

CELL THERAPEUTICS INC

Form 4

December 31, 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 *
BIANCO JAMES A

2. Issuer Name **and** Ticker or Trading
Symbol
CELL THERAPEUTICS INC
[CTIC]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
501 ELLIOTT AVE WEST, SUITE
400

3. Date of Earliest Transaction
(Month/Day/Year)
12/27/2007

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President and CEO

(Street)
SEATTLE, WA 98119

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

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/27/2007		A ⁽¹⁾		360,000	A	\$ 0
Common Stock					195	I	By wife
Common Stock					19	I	By wife as cust.

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**

SEC 1474
(9-02)

displays a currently valid OMB control number.

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 of Number of Shares
Incentive Stock Option (right to buy)	\$ 1.89	12/27/2007		A		100,000		<u>(2)</u>	12/27/2017	Common Stock	100,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
BIANCO JAMES A 501 ELLIOTT AVE WEST SUITE 400 SEATTLE, WA 98119	X President and CEO

Signatures

Louis A. Bianco, Attorney-in-fact for James A. Bianco 12/31/2007

__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).

- 1/3 of the shares underlying the award will vest one year from the date of grant, or December 27, 2008. The remaining 2/3 of the award have contingent vesting terms based on the Company's achievement of the following performance criteria over the next three years as follows: (a) 1/3 of the award will vest upon the Company obtaining FDA approval of CT-2103 (Xyotax) if such approval is obtained prior to December 31, 2010 and (b) 1/3 of the award shall vest if the Company has obtained a specific annual net sales threshold for Zevalin prior to December 31, 2010. In each case, vesting is also contingent upon the individual's continued service with the Company.

- Grant will vest over two years, with 25% to vest six months from the date of grant, 25% to vest on the one year anniversary of the date of grant, 25% to vest 18 months from the date of grant, and the entire award to be fully vested two years from the date of grant, with each such vesting period subject to the officer's continued service with the Company.

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.