ICAD INC Form 4 September 15, 2006

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

SECURITIES

Check this box

if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Form 5 obligations may continue. See Instruction

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(b).

1. Name and Address of Reporting Person * **HOWARD ROBERT**

(First) (Middle) (Last)

988 5TH AVENUE

(City)

(Street)

(State)

NEW YORK, NY 10021

2. Issuer Name and Ticker or Trading

Symbol

ICAD INC [icad]

3. Date of Earliest Transaction

(Month/Day/Year) 09/14/2006

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Estimated average

burden hours per

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

X 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 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

(Zip)

(Month/Day/Year)

4. Securities TransactionAcquired (A) or Code (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

(A)

or

Following Reported Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Indirect Beneficially (D) or Indirect Beneficial Owned Ownership (Instr. 4) (Instr. 4)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

> 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)

Conversion or Exercise Price of

(Month/Day/Year)

3. Transaction Date 3A. Deemed Execution Date, if (Month/Day/Year)

5. Number of 4. TransactionDerivative Code Securities (Instr. 8) Acquired (A) or 6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amo Underlying Secu (Instr. 3 and 4)

1

Edgar Filing: ICAD INC - Form 4

Derivative Disposed of (D) Security (Instr. 3, 4, and 5) Code V (A) (D) Date Expiration Title An Exercisable Date Nu Sh 7.25% 79 \$ Common 09/14/2006 09/14/2008 Convertible \$ 1.7 09/14/2006 A 1,350,000 Stock Note

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOWARD ROBERT 988 5TH AVENUE NEW YORK, NY 10021	X	X		

Signatures

/s/ Annette Heroux, Attorney-in-Fact 09/15/2006

**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).

The number of shares reflected as issuable upon conversion of the note represents shares that may be acquired assuming the entire current principal amount of the note is converted and does not reflect any shares that may be acquired by the holder of the note upon convesion of the note in lieu of the payment of any accrued and unpaid interest on the note.

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.

Reporting Owners 2