

IMAGE SENSING SYSTEMS INC
 Form 4
 February 20, 2014

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 *
 Parker Dale E

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)
 500 SPRUCE TREE CENTRE, 1600 UNIVERSITY AVENUE WEST
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/18/2014

Director 10% Owner
 Officer (give title below) Other (specify below)
 COO and CFO

ST. PAUL, MN 55104

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

(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 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.

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.

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	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 5.53	02/18/2014	A		20,000		<u>(1)</u>	02/18/2024	Common Stock	20,000
Employee Stock Option (Right to Buy)	\$ 5.53	02/18/2014	A		20,000		<u>(2)</u>	02/18/2024	Common Stock	20,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Parker Dale E 500 SPRUCE TREE CENTRE 1600 UNIVERSITY AVENUE WEST ST. PAUL, MN 55104	X		COO and CFO	

Signatures

/s/Dale E.
Parker

02/20/2014

**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 becomes exercisable in four equal installments on each of the first, second, third and fourth anniversary dates of the date of grant.
- (2) All of these options will vest if the Company's actual revenue exceeds the target revenue (the "Target Revenue") for the year ending December 31, 2014. If the Company achieves at least 90% but less than 100% of the Target Revenue, the number of shares subject to the options that will vest will be determined on a pro rata basis. If the Company achieves less than 90% of the Target Revenue, none of these options will vest.

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.