UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended March 31, 2013

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to ______

Commission file number: **1-12471**

INTEGRATED SURGICAL SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**68-0232575**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
401 Wilshire Blvd., Suite 1020 **Santa Monica, California**	**90401**
(Address of Principal Executive Offices)	(Zip Code)

(310) 526-5000
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ or No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ or No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☒ or No ☐

As of May 9, 2013 there were 8,483,005 shares of the registrant's common stock outstanding.

Integrated Surgical Systems, Inc.
Form 10-Q
for the three months ended March 31, 2013

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Part I. FINANCIAL INFORMATION

Item 1. Financial Statements.

Integrated Surgical Systems, Inc.
Balance Sheets
(Unaudited)

	March 31, 2013	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 266,110	$ 113,991
Investments in available-for-sale securities	2,481,553	2,658,190
Other current assets	24,327	36,331
Total current assets	2,771,890	2,808,512
Total Assets	$ 2,771,990	$ 2,808,512
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 21,501	$ -
Accrued stock compensation	15,625	15,625
Income taxes payable	-	682
Conversion feature liability	109,775	108,839
Total current liabilities	146,901	125,146
Commitments and contingencies		
Redeemable convertible preferred stock, $0.01 par value, 1,000,000 shares authorized; 168 shares issued and outstanding ($168,496 aggregate liquidation value)	168,496	168,496
Stockholders' equity:		
Common stock, $0.01 par value, 100,000,000 shares authorized; 8,396,199 and 8,318,073 shares issued and outstanding at March 31, 2013 and December 31, 2012, respectively	83,962	83,180
Additional paid-in capital	64,367,001	64,352,158
Accumulated deficit	(62,007,447)	(61,917,302)
Accumulated other comprehensive income (loss)	13,077	(3,166)
Total stockholders' equity	2,456,593	2,514,870
Total liabilities and stockholders' equity	$ 2,771,990	$ 2,808,512

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.
Statements of Operations and Comprehensive Income (Loss)
(Unaudited)

	Three Months ended March 31,	
	2013	**2012**
Operating expenses		
General and administrative expenses	$ 89,231	$ 80,904
Loss from operations	(89,231)	(80,904)
Other income (expense)		
Interest and dividend income, net	11,808	19,657
Change in fair value of conversion feature	(936)	(4,095)
Realized losses on available-for-sale securities	(10,986)	(1,801)
Loss before provision for income taxes	(89,345)	(67,143)
Provision for income taxes	800	-
Net loss	$ (90,145)	$ (67,143)
Other comprehensive income		
Unrealized gain on available-for-sale securities	16,243	1,141
Comprehensive loss	$ (73,902)	$ (66,002)
Basic loss per common share	$ (0.01)	$ (0.01)
Diluted loss per common share	$ (0.01)	$ (0.01)
Weighted average number of shares outstanding:		
Basic	8,385,782	8,078,050
Diluted	8,385,782	8,078,050

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.
Statements of Cash Flows
(Unaudited)

	Three Months ended March 31, 2013	Three Months ended March 31, 2012
Cash flows from operating activities		
Net loss	$ (90,145)	$ (67,143)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities		
Change in fair value of conversion feature	936	4,095
Stock-based compensation	15,625	15,625
Realized losses on available-for-sale securities	10,986	1,801
Changes in operating assets and liabilities		
Other current assets	12,005	8,718
Accounts payable	21,500	41,325
Accrued liabilities	(682)	-
Net cash provided by (used in) operating activities	(29,775)	4,421
Cash flows from investing activities		
Purchases of available-for-sale securities	(432,851)	(120,538)
Proceeds received from sales of available-for-sale securities	130,621	-
Proceeds received from maturities of available-for-sale securities	484,124	305,000
Net cash provided by investing activities	181,894	184,462
Net increase in cash and cash equivalents	152,119	188,883
Cash and cash equivalents at beginning of period	113,991	422,984
Cash and cash equivalents at end of period	$ 266,110	$ 611,867
Supplemental cash flow disclosure:		
Income taxes paid	$ 800	$ -
Supplemental non-cash disclosure		
Unrealized gain on available-for-sale securities	$ 16,243	$ 1,141

See accompanying notes to financial statements.

Integrated Surgical Systems, Inc.
Statement of Changes in Stockholders' Equity
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Comprehensive Income (Loss)	Total Stockholders' Equity
Balance at December 31, 2012	8,318,073	$ 83,180	$ 64,352,158	$ (3,166)	$ (61,917,302)	$ -	$ 2,514,870
Stock-based compensation	78,126	782	14,843	-	-	-	15,625
Comprehensive loss							
Net loss	-	-	-	-	(90,145)	(90,145)	-
Other comprehensive income							
Net unrealized gain on investments in securities	-	-	-	16,243	-	16,243	-
Comprehensive loss	-	-	-	-	-	$ (73,902)	(73,902)
Balance at March 31, 2013	8,396,199	$ 83,962	$ 64,367,001	$ 13,077	$ (62,007,447)		$ 2,456,593

See accompanying notes to financial statements

Integrated Surgical Systems, Inc.

Notes to Financial Statements (unaudited)

1. Organization and Operations

Integrated Surgical Systems, Inc. (the "Company") was incorporated in Delaware in 1990 to design, manufacture, sell and service image-directed, computer-controlled robotic software and hardware products for use in orthopedic surgical procedures. On June 28, 2007, the Company completed the sale of substantially all of its operating assets. After completion of the sale, the Company no longer engaged in any business activities related to its former business described above. The Company's current operations are limited to raising additional funds to be used to maintain the Company's public company status and to complete a business combination or strategic alliance, if suitable candidates are identified.

2. Significant Accounting Policies

Basis of Presentation

The accompanying unaudited financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial statements and with the rules and regulations under Regulation S-X of the Securities and Exchange Commission for Form 10-Q. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statement presentation. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary to present fairly the financial position as of March 31, 2013, the results of operations and cash flows for the three months then ended have been included. These financial statements should be read in conjunction with the financial statements of the Company and the Company's management discussion and analysis included in the Company's Form 10-K for the year ended December 31, 2012. Interim results are not necessarily indicative of the results for a full year.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include checking and money market accounts held in two financial institutions. The Company has a checking account at one institution with a balance of approximately $9,000 at March 31, 2013. The funds in this account are fully guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. The Company has a money market account in a brokerage account with a second financial institution, with a money market cash balance of approximately $258,000 at March 31, 2013. Assets in this brokerage account are protected by the Securities Investor Protection Corporation ("SIPC") up to $500,000. The Company had no uninsured cash and cash equivalents at March 31, 2013.

Stock-Based Compensation

Compensation costs for stock, warrants or options issued to employees and non-employees are based on the fair value method and accounted for in accordance with FASB ASC 718, "*Compensation – Stock Compensation*." The value of warrants and options are calculated using a Black-Scholes Model, using the market price of the Company's common stock on the date of issuance for the employee options and the date of commitment for non-employee options, an expected dividend yield of zero, the expected life of the warrants or options and the expected volatility of the Company's common stock. As of March 31 203, all options previously granted were fully vested.

Investment in Available-for-Sale Securities

The Company has a portfolio of investments in available-for-sale debt securities, which consist of fixed income debt securities and equity securities, which are accounted for in accordance with FASB ASC 320, "Investments - Debt and Equity Securities." Management determines the appropriate classification of the securities at the time they are acquired and evaluates the appropriateness of such classifications at each balance sheet date. Available-for-sale securities are stated at fair value, and unrealized holding gains and losses, net of the related deferred tax effect, if any, are reported as other comprehensive income, a separate component of stockholders' equity.

Fair Value Measurement

FASB ASC 820 "*Fair Value Measurements and Disclosures*" clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or a liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.
- Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

In accordance with FASB ASC 820, the Company measures its cash equivalents, investments in available-for-sale securities, and derivative liability at fair value. The Company's cash equivalents and investments in available-for-sale securities are classified within Level 1 by using quoted market prices. The Company's derivative liability is classified within Level 3.

The carrying value of other current assets and liabilities are considered to be representative of their respective fair values because of the short-term nature of those instruments.

Income Taxes

Deferred income taxes have been provided for temporary differences between financial statement and income tax reporting under the liability method, using expected tax rates and laws that are expected to be in effect when the differences are expected to reverse. A valuation allowance is provided when realization is not considered more likely than not.

The Company applies the provisions of FASB ASC 740, "*Income Taxes*." ASC 740 clarifies the accounting for uncertainty in income taxes recognized in the Company's financial statements in accordance with ASC 740, "*Income Taxes*," and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Company's policy is to classify expenses as a result of income tax assessments as interest expense for interest charges and as penalties in general and administrative expenses for penalty assessments.

Cost-Basis Method Valuation

The Company's non-marketable equity investment was previously recorded using the cost-basis method of accounting, and was classified as a long-term asset on the accompanying balance sheet as permitted by FASB ASC 325, "Cost Method Investments", as the Company owned less than 20% of the voting securities and did not have the ability to exercise significant influence over operating and financial policies of the entity. In 2012, the Company distributed a majority of this investment to its stockholders and reclassified the remaining shares as available-for-sale securities. During the same period, the investee's stock became publicly traded and its fair value became readily available. Therefore, as of March 31, 2013, the shares held by the Company have been accounted for in accordance with FASB ASC 320, "Investment – Debt and Equity Securities". See Note 5, "Investment in ClearSign" for more information.

Recently Adopted Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2011-04, "Fair Value Measurement" (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. This guidance amends the disclosure requirements related to recurring and nonrecurring fair value measurements and includes the following provisions: application of the concepts of highest and best use and valuation premise, introduction of an option to measure groups of offsetting assets and liabilities on a net basis, incorporation of certain premiums and discounts in fair value measurements, and the measurement of fair value of certain instruments classified in shareholders' equity. In addition, the amended guidance includes several new fair value disclosure requirements, including, among other things, information about valuation techniques and unobservable inputs used in Level 3 fair value measurements and a narrative description of Level 3 measurements' sensitivity to changes in unobservable inputs. The guidance became effective for the reporting period beginning January 1, 2012. The adoption of this guidance did not have a material impact on the Company's financial statements.

In June 2011, the FASB issued Accounting Standards Update 2011-05, "Comprehensive Income" (Topic 220): Presentation of Comprehensive Income. This amended guidance eliminates the option for reporting entities to present components of other comprehensive income in the statement of stockholders' equity. Instead, this amended guidance now requires reporting entities to present all non-owner changes in stockholders' equity either as a single continuous statement of comprehensive income or as two separate but consecutive statements. The guidance became effective for the reporting period beginning January 1, 2012. The adoption of this guidance did not have a material impact on the Company's financial statements.

Recently Announced Accounting Pronouncements

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

3. Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period plus dilutive common stock equivalents, using the treasury stock method.

Common stock equivalents for convertible preferred stock of 1,101,281 shares and 861,872 shares were excluded from the calculation of loss per share for the three months ended March 31, 2013 and 2012, respectively, because they were not dilutive; these shares would have been dilutive if the Company had not had a net loss for the those periods.

A warrant for 30,000 shares, and stock options of 100,000 were excluded from the calculation of loss per share for the three months ended March 31, 2013, and a warrant for 30,000 shares, and stock options of 150,000 were excluded from the calculation of loss per share for the three months ended March 31, 2012, respectively, because their effect was anti-dilutive.

4. Investments in Available-for-Sale Securities

The following is a summary of the Company's investment in available-for-sale securities as of March 31, 2013:

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. federal agency securities	$ 4,588	$ 158	$ -	$ 4,746
Municipal securities	894,753	5,248	(758)	899,243
Certificates of deposit	1,380,624	9,201	(22,420)	1,367,405
Corporate debt securities	180,606	4,007	-	184,613
Equity securities – ClearSign common stock	7,905	17,641	-	25,546
	$ 2,468,476	$ 36,255	$ (23,178)	$ 2,481,553

The following is a summary of the Company's investment in available-for-sale securities as of December 31, 2012:

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. federal agency securities	$ 19,592	$ 196	$ -	$ 19,788
Municipal securities	1,154,888	2,882	(2,137)	1,155,633
Certificates of deposit	1,193,494	8,734	(16,904)	1,185,324
Corporate debt securities	285,524	4,164	(9,633)	280,055
Equity securities – ClearSign common stock	7,905	9,485	-	17,390
	$ 2,661,403	$ 25,461	$ (28,674)	$ 2,658,190

The Company's investment portfolio had a net realized loss of $10,986 and $1,801 for the three months ended March 31, 2013 and 2012, respectively.

The cost and fair value of investments in available-for-sale securities, by contractual maturity, as of March 31, 2013, were as follows:

	Cost	Fair Value
Due within one year	$ 714,278	$ 697,034
Due after one year through three years	778,065	780,271
Due after three years	968,228	978,702
No maturity	7,905	25,546
	$ 2,468,476	$ 2,481,553

Expected maturities will differ from contractual maturities because the issuers of certain debt securities have the right to call or prepay their obligations without any penalties. Accordingly, the Company has classified the entire fair value of its investments in available-for-sale securities as current assets in the accompanying balance sheets.

5. Cost-Basis Investment

On April 20, 2011, the Company purchased 363,636 shares of common stock of ClearSign Combustion Corporation, a privately-held Washington corporation ("ClearSign"), for an aggregate purchase price of $1,000,000, or $2.75 per share, in connection with ClearSign's private offering of up to $3,000,000 of its common stock (the "ClearSign Offering"). Due to a 1.25-for-one stock split, which occurred subsequent to this purchase, the Company held 454,545 shares of common stock of ClearSign. ClearSign is an early-stage clean energy company focused on developing technology to increase energy efficiency in most types of industrial combustion systems. Prior to June 30, 2012, this investment had been accounted for using the cost method, as the Company owned less than 20% of the voting securities and did not have the ability to exercise significant influence over operating and financial policies of the entity.

ClearSign filed a registration statement on Form S-1 (as amended) for the initial public offering of its common stock that was declared effective April 24, 2012. On April 25, 2012, ClearSign Combustion Corporation ("ClearSign") completed an initial public offering selling 3,000,000 shares of its common stock at $4.00 per share, and trading under the symbol CLIR on NASDAQ. The shares of common stock of ClearSign previously acquired in a private placement by the Company were registered for resale or distribution as part of the offering

On April 24, 2012, the Company's board of directors declared a dividend to the shareholders of the Company, of an aggregate of 450,000 shares of common stock of ClearSign. The dividend was at the rate of 0.05513475 shares of ClearSign for each share of common stock of the Company, which equates to one share of common stock of ClearSign for approximately 18.137 shares of the Company's common stock. The record date of the dividend was May 9, 2012, and the payment date of the dividend was May 23, 2012. A total of 450,952 shares of ClearSign were distributed, including 952 rounding shares. In 2012, the Company recorded a gain of $811,713 equal to the increase in the fair value of the ClearSign investment which had been distributed, or $1,803,808, as measured on April 25, 2012 less the cost basis of the investment.

The Company retained 3,593 shares of ClearSign common stock, having a fair value of $25,546. An unrealized gain of $8,156 was recorded during the three months ended March 31, 2013. This investment is included in investments in available-for-sale securities.

6. Redeemable Convertible Preferred Stock

The Company's Certificate of Incorporation authorized 1,000,000 shares of undesignated, serial preferred stock. Preferred stock may be issued from time to time in one or more series. The Board of Directors is authorized to determine the rights, preferences, privileges, and restrictions granted to and imposed upon any wholly unissued series of preferred stock and designation of any such series without any further vote or action by the Company's stockholders.

As of March 31, 2013 and December 31, 2012, the Company's only outstanding series of convertible preferred stock is the Series G Convertible Preferred Stock ("Series G").

The Series G stock has a stated value of $1,000 per share, and is convertible into common stock at a conversion price equal to 85% of the lowest sale price of the common stock on its listed market over the five trading days preceding the date of conversion ("Beneficial Conversion Feature"), subject to a maximum conversion price. The number of shares of common stock that may be converted is determined by dividing the stated value of the number of shares of Series G to be converted by the conversion price. The Company may elect to pay the Series G holder in cash at the current market price multiplied by the number of shares of common stock issuable upon conversion.

For the period ended March 31, 2013 and the year ended December 31, 2012, no shares of Series G were converted into shares of common stock. At March 31, 2013 and December 31, 2012, the outstanding Series G shares were convertible into a minimum of 1,101,281 and 991,153 shares of common stock, respectively.

Upon a change in control, sale of or similar transaction, as defined in the Certificate of Designation for the Series G, each holder of the Series G has the option to deem such transaction as a liquidation and may redeem his or her shares at the liquidation value of $1,000, per share, for an aggregate amount of $168,496. The sale of all the assets on June 28, 2007 triggered the preferred stockholders' redemption option. As such redemption is not in the control of the Company, the Series G stock has been accounted for as if it was redeemable preferred stock and is classified on the balance sheet between liabilities and stockholders' equity.

The conversion feature of the preferred stock is considered a derivative according to ASC 815 "Derivatives and Hedging", therefore, the fair value of the derivative is reflected in the financial statements as a liability, which was determined to be $109,775 as of March 31, 2013, and has been included as "conversion feature liability" on the accompanying balance sheets. As of December 31, 2012, the fair value of the derivative was determined to be $108,839.

The fair value of the conversion feature liability is calculated under a Black-Scholes Model, using the market price of the Company's common stock on each of the balance sheet dates presented, the expected dividend yield, the expected life of the redemption and the expected volatility of the Company's common stock.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and considering factors specific to the conversion feature liability. Since some of the assumptions used by the Company are unobservable, the conversion feature liability is classified within level 3 hierarchy in the fair value measurement.

The expected volatility of the conversion feature liability was based on the historical volatility of the Company's common stock. The expected life assumption was based on the remaining life of the underlying preferred stock redemption. The risk-free interest rate for the expected term of the conversion feature liability was based on the average market rate on U.S. treasury securities in effect during the applicable quarter. The dividend yield reflected historical experience as well as future expectations over the expected term of the underlying preferred stock redemption. Therefore, the fair value of the conversion feature liability is sensitive to changes in above assumptions and changes of the Company's common stock price.

The table below shows the quantitative information about the significant unobservable inputs used in the fair value measurement of level 3 conversion feature liability:

Expected life of the redemption in years	1.0
Risk free interest rate	0.14%
Expected annual volatility	139.42%
Annual rate of dividends	0%

The changes in the fair value of the derivative are as follows:

Balance as of January 1, 2013	$	108,839
Increase of fair value		936
Ending balance as of March 31, 2013	$	109,775

7. Stock-based Compensation

On August 15, 2008, the Company granted 25,000 non-qualified stock options to each of its four directors. These options had a vesting period of one year from the date of grant, and they became fully vested and exercisable on August 15, 2009. These options expire on August 15, 2013 and have an exercise price of $0.38 per share. As of March 31, 2013 and March 31, 2012, 100,000 options remain outstanding under this grant.

The Company currently has no stock option plans with outstanding options issued to its officers, employees, directors and consultants. The 1998 Stock Option Plan ("1998 Plan") was established to grant up to 85,000 non-qualified options through May 12, 2008 to employees and other individuals providing services to the Company. Options under the 1998 Plan vested from one year to four years from the date of grant, and vested options must be exercised within 30 days of an employee's termination. As of March 31, 2013, zero options remained outstanding and vested under the 1998 Plan and as of March 31, 2012, 50,000 options remain outstanding and vested under the 1998 Plan.

FASB ASC 718 "*Compensation-Stock Compensation*" requires entities to estimate the number of forfeitures expected to occur and record expense based upon the number of awards expected to vest. The outstanding stock options under the 1998 Plan have been fully vested and related expenses were fully amortized for the three months ended March 31, 2012.

For the three months ended March 31, 2013, option activity was as follows:

	Shares		Weighted-Average Exercise Price	Remaining Contractual Term		Aggregate Fair Value
Outstanding at beginning of period	100,000	$	0.38	0.37	$	2,205
Granted	-		-			
Expired and forfeited	-		-			
Exercised	-		-			
Outstanding at end of period	100,000	$	0.38	0.37	$	2,205
Exercisable at March 31, 2013	100,000	$	0.38	0.37	$	2,205

As of March 31, 2013, a summary of options outstanding under the Company's 2008 options grant was as follows:

Range of Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Number Outstanding	Weighted-Average Exercise Price	Number Exercisable	Weighted-Average Exercise Price
0.3800	0.37	100,000	$ 0.38	100,000	$ 0.38

In addition, the Company has outstanding 30,000 warrants issued in lieu of consulting fees, which expire in July 2014 and have an exercise price of $0.63 per share.

The Company agreed to compensate two of its four directors by issuing common stock for services rendered in 2013 and 2012. The Company agreed to compensate one director in a combination of cash and common stock for services rendered in 2013 and 2012. Two of these directors are affiliated with the advisory services firm that is currently providing investment banking services to the Company. Beginning in the second quarter of 2013 and continuing through 2013, the Company agreed to provide the compensation of the third director in cash instead of cash and common stock. The number of shares issued to each director was determined based upon the equivalent cash compensation accrued divided by the closing price of the Company's common stock on the date that the compensation is fully earned each quarter, which is the last day of such quarter. The Company recorded accrued stock-based compensation of $15,625 for the quarter ending March 31, 2013 for three directors.

On January 17, 2013, the Company issued 31,250 shares of common stock to each of two directors, and 15,626 shares of common stock to another director, as compensation for the three months ended December 31, 2012. These shares, totaling 78,126, were valued at a per share price of $0.20, or a total of $15,625.

On April 12, 2013, the Company issued 34,722 shares of common stock to each of two directors, and 17,362 shares of common stock to another director, as compensation for the three months ended March 31, 2013. These shares, totaling 86,806, were valued at a per share price of $0.18, or a total of $15,625.

8. Income Taxes

The Company accounts for income taxes under FASB ASC 740 "Accounting for Income Taxes." Deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities in the Company's financial statements and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that all or some portion of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Federal and state income tax returns of the Company for the years ended December 31, 2011, 2010 and 2009 are subject to review by the taxing authorities.

The Company has evaluated and concluded that there are no uncertain tax positions requiring recognition in the Company's financial statements for three months ended March 31, 2013 and 2012. The provision for income tax expense for the three months ended March 31, 2013 was $800 and for the three months ended March 31, 2012 was zero. The Company expects to utilize its net operating loss and tax credit carryforwards to offset income taxes that would otherwise be due on its net earnings for 2013.

As of March 31, 2013, and December 31, 2012, the Company had deferred tax assets primarily consisting of its net operating loss carryforwards. However, because of the cumulative losses in several consecutive years, the Company has recorded a full valuation allowance such that its net deferred tax asset is zero.

The Company must make judgments as to whether the deferred tax assets will be recovered from future taxable income. To the extent that the Company believes that recovery is not likely, it must establish a valuation allowance. A valuation allowance has been established for deferred tax assets which the Company does not believe meet the "more likely than not" criteria. The Company's judgments regarding future taxable income may change due to changes in market conditions, changes in tax laws, tax planning strategies or other factors. If the Company's assumptions and consequently its estimates change in the future, the valuation allowances it has established may be increased or decreased, resulting in a respective increase or decrease in income tax expense.

9. Related Party Transactions

The Company entered into an Investment Banking Advisory Services agreement in November 2007 with MDB Capital Group, LLC ("MDB"), and the parties extended this agreement indefinitely in April 2009. The agreement may be terminated by either party upon 30-days written notice. The Company has not paid, nor is it currently obligated to pay, any fees to MDB pursuant to this agreement.

The Company has a securities investment account with MDB, consisting of (a) available-for-sale investments totaling $2,481,553, that include short-term federal securities of $4,746, certificates of deposit, municipal securities and corporate bonds totaling $2,451,261, and equity securities of $25,546 at March 31, 2013, and (b) available-for-sale investments totaling $2,658,190, that included short-term federal securities of $19,788, certificates of deposit, municipal securities and corporate bonds totaling $2,621,012, and equity securities of $17,390 at December 31, 2012.

Mr. Christopher Marlett, the Chief Executive Officer and director of the Company, is also the Chief Executive Officer of MDB. Mr. Gary Schuman, who is the Chief Financial Officer of the Company, is also the Chief Financial Officer and Chief Compliance Officer of MDB. The Company reimburses MDB for Mr. Schuman's services in the amount of $3,000 per month, totaling $9,000 for both the three months ended March 31, 2013 and 2012. Mr. Robert Levande, who is an officer and director of the Company, is also a senior managing director of MDB.

MDB acted as placement agent in connection with the ClearSign Offering discussed in Note 5, and in consideration for its services was issued 109,091 shares of ClearSign's common stock (in lieu of a cash fee of 10% of the gross proceeds of the ClearSign Offering) and a 5-year warrant to purchase 109,091 shares of ClearSign's common stock at an exercise price of $2.75 per share. As described above, Messrs. Marlett and Levande, each an officer, director and stockholder of the Company, are also the Chief Executive Officer and Senior Managing Director, respectively, of MDB.

In addition, at the close of the offering, MDB received 363,636 shares of ClearSign in consideration of other consulting services provided by MDB unrelated to its role as a placement agent.

ClearSign completed its initial public offering of common stock on April 25, 2012. MDB was the sole underwriter for the initial public offering and received compensation of $1,207,500 and a warrant to purchase 345,000 shares of ClearSign's common stock in connection with the public offering.

10. Commitments and Contingencies

From time to time, the Company may be subject to other claims and litigation arising in the ordinary course of business. The Company is not currently a party to any legal proceedings that it believes would reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

11. Subsequent Event

On April 12, 2013, the Company issued 34,722 shares of common stock to each of two directors, and 17,362 shares of common stock to another director, as compensation for the three months ended March 31, 2013. These shares, totaling 86,806, were valued at a per share price of $0.18, or a total of $15,625.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

The discussion in this Quarterly Report on Form 10-Q contains forward-looking statements. Such forward-looking statements are based on current expectations, estimates and projections and certain assumptions made by management of Integrated Surgical Systems, Inc. (the "Company"). Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "could," "would," "may," "on target," "envisions," and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict; therefore, actual results may differ materially from those expressed or forecasted in any such forward-looking statements. Unless required by law, the Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. However, readers should carefully review the risk factors set forth in other reports or documents the Company files from time to time with the Securities and Exchange Commission ("SEC"), particularly the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any Current Reports on Form 8-K.

The following discussion should be read in conjunction with the unaudited financial statements and notes thereto in Part I, Item 1 of this Quarterly Report on Form 10-Q and with the audited financial statements and Notes thereto, and Management's Discussion and Analysis of Financial Condition and Results of Operations that are included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 as filed with the SEC.

Overview

The Company was incorporated in Delaware in 1990 and was founded to design, manufacture, sell and service image-directed, computer-controlled robotic software and hardware products for use in orthopedic surgical procedures. On June 28, 2007, the Company completed the sale of substantially all of its operating assets. After completion of the sale, the Company no longer engaged in any business activities related to its former business described above. The Company has managed its financial assets to preserve capital on a conservative basis and not for investment return, so as not to be considered an investment company under the Investment Company Act of 1940. The Company's current operations are limited to raising additional funds to be used to maintain the Company's public company status and to complete a business combination or strategic alliance, if suitable candidate(s) are identified. To that end, since 2007, the Company has reviewed a number of business combination opportunities; however, none of these opportunities fit within the Company criteria or moved beyond preliminary review stages. The Company continues to evaluate business combination opportunities, and recently, it has considered a couple of transactions that have come to the attention of the board of directors through its members.

On April 20, 2011, the Company purchased 363,636 shares of common stock of ClearSign Combustion Corporation, a privately-held Washington corporation ("ClearSign"), for an aggregate purchase price of $1,000,000, or $2.75 per share, in connection with ClearSign's private offering of up to $3,000,000 of its common stock (the "ClearSign Offering"). Due to a 1.25-for-one stock split, which occurred subsequent to this purchase, the Company held 454,545 shares of common stock of ClearSign. ClearSign is an early-stage clean energy company focused on developing technology to increase energy efficiency in most types of industrial combustion systems. ClearSign filed a registration statement on Form S-1 (as amended) for the initial public offering of its common stock that was declared effective April 24, 2012. On April 25, 2012, ClearSign Combustion Corporation ("ClearSign") completed an initial public offering selling 3,000,000 shares of its common stock at $4.00 per share, and trading under symbol CLIR on the NASDAQ. The shares of common stock of ClearSign previously acquired in a private placement by the Company were registered as part of the offering.

On April 24, 2012, the Company's board of directors declared a dividend to the stockholders of the Company, of an aggregate of 450,000 shares of common stock of ClearSign. The dividend was at the rate of 0.05513475 shares of ClearSign for each share of common stock of the Company, which equates to one share of common stock of ClearSign for approximately 18.137 shares of the Company's common stock. The record date of the dividend was May 9, 2012, and the payment date of the dividend was May 23, 2012.

As of March 31, 2013, the Company had no employees, and the Company relies on outside contractors to perform basic and necessary services.

Results of Operations

Three months Ended March 31, 2013 and 2012

For the three months ended March 31, 2013 and 2012, the Company had a net loss of $90,145 and $67,143, respectively. The decrease in net income was due primarily to an increase of general and administrative expenses, a decrease of net interest income, and an increase in realized loss from investment in-available-for-sale securities in the current period. General and administrative expenses were $89,231 and $80,904 for the three months ended March 31, 2013 and 2012, respectively. Legal fees increased by approximately $12,400 for the three months ended March 31, 2013 compared to the three months ended March 31, 2012 due primarily to attorney services required for an SEC inquiry. Accounting fees decreased from approximately $41,500 in the three months ended March 31, 2012 to approximately $35,000 in the three months ended March 31, 2013 due to costs associated with changing financial auditors in the three months ended March 31, 2012. Net interest income was approximately $11,800 and $19,700, for the three months ended March 31, 2013 and 2012, respectively. The Company had a realized loss in available-for-sale securities for the three months ended March 31, 2012 of approximately $1,800 and a realized loss of approximately $11,000 for the three months ended March 31, 2013. Change in fair value of conversion feature was an increase of approximately $900 for the three months ended March 31, 2013, due to the change in fair value of the conversion feature of the Company's convertible preferred stock; the change in value was an increase of approximately $4,100 for the same period in 2012.

Liquidity and Capital Resources

The Company believes that existing cash, cash equivalents, and short-term available-for-sale securities will provide sufficient working capital for the Company to meet its operating plan for the next twelve months. The Board of Directors, including a director as its Chief Executive Officer, another director as its Secretary, and the Chief Financial Officer of a related party as the Company's Chief Financial Officer assist the Company with its continuing obligations under the federal securities laws and to assist with the Company's plan to evaluate various merger, acquisition, or strategic alliance opportunities. None of these individuals receive additional compensation, other than that which is disclosed herein, for providing this assistance. The Company does not have an estimate as to when it will identify a qualified merger, acquisition, or strategic alliance candidate. There is no assurance that such opportunities will be available, or if available, upon favorable terms. If the Company is unsuccessful in completing a suitable merger, acquisition or strategic alliance, then the Board of Directors may liquidate the Company and distribute all its remaining assets, which consist primarily of cash and available-for-sale securities, to its stockholders.

The Company anticipates that it will incur operating losses from operations in the next twelve months, until it enters into a suitable merger, acquisition or strategic alliance transaction or until its liquidation.

Cash used in operating activities for the three months ending March 31, 2013 was approximately $23,000, which primarily consisted of operating loss of approximately $90,100 and an increase in accounts payable of $21,500, and an increase in other current assets of approximately $12,000, and adjustments for non-cash expenses consisting of stock-based compensation of approximately $15,600 and offset by realized loss of $11,000 related to the Company's available-for-sale securities.

Cash provided by investing activities for the three months ending March 31, 2013 of approximately $182,000 was from the purchase of available-for-sale securities of approximately $432,000, offset by the maturity or sale of available-for-sale securities of approximately $614,000.

Critical Accounting Policies and Estimates

The Company's discussion and analysis of the financial condition and results of operations are based upon the Company's unaudited financial statements included elsewhere in this Form 10-Q and has been prepared in accordance with accounting principles generally accepted in the United States of America as disclosed in the Company's annual financial statements in its Form 10-K for the year ended December 31, 2012. Interim results are not necessarily indicative of the results for a full year.

The Company has discussed its critical accounting policies with the Board of Directors.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments in Available-for-Sale Securities

The Company has a portfolio of investments in available-for-sale debt securities, which consist of fixed income debt securities, which are accounted for in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 320, "Investments - Debt and Equity Securities." Management determines the appropriate classification of the securities at the time they are acquired and evaluates the appropriateness of such classifications at each balance sheet date. Available-for-sale securities are stated at fair value, and unrealized holding gains and losses, net of the related deferred tax effect, if any, are reported as other comprehensive income, a separate component of stockholders' equity.

Financial Instruments

The Company considers the carrying amounts of financial instruments, including cash, other current assets and accounts payable to approximate their fair values because of the short term nature of those instruments.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk represents the risk of loss that may impact the Company's financial position, operating results or cash flows due to changes in U.S. interest rates. The Company's exposure to market risk is confined to its available-for-sale investments that it expects to hold less than one year. The goals of the Company's cash investment policy are the security of the principal amount invested and fulfillment of liquidity needs. The Company currently does not hedge interest rate exposure. Because of the short-term nature of its investments, the Company does not believe that an increase in market rates would have any material negative impact on the value of its investment portfolio.

As of March 31, 2013, the Company held approximately $266,000 in money market and checking accounts at two institutions. The Company has a checking account at one institution with a balance of approximately $9,000 at March 31, 2013. The funds in this account are fully insured by the Federal Deposit Insurance Corporation ("FDIC") as of March 31, 2013. The Company has a money market account in a brokerage account with a second financial institution, invested in short-term federal securities and corporate bonds, with a money market cash balance of approximately $257,000 at March 31, 2013. Assets in this brokerage account are protected by the Securities Investor Protection Corporation ("SIPC") up to $500,000. The Company had no uninsured cash and cash equivalents at March 31, 2013.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer. We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2013 (the "Evaluation Date"). Based upon the evaluation of our disclosure controls and procedures as of the Evaluation Date, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective because of the identification of a material weakness in our internal control over financial reporting which is identified below, which we view as an integral part of our disclosure controls and procedures.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Rule 13a-15(f). Our internal control over financial reporting is a process designed to provide reasonable assurance to our management and board of directors regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and our receipts and expenditures of are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. All internal control systems, no matter how well designed, have inherent limitations, including the possibility of human error and the circumvention of overriding controls. Accordingly, even effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2012. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on its evaluation, our management concluded that there is a material weakness in our internal control over financial reporting and management has concluded that the Company's internal controls over financial reporting are ineffective as of December 31, 2012. A material weakness is a deficiency, or a combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. Management believes that despite these weaknesses in internal controls, there are no material misstatements in our annual financial statements.

The material weakness relates to the lack of segregation of duties in our financial reporting process and our utilization of outside third party consultants. We do not have a separately designated audit committee. These weaknesses are due to our lack of additional accounting and operational staff. To remedy this material weakness, we ultimately, if and when we conclude a business combination, we will engage an internal accounting staff to assist with financial reporting.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting during period ended March 31, 2013, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management or board override of the control.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, the Company may be subject to claims and litigation arising in the ordinary course of business. The Company is not currently a party to any legal proceedings that it believes would reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

Item 6. Exhibits

Exhibit No.	Description
3.1	Articles of Incorporation (1)
3.2	By-laws (1)
10.1	ClearSign Combustion Corporation Subscription Agreement, dated April 20, 2011, by and between Integrated Surgical Systems, Inc. and ClearSign Combustion Corporation (2)
31.1	Certification Pursuant to Exchange Act Rule 13a-14(a) of Christopher A. Marlett *
31.2	Certification Pursuant to Exchange Act Rule 13a-14(a) of Gary A. Schuman *
32.1	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Christopher A. Marlett *
32.2	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Gary A. Schuman *

(1) Incorporated by reference to Form SB-2 filed on July 30, 1996 (file no. 333-09207)
(2) Incorporated by reference to Form 10-Q filed on May 16, 2011
* Filed herewith

SIGNATURES

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

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Gary A. Schuman
Gary A. Schuman, Chief Financial Officer

Dated: May 15, 2013

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher A. Marlett, Chief Executive Officer of Integrated Surgical Systems, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2013 of Integrated Surgical Systems, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;

   (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Quarterly Report, our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and

   (d) Disclosed in this Quarterly Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 15, 2013

By: /s/ Christopher A. Marlett
Christopher A. Marlett
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary A. Schuman, Chief Financial Officer of Integrated Surgical Systems, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2013 of Integrated Surgical Systems, Inc. (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;

   (b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and

   (d) Disclosed in this Quarterly Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 15, 2013

By: /s/ Gary A. Schuman
Gary A. Schuman
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher A. Marlett, Chief Executive Officer of Integrated Surgical Systems, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2013, which this certification accompanies (the "Periodic Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2013

/s/ Christopher A. Marlett
Christopher A. Marlett
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished with the Company's Report pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, it is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary A. Schuman, Chief Financial Officer of Integrated Surgical Systems, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2013, which this certification accompanies (the "Periodic Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2013

/s/ Gary A. Schuman
Gary A. Schuman
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished with the Company's Report pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, it is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.