

IMAGE SENSING SYSTEMS INC

Form 8-K

April 06, 2011

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 Or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **April 5, 2011**

Image Sensing Systems, Inc.

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction
of incorporation)

000-26056

(Commission
File Number)

41-1519168

(IRS Employer
Identification No.)

**500 Spruce Tree Centre, 1600 University Avenue West, St. Paul,
Minnesota**

(Address of principal executive offices)

55104

(Zip Code)

Registrant's telephone number, including area code **(651) 603-7700**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 5 Corporate Governance and Management

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.

(e) On April 5, 2011, the Board of Directors of Image Sensing Systems, Inc. (the Company) ratified the 2011 salaries and stock option grants for Kenneth R. Aubrey, the Company's President and Chief Executive Officer, and Gregory R. L. Smith, its Chief Financial Officer as recommended by the Board's Compensation and Stock Option Committee. Specifically, the Board of Directors approved salaries, effective January 1, 2011, of \$260,000 for Mr. Aubrey and \$180,000 for Mr. Smith. In addition, the Board of Directors ratified granting options to Mr. Aubrey to purchase 20,000 shares of common stock and to Mr. Smith to purchase 10,000 shares. The options were granted under the 2005 Stock Incentive Plan; have a contractual term of six years; vest as to 25% of the shares subject to the option on the first, second, third and fourth anniversary dates of the date of grant so long as the officer is then an employee of the Company; and have an exercise price of \$13.50, which is equal to the closing price of the Company's common stock on April 4, 2011 as reported on The NASDAQ Capital Market.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Image Sensing Systems, Inc.

Date: April 6, 2011

By */s/ Gregory R. L. Smith*
Chief Financial Officer and Treasurer
(Principal Financial Officer and
Principal Accounting Officer)