

FORM 4

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

OMB APPROVAL
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[] 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 or
Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person * LEE JERRY D (Last) (First) (Middle)	2. Issuer Name and Ticker or Trading Symbol CORNERSTONE BANCSHARES INC [csbq]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director _____ 10% Owner <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) EVP Relationship Management
(Street) (City) (State) (Zip)	3. Date of Earliest Transaction (MM/DD/YYYY) 3/1/2007	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
4. If Amendment, Date Original Filed (MM/DD/YYYY) 3/2/2007		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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			

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

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
stock options	\$3.75 (U)							3/1/2001 (U)	3/1/2009	Cornerstone Bancshares, Inc.	22000 (U)		22000	D	
stock options	\$3.25 (U)							3/1/2002 (U)	3/1/2010	Cornerstone Bancshares, Inc.	22000 (U)		22000	D	
stock options	\$3.25 (U)							3/1/2003 (U)	3/1/2011	Cornerstone Bancshares, Inc.	20400 (U)		20400	D	
stock options	\$3.63 (U)							5/1/2004 (U)	5/1/2012	Cornerstone Bancshares, Inc.	20000 (U)		20000	D	
stock options	\$3.63 (U)							3/1/2005 (U)	3/1/2013	Cornerstone Bancshares, Inc.	22000 (U)		22000	D	
stock options	\$5.44							3/1/2006 (U)	3/1/2014	Cornerstone Bancshares, Inc.	26000 (U)		26000	D	
stock options	\$9.23 (U)							3/1/2007 (U)	3/1/2015	Cornerstone Bancshares, Inc.	14000 (U)		14000	D	

Explanation of Responses:

(1) The original Form 4 inadvertently and incorrectly grouped seven years of stock option grants with an average exercise price of 4.39. Therefore, this amended Form 4 has been filed to reflect the deletion of the first line item reported in Table II of the original Form 4, and to replace such line item with information specific to each of those grants as set forth in this amended Form 4.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LEE JERRY D	X		EVP Relationship Management	

Signatures

/s/ Jerry Lee

3/6/2007

—Signature of Reporting Person

Date

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

* 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).

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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