

Morfit G Mason
 Form 4
 December 27, 2010

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 *
 Morfit G Mason

2. Issuer Name and Ticker or Trading Symbol
 Valeant Pharmaceuticals International, Inc. [VRX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 435 PACIFIC AVENUE, 4TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
 12/22/2010

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

(Street)
 SAN FRANCISCO, CA 94133

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction of | 5. Number | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities | 8. |
|------------------------|---------------|--------------------------------------|-------------------------------|-------------------|-----------|---|--|----|
|------------------------|---------------|--------------------------------------|-------------------------------|-------------------|-----------|---|--|----|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | S (I | | | |
|------------------------------|---|-------------------------|-------------------------|---|------------------|------------------|---------------------|--------------------|----------------------------------|--|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Restricted Share Units | <u>(1)</u> | 12/22/2010 | <u>A</u> ⁽²⁾ | | 614 | | 05/12/2010 | 05/12/2019 | Common Stock, no par value | 614 |
| Restricted Share Units | <u>(1)</u> | 12/22/2010 | <u>A</u> ⁽²⁾ | | 723 | | 05/22/2008 | 05/22/2017 | Common Stock, no par value | 723 |
| Restricted Share Units | <u>(1)</u> | 12/22/2010 | <u>A</u> ⁽²⁾ | | 728 | | 05/20/2009 | 05/20/2018 | Common Stock, no par value | 728 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Morfit G Mason 435 PACIFIC AVENUE 4TH FLOOR SAN FRANCISCO, CA 94133 | X | | | |

Signatures

/s/ G. Mason Morfit, Member, VA Partners I,
LLC

12/27/2010

__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) Each restricted share unit (RSU) represents a contingent right to receive one share of Common Stock, no par value, of Valeant Pharmaceuticals International, Inc. (the "Common Stock").
 - (2) Represents dividend equivalents accrued on RSUs as a result of a dividend paid on the Common Stock on December 22, 2010.
 - (3) Under an agreement with ValueAct Capital, G. Mason Morfit is deemed to hold the restricted share units for the benefit of ValueAct Capital Master Fund, L.P. and indirectly for (i) VA Partners I, LLC as General Partner of ValueAct Capital Master Fund, L.P., (ii) ValueAct Capital Management, L.P. as the manager of ValueAct Capital Master Fund, L.P., (iii) ValueAct Capital Management, LLC as General Partner of ValueAct Capital Management, L.P., (iv) ValueAct Holdings, L.P. as the sole owner of the limited partnership interests of ValueAct Capital Management, L.P. and the membership interests of ValueAct Capital Management, LLC and as the majority owner of the membership interests of VA Partners I, LLC and (v) ValueAct Holdings GP, LLC as General Partner of ValueAct Holdings,

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L.P.

- Each reporting person listed herein disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest
- (4) therein, and this report shall not be deemed an admission that such person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

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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