

DIGIRAD CORP
Form 4/A
March 07, 2006

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, 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 *
Reed Douglas MD

(Last) (First) (Middle)

C/O VECTOR FUND
MANAGEMENT, 1751 LAKE
COOK ROAD, SUITE 350

(Street)

DEERFIELD, IL 60015

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
DIGIRAD CORP [DRAD]

3. Date of Earliest Transaction
(Month/Day/Year)
04/29/2005

4. If Amendment, Date Original Filed(Month/Day/Year)
02/28/2006

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
Common Stock	04/29/2005 ⁽¹⁾		J ⁽²⁾	1,227 D	\$ 0 28,835 ⁽³⁾	I	By Palivacinni Partners, LLC ⁽⁴⁾
Common Stock ⁽⁵⁾	02/24/2006		S	10,000 D	\$ 3.9502 919,312 ⁽³⁾	I	By Vector Later-Stage Equity Fund, L.P. ⁽⁶⁾
Common Stock ⁽⁵⁾	02/27/2006		S	13,200 D	\$ 3.97 906,112 ⁽³⁾	I	By Vector Later-Stage

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) This amended Form 4 is filed to report a transaction that occurred on April 29, 2005.
- (2) On April 29, 2005, Palivacinni Partners, LLC distributed 1,227 shares of the Issuer to a limited partner, which distribution was not previously reported.
- (3) This amended Form 4 is filed to correct the number of shares beneficially owned by Palivacinni Partners, LLC and Vector Later-Stage Equity Fund, L.P.
Reporting Person disclaims beneficial ownership of the shares held by Palivacinni Partners, LLC, except to the extent of his pecuniary interests in the entity. Reporting Person may be deemed to have voting and investment power with respect to the shares held by Palivacinni Partners, LLC with the other managing members.
- (5) A Form 4 for the Reporting Person was initially filed for these transactions on February 28, 2006, and amended on March 3, 2006.
Reporting Person is a managing director of Vector Fund Management, L.P., which is the general partner of Vector Later-Stage Equity Fund, L.P. Reporting Person disclaims beneficial ownership of the shares held by Vector Later-Stage Equity Fund, L.P., except to the extent of his pecuniary interests in the named fund. Reporting Person may be deemed to share voting and investment power with respect to the shares held by Vector Later-Stage Equity Fund, L.P. with the other managing director of Vector Fund Management, L.P.
- (6)

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.