

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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).

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* <b>ALAFI CAPITAL CO LLC</b>			2. Issuer Name and Ticker or Trading Symbol <b>Stereotaxis, Inc. [ STXS ]</b>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <b>08/17/2004</b>					
P.O. BOX 7338			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <b>BERKELEY CA 94707</b>						6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/17/2004		C		173,611	A	(2)	173,611	D	
Common Stock	08/17/2004		C		675,571	A	(2)	849,182	D	
Common Stock	08/17/2004		C		387,504 <sup>(1)</sup>	A	(2)	1,236,686	D	
Common Stock	08/17/2004		C		516,672 <sup>(1)</sup>	A	(2)	1,753,358	D	
Common Stock	08/17/2004		C		134,408 <sup>(1)</sup>	A	(2)	1,887,766	D	
Common Stock	08/17/2004		C		322,580 <sup>(1)</sup>	A	(2)	2,210,346	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series B Convertible Preferred Stock	(2)	08/17/2004		C			625,000	(3)	(3)	Common Stock	173,611	(2)	0	D	
Series C Convertible Preferred Stock	(2)	08/17/2004		C			2,432,057	(3)	(3)	Common Stock	675,571	(2)	0	D	
Series D Convertible Preferred Stock	(2)	08/17/2004		C			1,382,488	(3)	(3)	Common Stock	384,024	(2)	0	D	
Series D-1 Convertible Preferred Stock	(2)	08/17/2004		C			1,843,318	(3)	(3)	Common Stock	512,032	(2)	0	D	
Series D-2 Convertible Preferred Stock	(2)	08/17/2004		C			460,830	(3)	(3)	Common Stock	128,008	(2)	0	D	
Series E-2 Convertible Preferred Stock	(2)	08/17/2004		C			819,113	(3)	(3)	Common Stock	227,531	(2)	0	D	

**Explanation of Responses:**

- The number of shares of common stock received upon conversion of the reporting person's convertible preferred stock includes additional shares issued as a result of antidilution provisions triggered by the issuer's initial public offering.
- Price not applicable to conversion of preferred stock to common stock.
- All series of the Issuer's Convertible Preferred Stock are convertible into common stock upon demand at any time.

/s/ Moshe Alafi

08/18/2004

\*\* 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.

