

CRITICARE SYSTEMS INC /DE/
Form 4
December 20, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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

(Print or Type Responses)

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

____ Director
 Officer (give title below) _____ Other (specify below)
Vice President-Worldwide Sales

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

(Street)

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

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

WAUKESHA, WI 53186

(City) (State) (Zip)

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 (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| 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 \$ 3,200 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.

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.

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 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 |
|---------------------------|---------|------------|---|-----|---------------------------|------------|-----------------|-----|

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 Date
Reporting Person

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. 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.