

SEATTLE GENETICS INC /WA
 Form 4
 May 16, 2014

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 *
BAKER FELIX

2. Issuer Name and Ticker or Trading Symbol
SEATTLE GENETICS INC /WA [SGEN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 667 MADISON AVENUE, 21ST FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
 05/14/2014

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)
 NEW YORK, NY US 10065

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock					77,004 ⁽¹⁾	D	
Common Stock					76,997 ⁽²⁾	D	
Common Stock	05/14/2014		M		10,000	A	\$ 7.26
					3,882,076	I	See footnote (3) (6) (17)
Common Stock	05/14/2014		M		10,000	A	\$ 7.26
					16,999,872	I	See footnote (4) (6) (17)

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Common Stock	05/14/2014	M	10,000	A	\$ 7.26	382,860	I	See footnote <u>(5)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/15/2014	P	293	A	\$ <u>34.1</u> ⁽⁷⁾	17,000,165	I	See footnote <u>(8)</u> <u>(17)</u> <u>(6)</u>
Common Stock	05/15/2014	P	7	A	\$ <u>34.1</u> ⁽⁷⁾	382,867	I	See footnote <u>(9)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/15/2014	P	20,395	A	\$ <u>34.2644</u> ⁽¹⁰⁾	17,020,560	I	See footnote <u>(8)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/15/2014	P	505	A	\$ <u>34.2644</u> ⁽¹⁰⁾	383,372	I	See footnote <u>(9)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/16/2014	A	3,500	A	\$ 0	3,885,576	I	See footnote <u>(11)</u> <u>(12)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/16/2014	A	3,500	A	\$ 0	17,024,060	I	See footnote <u>(8)</u> <u>(11)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/16/2014	A	3,500	A	\$ 0	386,872	I	See footnote <u>(9)</u> <u>(11)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/16/2014	P	117,879	A	\$ <u>34.0346</u> ⁽¹⁸⁾	17,141,939	I	See footnote <u>(6)</u> <u>(8)</u> <u>(17)</u>
Common Stock	05/16/2014	P	2,921	A	\$ <u>34.0346</u> ⁽¹⁸⁾	389,793	I	See footnote <u>(9)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/16/2014	P	46,460	A	\$ <u>34.0849</u> ⁽¹⁹⁾	17,188,399	I	See footnote <u>(8)</u> <u>(6)</u> <u>(17)</u>
Common Stock	05/16/2014	P	1,151	A	\$ <u>34.0849</u> ⁽¹⁹⁾	390,944	I	See footnote <u>(6)</u> <u>(9)</u> <u>(17)</u>

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

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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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Options (right to buy)	\$ 7.26	05/14/2014		M		10,000	05/16/2005 05/17/2014	Common Stock
Non-Qualified Stock Options (right to buy)	\$ 7.26	05/14/2014		M		10,000	05/16/2005 05/17/2014	Common Stock
Non-Qualified Stock Options (right to buy)	\$ 7.26	05/14/2014		M		10,000	05/16/2005 05/17/2014	Common Stock
Non-Qualified Stock Options (right to buy)	\$ 34.25	05/16/2014		A		8,750	05/15/2015 05/14/2024	Common Stock
Non-Qualified Stock Options (right to buy)	\$ 34.25	05/16/2014		A		8,750	05/15/2015 05/14/2024	Common Stock
Non-Qualified Stock Options (right to buy)	\$ 34.25	05/16/2014		A		8,750	05/15/2015 05/14/2024	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAKER FELIX 667 MADISON AVENUE, 21ST FLOOR NEW YORK, NY US 10065	X	X		
BAKER JULIAN 667 MADISON AVENUE, 21ST FLOOR NEW YORK, NY US 10065	X	X		
Baker Bros. Advisors (GP) LLC 667 MADISON AVENUE 21ST FLOOR NEW YORK, NY US 10065	X	X		
	X	X		

BAKER BROS. ADVISORS LP
667 MADISON AVENUE, 21ST FLOOR
NEW YORK, NY US 10065

667, L.P.
667 MADISON AVENUE 21ST FLOOR X X
NEW YORK, NY US 10065

Baker Brothers Life Sciences LP
667 MADISON AVENUE, 21ST FLOOR X X
NEW YORK, NY US 10065

14159, L.P.
667 MADISON AVENUE, 21ST FLOOR X X
NEW YORK, NY US 10065

Signatures

/s/ Felix J. Baker 05/16/2014
Date
__Signature of Reporting Person

/s/ Julian C. Baker 05/16/2014
Date
__Signature of Reporting Person

By: Baker Bros. Advisors (GP) LLC, Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing 05/16/2014
Date
__Signature of Reporting Person

By: Baker Bros. Advisors LP, Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing 05/16/2014
Date
__Signature of Reporting Person

Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to 667, L.P., pursuant to authority granted by Baker Biotech Capital, L.P., GP to 667, L.P. Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing 05/16/2014
Date
__Signature of Reporting Person

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) Reflects shares of common stock of the Issuer held directly by Felix J. Baker.
- (2) Reflects shares of common stock of the Issuer held directly by Julian C. Baker.
- (3) As a result of their ownership interest in Baker Biotech Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 10,000 shares of Common Stock of the Issuer received upon the exercise of stock options of the Issuer held by 667, L.P. ("667"), a limited partnership of which the sole general partner is Baker Biotech Capital, L.P., a limited partnership of which the sole general partner is Baker Biotech Capital (GP), LLC, due to Baker Biotech Capital, L.P.'s right to receive an allocation of a portion of the profits from 667. The policy of the Funds (defined below) and the Adviser (defined below), does not permit employees or principals of the Adviser to receive compensation for serving as Directors of the Issuer. The shares of common stock were received upon exercise of 10,000 stock options that were issued to Felix J. Baker in his capacity as a director of the Issuer. Felix J. Baker, pursuant to the policies of the Adviser, does not have any right to the pecuniary interest in the stock options issued for his service on the Board or the shares of common stock received upon exercise of such stock options. Each of the Funds owns an indirect proportionate pecuniary interest in the shares of common stock received upon exercise of the stock options issued in connection with Felix J. Baker's service on the Board less the exercise cost of those options. Solely as a result of their ownership

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interest in the general partners of the general partners of the Funds, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in the shares issued upon exercise of the stock options (i.e. no direct pecuniary interest).

- (4) As a result of their ownership interest in Baker Brothers Life Sciences Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 10,000 shares of Common Stock of the Issuer received upon the exercise of stock options of the Issuer held by Baker Brothers Life Sciences, L.P. ("Life Sciences"), a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital, L.P., a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital (GP), LLC, due to Baker Brothers Life Sciences Capital, L.P.'s right to receive an allocation of a portion of the profits from Life Sciences. The policy of the Funds (defined below) and the Adviser (defined below), does not permit employees or principals of the Adviser to receive compensation for serving as Directors of the Issuer. The shares of common stock were received upon exercise of 10,000 stock options that were issued to Felix J. Baker in his capacity as a director of the Issuer. Felix J. Baker, pursuant to the policies of the Adviser, does not have any right to the pecuniary interest in the stock options issued for his service on the Board or the shares of common stock received upon exercise of such stock options. Each of the Funds owns an indirect proportionate pecuniary interest in the shares of common stock received upon exercise of the stock options issued in connection with Felix J. Baker's service on the Board less the exercise cost of those options. Solely as a result of their ownership interest in the general partners of the general partners of the Funds, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in the shares issued upon exercise of the stock options (i.e. no direct pecuniary interest).

- (5) As a result of their ownership interest in 14159 Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 10,000 shares of Common Stock of the Issuer received upon the exercise of stock options of the Issuer held by 14159, L.P. ("14159"), a limited partnership of which the sole general partner is 14159 Capital, L.P., a limited partnership of which the sole general partner is 14159 Capital (GP), LLC, due to 14159 Capital, L.P.'s right to receive an allocation of a portion of the profits from 14159. The policy of the Funds (defined below) and the Adviser (defined below), does not permit employees or principals of the Adviser to receive compensation for serving as Directors of the Issuer. The shares of common stock were received upon exercise of 10,000 stock options that were issued to Felix J. Baker in his capacity as a director of the Issuer. Felix J. Baker, pursuant to the policies of the Adviser, does not have any right to the pecuniary interest in the stock options issued for his service on the Board or the shares of common stock received upon exercise of such stock options. Each of the Funds owns an indirect proportionate pecuniary interest in the shares of common stock received upon exercise of the stock options issued in connection with Felix J. Baker's service on the Board less the exercise cost of those options. Solely as a result of their ownership interest in the general partners of the general partners of the Funds, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in the shares issued upon exercise of the stock options (i.e. no direct pecuniary interest).

- (6) Baker Bros. Advisors LP (the "Adviser") serves as the Investment Adviser to the Funds (defined below). In connection with the services provided by the Adviser, the Adviser receives an asset-based management fee that does not confer any pecuniary interest in the securities held by the Funds. Baker Bros. Advisors (GP) LLC (the Adviser GP") is the Adviser's sole general partner. Julian C. Baker and Felix J. Baker are principals of the Adviser GP. The Adviser has complete and unlimited discretion and authority with respect to the investment and voting power of the securities held by the Funds. The general partners of the Funds relinquished to the Adviser all discretion and authority with respect to the investment and voting power of the securities held by the Funds. Pursuant to agreements between Felix J. Baker and the Adviser, the Adviser has investment and dispositive power over the stock options and any shares received as a result of the exercise of options. Julian C. Baker, Felix J. Baker, the Adviser GP and the Adviser disclaim beneficial ownership of the securities held directly by the Funds except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that any of Julian C. Baker, Felix J. Baker, the Adviser GP or the Adviser is a beneficial owner of such securities for purposes of Section 16 or any other purpose.

- (7) The price reported in Column 4 is a weighted average price. These shares were purchased by Life Sciences and 14159 in multiple transactions all at a price of \$34.10. The reporting persons undertake to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares traded at each separate price within the range set forth in this footnote.

- (8) After giving effect to the transactions reported herein and as a result of their ownership interest in Baker Brothers Life Sciences Capital (GP), LLC, Julian C. Baker and Felix J. Baker each may be deemed to have an indirect pecuniary interest in the Issuer's shares of Common Stock reported in column 5 of Table I directly held by Life Sciences, a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital, L.P., a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital (GP), LLC, due to Baker Brothers Life Sciences Capital, L.P.'s right to receive an allocation of a portion of the profits from Life Sciences.

- (9) After giving effect to the transactions reported herein and as a result of their ownership interest in 14159 Capital (GP), LLC, Julian C. Baker and Felix J. Baker each may be deemed to have an indirect pecuniary interest in the Issuer's shares of Common Stock reported in Column 5 of Table I directly held by 14159, and together with 667 and Life Sciences, the "Funds"), a limited partnership of which the sole general partner is 14159 Capital L.P., a limited partnership of which the sole general partner is 14159 Capital (GP), LLC, due to 14159 Capital L.P.'s right to receive an allocation of a portion of the profits from 14159.

- (10) The price reported in Column 4 is a weighted average price. These shares were purchased by Life Sciences and 14159 in multiple transactions at prices ranging from \$34.11 to \$34.49, inclusive. The reporting persons undertake to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of

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shares traded at each separate price within the range set forth in this footnote.

- (11) Restricted Stock Units (the "Restricted Stock Units") payable solely in Common Shares granted to Felix J. Baker on May 16, 2014, pursuant to the Amended and Restated 2007 Equity Incentive Plan. The Restricted Stock Units fully vest on May 15, 2015. Felix J. Baker serves on the Issuer's Board of Directors (the "Board") as a representative of the Funds (as defined below). Pursuant to the policies of Baker Bros. Advisors LP (the "Adviser"), Felix J. Baker did not have a right to any of the Issuer's securities issued as part of his service on the Board and the Funds (as defined below), were entitled to receive all the pecuniary interest in the securities issued. 667, Life Sciences and 14159 (collectively the "Funds") each owns an indirect proportionate pecuniary interest in the Restricted Stock Units. Solely as a result of Julian C. Baker's and Felix J. Baker's ownership interest in the general partners of the general partners of the Funds, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in the Restricted Stock Units (i.e., no direct pecuniary interest).

- (12) After giving effect to the transactions reported herein and as a result of their ownership interest in Baker Biotech Capital (GP), LLC, Julian C. Baker and Felix J. Baker each may be deemed to have an indirect pecuniary interest in the Issuer's shares of Common Stock reported in column 5 of Table I directly held by 667, a limited partnership of which the sole general partner is Baker Biotech Capital, L.P., a limited partnership of which the sole general partner is Baker Biotech Capital (GP), LLC, due to Baker Biotech Capital, L.P.'s right to receive an allocation of a portion of the profits from 667.

- (13) Non-qualified stock options ("Stock Options") convertible solely into Common Shares granted to Felix J. Baker on May 16, 2014, pursuant to the Issuer's Amended and Restated 2007 Equity Incentive Plan. The Stock Options with a strike price of \$34.25 vest on May 15, 2015. Felix J. Baker serves on the Board as a representative of the Funds. Pursuant to the policies of the Adviser, Felix J. Baker did not have a right to any of the Issuer's securities issued as part of his service on the Board and the Funds, were entitled to receive all the pecuniary interest in the securities issued. The Funds each own an indirect proportionate pecuniary interest in the Stock Options. Solely as a result of Felix J. Baker's and Julian C. Baker's ownership interest in the general partners of the general partners of the Funds, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in the Stock Options (i.e. no direct pecuniary interest).

- (14) As a result of their ownership interest in Baker Biotech Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 8,750 options to purchase the Common Stock of the Issuer beneficially owned by 667, a limited partnership of which the sole general partner is Baker Biotech Capital, L.P., a limited partnership of which the sole general partner is Baker Biotech Capital (GP), LLC, due to Baker Biotech Capital, L.P.'s right to receive an allocation of a portion of the profits from 667.

- (15) As a result of their ownership interest in Baker Brothers Life Sciences Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest 8,750 options to purchase Common Stock of the Issuer beneficially owned by Life Sciences, a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital, L.P., a limited partnership of which the sole general partner is Baker Brothers Life Sciences Capital (GP), LLC, due to Baker Brothers Life Sciences Capital, L.P.'s right to receive an allocation of a portion of the profits from Life Sciences.

- (16) As a result of their ownership interest in 14159 Capital (GP), LLC, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in 8,750 options to purchase Common Stock of the Issuer beneficially owned by 14159, a limited partnership of which the sole general partner is 14159 Capital L.P., a limited partnership of which the sole general partner is 14159 Capital (GP), LLC, due to 14159 Capital L.P.'s right to receive an allocation of a portion of the profits from 14159.

- (17) The aggregate indirect beneficial ownership reported on this form is 21,464,919 shares (not including any shares underlying options included in Table II).

- (18) The price reported in Column 4 is a weighted average price. These shares were purchased by Life Sciences and 14159 in multiple transactions at prices ranging from \$33.60 to \$34.42, inclusive. The reporting persons undertake to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares traded at each separate price within the range set forth in this footnote.

- (19) The price reported in Column 4 is a weighted average price. These shares were purchased by Life Sciences and 14159 in multiple transactions at prices ranging from \$34.00 to \$34.20, inclusive. The reporting persons undertake to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares traded at each separate price within the range set forth in this footnote.

Remarks:

Felix J. Baker is a director of Seattle Genetics, Inc. (the "Issuer"). By virtue of his representation on the Board of Directors of

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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