

GUPTA RENU
Form 4
February 01, 2011

FORM 4

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

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
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(Print or Type Responses)

1. Name and Address of Reporting Person *
GUPTA RENU

(Last) (First) (Middle)

**C/O INSMED
INCORPORATED, 8720 STONY
POINT PARKWAY, SUITE 200**

(Street)

RICHMOND, VA 23235

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

INSMED INC [INSM]

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

01/31/2011

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

Chief Medical 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

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	(D)	Price

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

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information contained in this form are not
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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	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount Underlying Security
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo Num Shar
Stock Option - Right to Buy	\$ 0.59	01/31/2011	A		248,000		01/31/2012 ⁽¹⁾	01/31/2021	Common Stock	248
Restricted Stock Units	⁽²⁾	01/31/2011	A		558,000		⁽²⁾	⁽²⁾	Common Stock ⁽³⁾	558

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
GUPTA RENU C/O INSMED INCORPORATED 8720 STONY POINT PARKWAY, SUITE 200 RICHMOND, VA 23235	Chief Medical Officer

Signatures

/s/ Renu Gupta 02/01/2011

 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) This Option shall be exercisable with respect to twenty-five percent (25%) of the shares of Common Stock subject to this Option on the first anniversary of the Date of Grant and with respect to an additional twelve and a half percent (12.5%) of the shares of Common Stock subject to this Option on the sixth month anniversary of the First Anniversary Date and each sixth month anniversary date thereafter through the fourth anniversary of the Date of Grant.

(2) Pursuant to the Management Agreement these awards are subject to both time (50% of the Award) and performance-based (50% of the Award) vesting. The portion of the Award subject to time-based vesting shall vest on the 3rd anniversary of the grant date or January 31, 2014, so long as the member of management continues to be employed by the Company. The portion of the Award subject to performance-based vesting shall vest based on the date on which the Board determines that Arikace has achieved its primary endpoint in a Phase III trial, provided that the Grantee continues to be employed with the Company on such date.

(3) Restricted Stock Units will be paid to the grantee in cash upon vesting, unless one of the following occurs: 1) the shareholders of the issuer approve an amendment to the issuer's Amended & Restated 2000 Stock Incentive Plan to increase the number of shares of common stock that may be issued under the plan or 2) additional shares become available to the plan through stock option expirations and/or employee terminations, in which case the grantee may receive shares of common stock in lieu of cash.

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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