Instruction 1(b).

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| Check this box if no longer subject to | STATEMENT OF CHANGES IN BENEFICIAL | OWNERSHIP |
|--|------------------------------------|------------------|
| Section 16. Form 4 or Form 5 | | |
| obligations may continue. See | | |

| | OMB APP | ROVAL |
|---|---------------------|-----------|
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person* <u>Clyde Todd P</u> | | | | | | 2. Issuer Name and Ticker or Trading Symbol DIGIRAD CORP [DRAD] | | | | | | | | | all applic Directo | cable) r | g Pers | son(s) to Iss 10% Ov | /ner |
|---|---|--|--|--------|---|---|----------|--|--|-----------------|-----|--|--|--|---|---|--------------------------------------|--|---------------------------------------|
| (Last) (First) (Middle) 13950 STOWE DRIVE | | | | | 3. Date of Earliest Transaction (Month/Day/Year) 02/12/2008 | | | | | | | | | Officer (give title below) EVP a | | nd C | Other (s below) FO | pecify | |
| (Street) POWAY (City) | C. | tate) | 92064 (Zip) | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | | Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | | |
| | | Tab | le I - Non | -Deriv | ative | e Se | curities | Ac | quired, Di | spose | l o | f, or Be | neficia | lly | Owned | | | | |
| 1. Title of Security (Instr. 3) 2. Transar Date (Month/Date) | | | | | Execution Date, | | | 3. Transaction Code (Instr. 8) 4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4) 5) | | | | ed (A) or tr. 3, 4 an | 4 and Securitie Benefici | | es Forn ally (D) o Following (I) (Ir | | m: Direct or Indirect nstr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | |
| | | | | | | | | Code V | Amou | ount (A) or P | | Price | | Transaction(s) (Instr. 3 and 4) | | | | | |
| | | - | | | | | | | uired, Dis , options, | | | | | y O | wned | | | ' | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution D if any (Month/Day/ | ate, T | 4. Transaction Code (Instr. 8) | | | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | t | 7. Title and Amo of Securities Underlying Derivative Secu (Instr. 3 and 4) | | D | . Price of Derivative Security Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4) | i lly | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownership (Instr. 4) |
| | | | | c | Code | v | (A) | (D) | Date Exercisable | Expiration Date | on | Title | Amount or Number of Shares | | | | | | |
| Stock Option (Right to | \$3.18 | 02/12/2008 | | | A | | 40,000 | | (1) | 02/12/20 | 18 | Common Stock | 40,000 | | \$0.00 | 40,000 |) | D | |

Explanation of Responses:

1. The options shall vest, with a vesting commencement date of February 12, 2008, over a four-year period in 48 monthly increments and be exercisable subject to optionee continuing to be a service provider on each such date.

Todd P. Clyde

02/13/2008

** Signature of Reporting Person

Date

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

- * 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.