fact for James M. Frates 05/29/2008

 **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).

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- (1) This option exercise was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.
- (2) Award of stock pursuant to the Alkermes, Inc 2002 Restricted Stock Award Plan. Shares cease to be subject to forfeiture in 25% increments, commencing one year from the date of grant and yearly thereafter.

Performance-based restricted stock award that will vest in full upon the NASDAQ-reported trading price of the Company's common stock closing at \$19 or more per share for 5 consecutive trading days, provided that, if such an event occurs during the first year after grant, the restricted stock will vest in full upon the one year anniversary of the grant date. This award expires five years from the date of grant.
- (4) The option becomes exercisable in equal annual installments over a four-year period, at the rate of 25% per year commencing one year 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. 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.