

VITAL IMAGES INC

Form 4

February 28, 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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
ARGIRO VINCENT J

(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)

02/24/2006

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)

CTO

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)
Common Stock	02/24/2006		M	3,114 A	\$ 12.599 299,777 ⁽¹⁾	D	
Common stock	02/24/2006		S	3,114 D	\$ 33.8 296,663 ⁽¹⁾	D	
Common stock	02/27/2006		M	7,519 A	\$ 7.25 304,182 ⁽¹⁾	D	
Common stock	02/27/2006		S	7,519 D	\$ 33.792 296,663 ⁽¹⁾	D	
Common stock	02/27/2006		M	14,833 A	\$ 9.6 311,496 ⁽¹⁾	D	

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Common stock	02/27/2006	S	14,833	D	\$ 33.792	296,663 ⁽¹⁾	D
Common Stock	02/27/2006	G	8,000	A	\$ 0	288,663 ⁽¹⁾	D

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

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(9-02)

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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee stock option (right to buy)	\$ 12.599	02/24/2006		M		3,114		<u>(2)</u>	02/05/2012	Common stock	3,114
Employee stock option (right to buy)	\$ 7.25	02/27/2006		M		7,519		<u>(3)</u>	03/12/2010	Common stock	7,519
Employee stock option (right to buy)	\$ 9.6	02/27/2006		M		14,833		<u>(5)</u>	02/06/2011	Common stock	14,833

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ARGIRO VINCENT J 5850 OPUS PARKWAY	X CTO

SUITE 300
MINNETONKA, MN 55343

Signatures

/s/ Vincent
Argiro

02/28/2006

____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) Mr. Argiro disclaims beneficial ownership of an additional 109,550 Vital Images, Inc. shares owned by his spouse.
- (2) Vested as to 28% on February 5, 2005 and as to 2% monthly thereafter, until fully vested on February 5, 2008.
- (3) Vested as to 28% on March 12, 2003 and as to 2% monthly thereafter, until fully vested on March 12, 2006.
- (4) In addition, Mr. Argiro has other outstanding options of 2,000 at various prices and expiration dates.
- (5) Vested as to 28% on February 6, 2004 and as to 2% monthly thereafter, until fully vested on February 6, 2007.

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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