

AUBREY KEN  
Form 4  
June 24, 2009

**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 \*  
AUBREY KEN

2. Issuer Name and Ticker or Trading Symbol  
IMAGE SENSING SYSTEMS INC  
[ISNS]

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)

(Last) (First) (Middle)  
1600 UNIVERSITY AVE W #500  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/22/2009

\_\_\_\_ Director  
 Officer (give title below)  
\_\_\_\_ 10% Owner  
\_\_\_\_ Other (specify below)  
President & CEO

ST PAUL, MN 55104  
  
(City) (State) (Zip)

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

**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 Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8) Code V	(A) or Disposed of (D) (Instr. 3, 4, and 5)	(A)	(D)	Date Exercisable	Expiration Date	Title
Incentive stock options	\$ 14.24	06/22/2009	D		28,088		(1)	01/22/2013	Common stock
Incentive stock options	\$ 9.22	06/22/2009	A		27,715		(3)	06/22/2015	Common stock
Non-incentive stock options	\$ 14.24	06/22/2009	D		21,912		(1)	01/22/2013	Common stock
Non-incentive stock options	\$ 9.22	06/22/2009	A		22,285		(4)	06/22/2015	Common stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
AUBREY KEN 1600 UNIVERSITY AVE W #500 ST PAUL, MN 55104			President & CEO	

## Signatures

/s/ Joanne Ritter, Attorney in Fact for Ken  
Aubrey  
Date: 06/24/2009

\_\_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) The option provided for vesting in four equal annual installments beginning January 22, 2008.  
On June 22, 2009, the issuer canceled, pursuant to the issuer's option exchange program, an option grant to the reporting person on January 22, 2007. In exchange, the reporting person received a replacement option on June 22, 2009, for the same number of shares, having an exercise price equal to the market price of the underlying stock on the grant date.
- (3) The options become exercisable in annual installments of 10,845 options each at January 2, 2010 and 2011; and 6,025 options at January 2, 2013.
- (4) The options become exercisable in four annual installments of 1,655 options each at January 2, 2010 and 2011, respectively; 12,500 options at January 2, 2012; and 6,475 options at January 2, 2013.

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.