

ARTES MEDICAL INC  
Form 3  
December 19, 2006

**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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Kelly Karla R		(Month/Day/Year)	ARTES MEDICAL INC [ARTE]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
5870 PACIFIC CENTER BOULEVARD		12/19/2006	(Check all applicable)	
(Street)			<input type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
SAN DIEGO,Â CAÂ 92121			<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
(City)	(State)	(Zip)	(give title below) (specify below)	
			Chief Legal, Gen Counsel & Sec	
			6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			<input type="checkbox"/> Form filed by More than One Reporting Person	

**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)
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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) or Indirect (I)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

(Instr. 5)

Series C-1 Convertible Preferred Stock	Â <u>(1)</u>	Â <u>(1)</u>	Common Stock	416 <u>(2)</u>	\$ <u>(1)</u>	D	Â
Stock Option (Right to Buy)	Â <u>(3)</u>	12/15/2015	Common Stock	35,294	\$ 5.31	D	Â
Stock Option (Right to Buy)	Â <u>(4)</u>	12/15/2015	Common Stock	11,764	\$ 5.31	D	Â
Stock Option (Right to Buy)	Â <u>(5)</u>	06/30/2016	Common Stock	35,294	\$ 7.86	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kelly Karla R 5870 PACIFIC CENTER BOULEVARD SAN DIEGO, CA 92121	Â	Â	Â Chief Legal, Gen Counsel & Sec	Â

## Signatures

/s/ Karla R.  
Kelly

12/19/2006

\*\*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) Immediately following the closing of the initial public offering of the Issuer's Common Stock all outstanding shares of Preferred Stock will be automatically converted, for no additional consideration, into shares of the Issuer's Common Stock.  
Reflects the conversion of 2 shares of Series C-1 Convertible Preferred Stock into 2.75 shares of common stock, to become effective upon
  - (2) the closing of the Issuer's initial public offering and the 1 for 4.25 reverse stock split of the Issuer's Common Stock, effected prior to the effectiveness of the registration statement filed in connection with the Issuer's initial public offering.
  - (3) 1/8 of the shares represented by this option vest and become exercisable on June 5, 2006 and the remaining shares vest and become exercisable in 42 equal monthly installments beginning on July 5, 2006.
  - (4) This option vests and becomes exercisable in 48 equal installments on each monthly anniversary of the date of grant (December 15, 2005).
  - (5) This option vests and becomes exercisable in 48 equal installments on each monthly anniversary of the date of grant (June 30, 2006).

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.