

DANIELS PAMELA H
 Form 4
 December 27, 2005

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 DANIELS PAMELA H

2. Issuer Name and Ticker or Trading Symbol
 BEVERLY ENTERPRISES INC
 [BEV]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 12/23/2005

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 Senior VP and Controller

ONE THOUSAND BEVERLY WAY

(Street)

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

FORT SMITH, AR 72919

(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 |
| \$.10 Par Value Common Stock | 12/23/2005 | | F | | 7,160 (1) | D | \$ 11.77 96,433 |
| \$.10 Par Value Common Stock | 12/23/2005 | | F | | 3,857 (2) | D | \$ 11.77 92,576 |
| \$.10 Par Value Common Stock | 12/23/2005 | | F | | 5,570 (2) | D | \$ 11.77 87,006 |

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| | | | | | | | | |
|-------------------------------|---------------|---|---------------|---|----------|--------|---|------------------|
| Stock | | | | | | | | |
| \$.10 Par Value Common Stock | 12/23/2005 | F | 8,690 (2) | D | \$ 11.77 | 78,316 | D | |
| \$.10 Par Value Common Stock | 12/23/2005 | A | 16,480 (3) | D | \$ 0 | 94,796 | D | |
| \$.10 Par Value Common Stock | 12/23/2005(4) | J | 37,477 (4) | D | (4) | 57,319 | D | |
| \$.10 Par Value Common Stock | 12/23/2005(4) | J | 250 (4) | D | (4) | 0 | I | By Spouse (4) |

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 Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other
Senior VP and Controller

DANIELS PAMELA H
ONE THOUSAND BEVERLY WAY
FORT SMITH, AR 72919

Signatures

By: Brenda Boster, by Power of Attorney For: Pamela H.
Daniels

12/23/2005

__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) Shares withheld in payment of taxes associated with issuance of shares in connection with early vesting of performance units pursuant to the terms of the merger agreement, determined by dividing the reporting person's applicable withholding amount by \$11.77 (the closing market price of the Company's common stock on December 23, 2005, the date the shares were issued), with fractional shares being rounded up to the next whole number.
- (2) Shares withheld in payment of taxes associated with early vesting of restricted stock pursuant to the terms of the merger agreement by and among Beverly Enterprises, Inc. (the "Company"), Pearl Senior Care, Inc., PSC Sub, Inc. and Geary Property Holdings, LLC, as amended (the "Merger Agreement").
- (3) Represents shares issued pursuant to early vesting of performance-based stock units granted under the Beverly Enterprises, Inc. 1997 Long-Term Incentive Plan, with an aggregate cash value at the time of grant of \$206,000.00 (the "Dollar Value"). Pursuant to the terms of the merger agreement by and among Beverly Enterprises, Inc., Pearl Senior Care, Inc., PSC Sub, Inc. and Geary Property Holdings, LLC, as amended (the "Merger Agreement"), the number of shares issued was determined by dividing the Dollar Value by \$12.50, which is the per share purchase price in the Merger Agreement, with fractional shares being rounded up to the next whole number.
- (4) The reporting person transferred a total of 37,727 shares of Beverly Enterprises, Inc. common stock to her ex-husband pursuant to a domestic relationship order.

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.