

VITAL IMAGES INC  
Form 4  
July 07, 2006

**FORM 4**

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

OMB APPROVAL

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**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 \*  
SMITH PHILIP IRVING

(Last) (First) (Middle)  
5850 OPUS PARKWAY, SUITE 300  
(Street)

MINNETONKA, MN 55343

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
VITAL IMAGES INC [VTAL]

3. Date of Earliest Transaction (Month/Day/Year)  
07/05/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Exec VP - Corp Dev

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 Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock <sup>(1)</sup>	07/05/2006		M		500 A \$ 9.95	18,205	D
Common Stock <sup>(1)</sup>	07/05/2006		S		500 D \$ 25	17,705	D
Common Stock <sup>(1)</sup>	07/05/2006		M		430 A \$ 12.599	18,135	D
Common Stock <sup>(1)</sup>	07/05/2006		S		430 D \$ 25	17,705	D
Common Stock <sup>(1)</sup>	07/05/2006		M		4,760 A \$ 15.4	22,465	D

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Common Stock <u>(1)</u>	07/05/2006	S	4,760	D	\$ 25	17,705	D
Common Stock <u>(1)</u>	07/05/2006	M	770	A	\$ 18.55	18,475	D

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. Amount or Number of Shares
Employee stock option (right to buy)	\$ 9.95	07/05/2006		M	500	<u>(2)</u> 02/28/2011	Common Stock	500
Employee stock option (right to buy)	\$ 12.599	07/05/2006		M	430	<u>(3)</u> 02/05/2012	Common Stock	430
Employee stock option (right to buy)	\$ 18.55	07/05/2006		M	770	<u>(4)</u> 08/07/2011	Common Stock	770
Employee stock option (right to buy)	\$ 15.4	07/05/2006		M	4,760	<u>(5)</u> 02/15/2013	Common Stock	4,760

