

ROSS STANTON E
Form 4/A
March 19, 2008

FORM 4

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

OMB APPROVAL

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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 *
ROSS STANTON E

(Last) (First) (Middle)
7311 WEST 130TH STREET, SUITE 170
(Street)

OVERLAND PARK, KS 66213

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
DIGITAL ALLY INC [DGLY]

3. Date of Earliest Transaction
(Month/Day/Year)
03/17/2008

4. If Amendment, Date Original Filed(Month/Day/Year)
01/04/2008

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman, President, and CEO

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 Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/17/2008		M		238,818	A	\$ 1
Common Stock	03/17/2008		F		35,330 (1)	D	\$ 5.76
Common Stock	03/17/2008		M		63,874	A	\$ 2.15
Common Stock	03/17/2008		F		17,362 (2)	D	\$ 5.76

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

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(9-02)

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)	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)
Stock Option (Right to Buy)	\$ 1	03/17/2008		M	238,818	09/01/2005 ⁽³⁾ 09/01/2015	Common Stock 238,818
Stock Option (Right to Buy)	\$ 2.15	03/17/2008		M	63,874	09/25/2006 ⁽³⁾ 09/25/2011	Common Stock 63,874

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ROSS STANTON E 7311 WEST 130TH STREET SUITE 170 OVERLAND PARK, KS 66213	X	X	Chairman, President, and CEO	

Signatures

/s/ Stanton E. Ross 03/19/2008

**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) Reflects 35,330 shares withheld by the issuer at the market price of \$6.76 per share less an exercise price of \$1.00 per share to fund the cashless exercise of 238,818 options.
- (2) Reflects 17,362 shares withheld by the issuer at the market price of \$6.76 per share less an exercise price of \$1.00 per share to fund the cashless exercise of 63,874 options.

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- (3) The stock options exercised by the reporting person reported on this Form 4 vested as follows: 100,000 on 9/1/2005; 56,180 on 9/29/05; 46,512 on 9/25/2006; and 100,000 on 3/31/2007.

Remarks:

The transactions reported above in Table I reflect the cashless exercise of stock options evidenced by agreements dated September

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

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