

CRDENTIA CORP  
Form 4  
January 04, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**TONEY C FRED**

(Last) (First) (Middle)  
**500 THIRD STREET #535**  
  
(Street)

**SAN FRANCISCO, CA 94107**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**CRDENTIA CORP [CRDT]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**12/29/2006**

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)  
See footnote 1

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	12/29/2006		J(2)		2,507,372	D	\$ 0
					8,416,505	I	

See footnotes (1) (2) (3)

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

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SEC 1474 (9-02)

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

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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 Own Follo Repo Trans (Instr
				Code V (A) (D)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TONEY C FRED 500 THIRD STREET #535 SAN FRANCISCO, CA 94107	X			See footnote 1

**Signatures**

C. Fred Toney; /s/ C. Fred Toney	01/04/2007
<u>    </u> 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) 8,239,255 shares of common stock reported on this Form 4 are beneficially held by MedCap Partners L.P. ("MedCap Partners"), and the balance is beneficially held by an offshore investment limited partnership (the "Offshore Fund"). MedCap Management & Research LLC ("MMR"), a registered investment advisor, is the general partner and investment manager of both MedCap Partners and the Offshore Fund. C. Fred Toney, a director on the issuer's board, is the managing member of MMR, and Mr. Toney also holds, directly and indirectly, limited partnership interests in MedCap Partners. Each of MMR and Mr. Toney expressly disclaims beneficial ownership in the securities reported on this Form 4, except to the extent of their respective pecuniary interests therein.
  - (2) The disposition of 440,153 shares of the issuer's common stock reported on this Form 4 was made by MedCap Partners as in-kind distributions from a separate account for the benefit of some of the MedCap Partners' former limited partners. The disposition of 2,067,219 shares of the issuer's common stock reported on this Form 4 was made by MedCap Partners as in-kind distributions to certain withdrawing limited partners.
  - (3) These distributions were made by MedCap Partners. As a holder of more than 10% of the issuer's common stock for Section 16 purposes, MedCap Partners is separately reporting these sales on a Form 4 filed concurrently herewith.
- 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.