Smith Gregory R L Form 4 May 20, 2010

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

SECURITIES

Washington, D.C. 20549 STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

if no longer subject to Section 16. Form 4 or Form 5

Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(City)

(Print or Type Responses)

2. Issuer Name and Ticker or Trading Smith Gregory R L Issuer Symbol **IMAGE SENSING SYSTEMS INC** (Check all applicable) [isns]

(Middle)

(Zip)

3. Date of Earliest Transaction (Month/Day/Year) 05/18/2010

(Street)

4. If Amendment, Date Original

Filed(Month/Day/Year)

Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

Director

below)

X_ Officer (give title

OMB APPROVAL

10% Owner

below)

CFO

6. Individual or Joint/Group Filing(Check

Other (specify

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

5. Relationship of Reporting Person(s) to

Estimated average

burden hours per

ST LOUIS PARK, MN 55416

(State)

3721 GLENHURST AVE

1. Name and Address of Reporting Person *

(First)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of Securities Form: Direct Indirect (Instr. 3) Code (D) Beneficially (D) or Beneficial Indirect (I) Ownership (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5) Owned Following (Instr. 4) (Instr. 4) Reported (A) Transaction(s) or (Instr. 3 and 4) Amount (D) Price Common 05/18/2010 M 500 2,500 D 9.22 stock

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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. Transacti Code (Instr. 8)	5. Number on f Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Expiration Date		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive stock option	\$ 9.22	05/18/2010		M	500	01/02/2010	01/02/2016	Common stock	500

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		

Smith Gregory R L 3721 GLENHURST AVE ST LOUIS PARK, MN 55416

CFO

Signatures

/s/ Joanne Ritter, Attorney in Fact for Gregory R L Smith

05/20/2010

**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).

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.

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