

INFORMATION TO BE INCLUDED IN THE REPORT

Section 3—Securities and Trading Markets

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On September 15, 2009, Insmmed Incorporated (the “Company”) received a letter from the Listing Qualifications Department of The NASDAQ Stock Market indicating that the Company is not in compliance with NASDAQ Marketplace Rule 5550(a)(2) (the “Minimum Bid Price Rule”) because the closing bid price per share for the Company’s common stock has been below \$1.00 per share for 30 consecutive business days. In accordance with Marketplace Rule 5810(c)(3)(A) the Company will be provided 180 calendar days, or until March 15, 2010 to regain compliance. This notification has no effect on the listing of the Company’s common stock at this time.

To regain compliance with the Minimum Bid Price Rule, the closing bid price of the Company’s common stock must remain at \$1.00 per share or more for a minimum of ten consecutive business days. If the Company does not regain compliance with The Minimum Bid Price Rule by March 15, 2010, NASDAQ will determine whether the Company meets the NASDAQ Capital Market initial listing criteria as set forth in Marketplace Rule 5505 except for the bid price requirement. If the Company meets the initial listing criteria, NASDAQ will notify the Company that it has been granted an additional 180 calendar day compliance period. If the Company is not eligible for an additional compliance period, NASDAQ will provide the Company with written notification that its common stock will be delisted. At that time the Company would be permitted to appeal NASDAQ’s determination to delist the Company’s common stock to a NASDAQ Hearings Panel.

The Company will seek to regain compliance within this cure period and is considering appropriate business measures to address compliance with the continued listing standards of the NASDAQ Stock Market.

On September 16, 2009 the Company issued a press release announcing its receipt of the letter. A copy of the press release is attached hereto as Exhibit 99.1.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

Exhibit No.	Description
99.1	Press Release issued by Insmmed Incorporated on September 16, 2009

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Insmmed Incorporated

Date: September 16, 2009

By: /s/ Kevin P. Tully
Name: Kevin P. Tully C.G.A.,
Title: Executive Vice President & Chief
Financial Officer

EXHIBIT INDEX

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