

CELLULAR TECHNICAL SERVICES CO INC
 Form 4
 September 06, 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 *
 HSIAO JANE PH D

2. Issuer Name and Ticker or Trading Symbol
 CELLULAR TECHNICAL SERVICES CO INC [CTSC.OB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 4400 BISCAYNE BOULEVARD

3. Date of Earliest Transaction (Month/Day/Year)
 09/04/2007

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

(Street)
 MIAMI, FL 33137

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)
Common Stock	09/04/2007		A	V	2,588,965	A	\$ 0 (1) 2,803,965 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)

Edgar Filing: CELLULAR TECHNICAL SERVICES CO INC - Form 4

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 Number Shares
Warrants	\$ 0 ⁽²⁾	09/04/2007		A	785,383	09/04/2007	09/04/2017	Common Stock	785,383

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HSIAO JANE PH D 4400 BISCAYNE BOULEVARD MIAMI, FL 33137	X	X		

Signatures

/s/ Jane Hsiao 09/06/2007

**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) Received in exchange for the Reporting Person's 23% ownership interest in SafeStitch LLC in connection with the Issuer's acquisition of 100% of the equity interests in SafeStitch LLC
The exercise price of the warrants is a per share dollar amount equal to the quotient of the stockholders' equity of CTSC, as of close of business on September 4, 2007, plus \$1,250,000 divided by the total number of fully-diluted shares of CTSC after the purchase of Safestitch LLC.
- (3) Received as partial consideration for the extension of a line of credit by The Frost Group, LLC to the Issuer in the aggregate principal amount of \$3,900,000.
- (4) All warrants are held by The Frost Group, LLC, of which the Reporting Person is a member. The Reporting Person disclaims beneficial ownership of the securities held by The Frost Group, LLC, except to the extent of her pecuniary interest therein.

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.