

CRITICAL THERAPEUTICS INC

Form 4

September 26, 2005

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 *
Finnegan Frederick

2. Issuer Name **and** Ticker or Trading
Symbol

CRITICAL THERAPEUTICS INC
[CRTX]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

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

09/19/2005

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)

SVP of Sales and Marketing

C/O CRITICAL THERAPEUTICS,
INC., 60 WESTVIEW ROAD

(Street)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)

__X__ Form filed by One Reporting Person

____ Form filed by More than One Reporting
Person

LEXINGTON, MA 02421

(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	09/19/2005		M		13,058	A	\$ 1.05
							29,295
							D
Common Stock	09/19/2005		M		11,111	A	\$ 1.05
							40,406
							D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

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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
Option to Purchase Common Stock (Right to Buy)	\$ 1.05	09/19/2005		M	13,058	<u>(1)</u> 10/15/2013	Common Stock 13,058
Option to Purchase Common Stock (Right to Buy)	\$ 1.05	09/19/2005		M	11,111	<u>(3)</u> 12/19/2013	Common Stock 11,111

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Finnegan Frederick C/O CRITICAL THERAPEUTICS, INC. 60 WESTVIEW ROAD LEXINGTON, MA 02421	SVP of Sales and Marketing

Signatures

/s/ Frederick
Finnegan 09/26/2005

**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).

Of the option to purchase 26,666 shares of Common Stock of Critical Therapeutics, Inc. originally granted on October 15, 2003, 25% of
(1) the underlying shares vested on September 8, 2004. The remainder of the underlying shares vest in 36 equal monthly installments beginning one month thereafter.

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(2) Not applicable.

Of the option to purchase 64,950 shares of Common Stock of Critical Therapeutics, Inc. originally granted on December 19, 2003, 25% of the underlying shares vested on December 19, 2003. 50% of the underlying shares vest in four equal annual installments on each of

(3) December 31, 2004, 2005, 2006 and 2007 based on the satisfaction of certain performance objectives as determined by the Company, provided that any of such shares that remain unvested shall vest on December 31, 2008. The remaining 25% of the underlying shares vest under a schedule providing for one-quarter to become exercisable on December 19, 2004 and the remaining three-quarters to become exercisable in 36 equal monthly installments beginning one month thereafter.

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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