

INSMED INC  
Form 3  
August 23, 2005

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 \*

Â Duncan Michael  
(Last) (First) (Middle)

2. Date of Event Requiring Statement

(Month/Day/Year)  
08/11/2005

3. Issuer Name and Ticker or Trading Symbol  
INSMED INC [INSM]

4. Relationship of Reporting Person(s) to Issuer

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

C/O INSMED  
INCORPORATED,Â 4851  
LAKE BROOK DRIVE

(Street)

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer \_\_\_ Other  
(give title below) (specify below)  
Principal Financial Officer

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

GLEN ALLEN,Â VAÂ 23060

(City) (State) (Zip)

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security  
(Instr. 4)

2. Amount of Securities Beneficially Owned  
(Instr. 4)

3. Ownership Form:  
Direct (D)  
or Indirect (I)  
(Instr. 5)

4. Nature of Indirect Beneficial Ownership  
(Instr. 5)

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

SEC 1473 (7-02)

**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 control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security  
(Instr. 4)

2. Date Exercisable and Expiration Date  
(Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security  
(Instr. 4)

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security: Direct (D)

6. Nature of Indirect Beneficial Ownership  
(Instr. 5)

Date Exercisable

Expiration Date

Title

Amount or Number of

				Shares		or Indirect (I) (Instr. 5)	
Employee Stock Option (right to buy)	Â (1)	08/19/2008	Common Stock	4,000	\$ 1.87	D	Â
Employee Stock Option (right to buy)	Â (2)	11/12/2011	Common Stock	6,000	\$ 0.5	D	Â
Employee Stock Option (right to buy)	07/31/2005	07/31/2012	Common Stock	10,000	\$ 2.25	D	Â
Employee Stock Option (right to buy)	Â (3)	07/31/2012	Common Stock	5,000	\$ 2.25	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Duncan Michael C/O INSMED INCORPORATED 4851 LAKE BROOK DRIVE GLEN ALLEN, VA 23060	Â	Â	Â Principal Financial Officer	Â

## Signatures

Michael S.  
Duncan 08/23/2005

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) As of August 23, 2005, 3,000 of the shares subject to this option are exercisable. The remaining 1,000 shares subject to this option will become exercisable on August 19, 2006.
  - (2) As of August 23, 2005, 3,000 of the shares subject to this option are exercisable. The remaining 3,000 shares subject to this option will become exercisable on December 31, 2005.
  - (3) These shares will vest upon attaining a milestone established by the Company, provided that, if not sooner vested, the milestone-based option will vest on 7/31/10 (seven years 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.