

VITAL IMAGES INC
Form 8-K
March 10, 2006

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

OMB APPROVAL
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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **March 10, 2006**

Vital Images, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

0-22229
(Commission
File Number)

41-1321776
(IRS Employer
Identification No.)

5850 Opus Parkway, Suite 300, Minnetonka, Minnesota
(Address of principal executive offices)

55343
(Zip Code)

Registrant's telephone number, including area code **(942) 487-9500**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 8 - Other Events

Item 8.01 Other Events.

On March 8, 2006, Michael H. Carrel, the Chief Operating Officer and Chief Financial Officer of Vital Images, Inc., and James B. Hickey, Jr., a Director of Vital Images, adopted Rule 10b5-1 trading plans to sell a portion of their shares of Vital Images common stock. Carrel and Hickey have informed Vital Images that these plans are part of their individual long-term strategies for asset diversification and tax planning. The Rule 10b5-1 plans were set up in accordance with Rule 10b5-1 under the Securities and Exchange Act of 1934 and the Company's policies regarding stock transactions.

Rule 10b5-1 permits corporate officers and directors to adopt written, pre-arranged stock trading plans when they are not in possession of material, non-public information. Using these plans, insiders can gradually diversify their investment portfolios and spread stock trades over a period of time regardless of any material, non-public information they may receive after adopting their plans. The transactions under these plans will be disclosed publicly through Form 144 and Form 4 filings with the Securities and Exchange Commission.

Carrel's plan provides for the sale of up to 32,000 shares to commence on April 1, 2006 and expires on March 31, 2007. Hickey's plan provides for the sale of 6,000 shares to commence on March 14, 2006 and expires on May 12, 2006. Under the terms of both 10b5-1 plans, certain of the shares will be sold on the open market at prevailing market prices and certain of the shares will be sold subject to minimum price thresholds.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Vital Images Inc.

Date: March 10, 2006.

By /s/ Michael H. Carrel
 Michael H. Carrel
 Chief Operating Officer and Chief Financial Officer
 (Principal Financial Officer
 and Principal Accounting Officer)