KIVES PHILIP Form 4

December 16, 2004

FORM 4

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

OMB Number: 3235-0287

OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

Form 4 or Form 5 obligations may continue.

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

burden hours per response... 0.5

See Instruction 1(b).

(C:+-)

(Print or Type Responses)

(Ctata)

(7:n)

| 1. Name and Address of Reporting Person ** KIVES PHILIP | 2. Issuer Name and Ticker or Trading Symbol K TEL INTERNATIONAL INC [KTEL] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | | |
|---|--|--|--|--|
| (Last) (First) (Middle) 220 SAULTEAUX CRESCENT | 3. Date of Earliest Transaction (Month/Day/Year) 12/15/2004 | _X_ Director _X_ 10% Owner _X_ Officer (give title Other (specify below) President/CEO | | |
| (Street) WINNIPEG, A2 R3J3W3 | 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 | | |

| (City) | (State) | Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned | | | | | | | |
|-----------------|---------------------|--|------------|--------------|--------|------------|------------------|-------------|--------------------------|
| 1.Title of | 2. Transaction Date | 2A. Deemed | 3. | 4. Securit | ies Ac | quired | 5. Amount of | 6. | 7. Nature of |
| Security | (Month/Day/Year) | Execution Date, if | Transactio | on(A) or Dis | sposed | of (D) | Securities | Ownership | Indirect Beneficial |
| (Instr. 3) | | any | Code | (Instr. 3, 4 | and 5 | 5) | Beneficially | Form: | Ownership |
| | | (Month/Day/Year) | (Instr. 8) | | | | Owned | Direct (D) | (Instr. 4) |
| | | | | | | | Following | or Indirect | |
| | | | | | (4) | | Reported | (I) | |
| | | | | | (A) | | Transaction(s) | (Instr. 4) | |
| | | | Code V | Amount | (D) | Price | (Instr. 3 and 4) | | |
| C | | | | | | Ф | 7 020 070 | | By |
| Common Stock | 12/15/2004 | | P | 25,000 | A | \$ 0.09 | 7,830,078 (1) | I | wholly-owned corporation |

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

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SEC 1474

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 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. Transactic Code (Instr. 8) | 5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) | | ate | 7. Title a Amount of Underlying Securities (Instr. 3 a | of ng s | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|---|---|--------------------------------------|---|--|---|---------------------|--------------------|--|---------------|---|--|
| | | | | Code V | (Instr. 3, 4, and 5) (A) (D) | Date Exercisable | Expiration Date | or Title Nu of | umber | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | |
|---|---------------|-----------|---------------|-------|--|--|--|
| | Director | 10% Owner | Officer | Other | | | |
| KIVES PHILIP 220 SAULTEAUX CRESCENT WINNIPEG, A2 R3J3W3 | X | X | President/CEO | | | | |

Signatures

Shelley D. Colquhoun, by power of attorney

**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) Reporting person also owns 325,336 shares of common stock through another wholly owned entity and options to purchase 1,702,939 shares of common stock.

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.

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