

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2013-01-17** | Period of Report: **2013-01-15**
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REPORTING OWNER

PARSHALL B LYNNE

CIK: [1073385](#)

Type: **4** | Act: **34** | File No.: [000-19125](#) | Film No.: **13536071**

Mailing Address
*2855 GAZELLE COURT
CARLSBAD CA 92010*

ISSUER

ISIS PHARMACEUTICALS INC

CIK: [874015](#) | IRS No.: **330336973** | State of Incorporation: **DE** | Fiscal Year End: **1231**
SIC: **2834** Pharmaceutical preparations

Mailing Address
*2855 GAZELLE COURT
CARLSBAD CA 92010*

Business Address
*2855 GAZELLE COURT
CARLSBAD CA 92010
7609319200*

FORM 4

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

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person PARSHALL B LYNNE			2. Issuer Name and Ticker or Trading Symbol ISIS PHARMACEUTICALS INC [ISIS]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) COO, Secretary		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/15/2013					
C/O ISIS PHARMACEUTICALS, INC., 2855 GAZELLE COURT			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		
(Street) CARLSBAD, CA 92010								
(City)	(State)	(Zip)						

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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/15/2013	01/15/2013	M ⁽¹⁾		1,715 ⁽¹⁾	A	\$ 0	3,700	D	
Common Stock	01/16/2013	01/16/2013	S ⁽²⁾		759 ⁽²⁾	D	\$14	2,941	D	

**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 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					
Restricted Stock Units	(4)	01/15/2013	01/15/2013	M ⁽²⁾		1,715 ⁽²⁾		(3)	(3)	Common Stock	\$ 0	5,145	D	

Explanation of Responses:

- Acquired pursuant to vesting and release of shares pursuant to an RSU award granted on January 15, 2012.
- The sale was made pursuant to an automatic sale to cover the required tax withholding obligations pursuant to the 2011 Equity Incentive Plan Restricted Stock Unit Agreement and Grant Notice, dated January 15, 2012
- Restricted Stock Unit Award granted on January 15, 2012. Restricted Stock Units vest in equal annual installments, the first installment vested on January 15, 2013. Upon vesting, the restricted stock units will be paid out in whole shares of Isis common stock or cash as may be determined by the Company. The RSU shall be fully vested on January 15, 2016.

4. Each restricted stock unit represents a contingent right to receive one share of Isis common stock, or its equivalent cash value.

Signatures

/s/B. Lynne Parshall

** Signature of Reporting Person

01/17/2013

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 Number.