

CRITICARE SYSTEMS INC /DE/

Form 4

December 20, 2007

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
DIAZ DREW M

(Last) (First) (Middle)

**CRITICARE SYSTEMS,
INC., 20925 CROSSROADS
CIRCLE, SUITE 100**

(Street)

WAUKESHA, WI 53186

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
**CRITICARE SYSTEMS INC /DE/
[CMD]**

3. Date of Earliest Transaction
(Month/Day/Year)
12/18/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
☒ Officer (give title below) ____ Other (specify below)
Vice President-Worldwide Sales

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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 Ownership Indirect Beneficial Ownership (Instr. 4)
Common Stock, par value \$.04 per share	12/18/2007		M	2,200	A \$ 2.88	4,614 ⁽¹⁾	D
Common Stock, par value \$.04 per share	12/18/2007		S	20	D \$ 3.3001	4,594 ⁽¹⁾	D
Common Stock, par	12/18/2007		S	1,580	D \$ 3.3	3,014 ⁽¹⁾	D

value \$.04
per share

Common
Stock, par
value \$.04
per share

12/18/2007

S

500

D

\$ 3.2

2,514 ⁽¹⁾

D

Common
Stock, par
value \$.04
per share

12/18/2007

S

100

D

\$
3.2001

2,414 ⁽¹⁾

D

Common
Stock, par
value \$.04
per share

12/19/2007

M

700

A

\$ 2.88

3,114 ⁽¹⁾

D

Common
Stock, par
value \$.04
per share

12/19/2007

S

200

D

\$ 3.32

2,914 ⁽¹⁾

D

Common
Stock, par
value \$.04
per share

12/19/2007

S

500

D

\$ 3.3

2,414 ⁽¹⁾

D

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Common Stock Option	\$ 2.88	12/18/2007		M	2,200	01/30/2004 ⁽²⁾ 01/30/2008	Common Stock 2,200

Common Stock Option	\$ 2.88	12/19/2007	M	700	01/30/2004 ⁽²⁾	01/30/2008	Common Stock	700
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DIAZ DREW M CRITICARE SYSTEMS, INC. 20925 CROSSROADS CIRCLE, SUITE 100 WAUKESHA, WI 53186			Vice President-Worldwide Sales	

Signatures

Drew Diaz 01/20/2007

____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) Includes 2,414 shares of common stock purchased pursuant to the Employee Stock Purchase Plan.
- (2) The common stock option vested pro rata over a four-year period on each of January 30, 2004, January 30, 2005, January 30, 2006 and January 30, 2007.

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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