

Eramian Daniel G
 Form 4
 December 17, 2009

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 *
 Eramian Daniel G

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. W., SUITE #400
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/15/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP, Corporate Communications

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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 | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Am Num Sha |
|-----------------------------------|------------------------------|------------------|------------|------------------------------------------------------|------|---|-----|-----|------------------|-----------------|--------------|------------------|
| Performance Rights ⁽¹⁾ | \$ 0 | 12/15/2009 | A | 1,320,752 ₍₁₎ | | | | | <u>(1)</u> | 12/31/2011 | Common Stock | 1,3 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Eramian Daniel G
501 ELLIOTT AVE. W.
SUITE #400
SEATTLE, WA 98119

Director 10% Owner Officer Other

EVP, Corporate Communications

Signatures

Louis A. Bianco, Attorney-in-fact for Daniel G. Eramian

12/17/2009

__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) On December 15, 2009, CTIC granted the reporting person a bonus opportunity that will be payable in CTIC common stock if certain performance goals are achieved on or before December 31, 2011. Should such a goal be timely achieved, the number of shares of CTIC common stock payable will be determined by multiplying the payout percentage that has been assigned by CTIC to that goal for purposes of the reporting person's award multiplied by the number of shares of CTIC common stock issued and outstanding at the time that particular goal is achieved. One such performance goal is attainment of a closing price for a share of CTIC common stock of \$2.94 or more. The bonus units reported above reflect the 0.225% payout percentage that has been assigned by CTIC to this stock price goal for purposes of the reporting person's award multiplied by the number of shares of CTIC common stock issued and outstanding on December 15, 2009.

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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