

DIGITAL ALLY INC  
 Form 3  
 October 11, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Bakalar Jeffrey A		(Month/Day/Year)	DIGITAL ALLY INC [DGLY]	
(Last)	(First)	(Middle)	05/03/2007	
7304 WEST 130TH,Â SUITE 290			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
OVERLAND PARK,Â KSÂ 66213			<input type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
			(give title below)	(specify below)
			CFO Treasurer and Secretary	6. Individual or Joint/Group Filing(Check Applicable Line)
				<input checked="" type="checkbox"/> Form filed by One Reporting Person
				<input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

**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 control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

(Instr. 5)

Stock Option (Option to Buy)	Â (1)	09/21/2015	Common Stock	100,000	\$ 1	D	Â
Stock Option (Option to Buy)	Â (2)	09/25/2011	Common Stock	145,000	\$ 2.15	D	Â
Stock Option (Option to Buy)	Â (3)	03/01/2017	Common Stock	100,000	\$ 1.6	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bakalar Jeffrey A 7304 WEST 130TH SUITE 290 OVERLAND PARK,Â KSÂ 66213	Â	Â	Â CFO Treasurer and Secretary	Â

## Signatures

/s/ Jeffrey A. Bakalar 10/04/2007

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) Represents 100,000 options to purchase shares of Common Stock of the Company granted pursuant to the Digital Ally, Inc. 2005 Stock Option and Restricted Stock Plan.
- (2) Represents 145,000 options to purchase shares of Common Stock of the Company granted pursuant to the Digital Ally, Inc. 2006 Stock Option and Restricted Stock Plan. Of the 145,000 options, 72,500 vested on the grant date of September 25, 2006 and 72,500 vested on September 25, 2007.
- (3) Represents 100,000 options to purchase shares of Common Stock of the Company granted pursuant to the Digital Ally, Inc. 2007 Stock Option and Restricted Stock Plan. These options vests in equal parts on October 1, 2007, April 1, 2008, and October 1, 2008, provided that Mr. Bakalar is still employed with the Company.

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.