DIGIRAD CORP
Form 4/A
March 07, 2006

FORM 4

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

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

OMB APPROVAL	
OMB Number:	3235-0287
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(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)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
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

										Equity Fund, L.P. (6)
Common Stock (5)	02/28/2006		S		4,800	D	$ 4	901,312 (3)	I	By Vector Later-Stage Equity Fund, L.P. (6)

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

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

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)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
								Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
				Code	V	(A)	(D)						

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Reed Douglas MD C/O VECTOR FUND MANAGEMENT 1751 LAKE COOK ROAD, SUITE 350 DEERFIELD, IL 60015	X			

Signatures

Douglas Reed	03/07/2006
**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)	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.
(4)	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.
(6)	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.

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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