

EMAGEON INC
Form 4
February 21, 2007

FORM 4

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

OMB APPROVAL

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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 *
Jett Charles A JR

2. Issuer Name and Ticker or Trading Symbol
EMAGEON INC [EMAG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1200 CORPORATE DRIVE, SUITE 200
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/19/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
Chief Executive Officer

BIRMINGHAM, AL 35242

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4)	
				Code	V	Amount	(A) or (D) Price (1) (2) (3) (4)	
Common Stock	02/19/2007		J(1)(2)(3)(4)		175,000	D	64,620	D

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 Security (Instr. 3 and 4)	8. Amount and Share	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount and Share
Prepaid Variable Forward Contract (right to sell)	(1) (2) (3) (4)	02/19/2007		J(1)(2)(3)(4)	175,000	(1)(2)(3)(4)	(1)(2)(3)(4)	Common Stock	175,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jett Charles A JR 1200 CORPORATE DRIVE SUITE 200 BIRMINGHAM, AL 35242	X		Chief Executive Officer	

Signatures

Charles A. Jett, Jr. 02/19/2007

**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. On February 19, 2007, the reporting person settled his obligation to deliver shares of common stock of Emageon Inc. ("Emageon"), or an equivalent amount of cash (if elected by him), pursuant to a previously reported prepaid variable forward contract (the "Contract") entered into on December 15, 2005 with an unaffiliated third party buyer ("Buyer").
 2. The Contract obligated the reporting person to deliver to Buyer either a number of shares of Emageon common stock (up to a maximum of 175,000 shares) determined based upon the closing price for Emageon common stock on February 14, 2007 (the "Valuation Date"), or an equivalent amount of cash (if elected by him), with such delivery to occur three business days following the Valuation Date (the "Settlement Date"). In exchange for assuming this obligation, the reporting person received a cash payment from Buyer of \$2,386,259.52. The Contract provided that the number of shares of Emageon common stock (or the equivalent amount of cash) deliverable by the reporting person on the Settlement Date would be determined on the basis of the closing price for Emageon common stock on the Valuation Date (such price, the "Final Price"), as described in footnote (3) below.
 3. (a) If on the Valuation Date the Final Price was less than or equal to \$16.097, the reporting person would deliver 175,000 shares of Emageon common stock (or the equivalent amount of cash) to Buyer on the Settlement Date; (b) If on the Valuation Date the Final Price was greater than \$16.097, but less than \$22.5358, the reporting person would deliver a number of shares of Emageon common stock (or the equivalent amount of cash) to Buyer on the Settlement Date equal to 175,000 multiplied by a fraction, the numerator of which is \$16.097 and the denominator of which is the Final Price; and (c) If on the Valuation Date the Final Price was equal to or greater than \$22.5358, the reporting person would deliver a number of shares (or the equivalent amount of cash) to Buyer on the Settlement Date

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equal to 175,000 multiplied by a fraction, the numerator of which is \$16.097 plus the amount by which the closing price exceeds \$22.5385, and the denominator of which is the Final Price.

- (4) 4. On the Valuation Date, the Final Price was \$10.98. In accordance with the foregoing, the reporting person settled his obligation by delivering to Buyer 175,000 shares of Emageon common stock on February 19, 2007.

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.