

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

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

**For the Quarterly Period Ended March 31, 2008**

**or**

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

**Commission file number: 1-12471**

**INTEGRATED SURGICAL SYSTEMS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or Other Jurisdiction of  
Incorporation or Organization)

**68-0232575**

(IRS Employer  
Identification No.)

**1433 N. Market Boulevard, Suite 1  
Sacramento, California**

(Address of Principal Executive Offices)

**95834**

(Zip Code)

**(916) 285-9943**

(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  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  Smaller reporting company   
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES  NO

As of May 12, 2008, there were 7,474,894 shares of the registrant's common stock outstanding.

**Integrated Surgical Systems, Inc.**  
**Form 10-Q**  
**for the three months ended March 31, 2008**

**Table of Contents**

	<u>Page</u>
<b>Part I. Financial Information</b>	
<a href="#"><u>Item 1. Financial Statements</u></a>	<a href="#"><u>2</u></a>
<a href="#"><u>Balance Sheet at March 31, 2008 (unaudited) and December 31, 2007 (audited)</u></a>	<a href="#"><u>2</u></a>
<a href="#"><u>Statements of Operations (unaudited) for the three months ended</u></a>	
<a href="#"><u>March 31, 2008 and 2007</u></a>	<a href="#"><u>3</u></a>
<a href="#"><u>Statements of Cash Flows (unaudited) for the three months ended</u></a>	
<a href="#"><u>March 31, 2008 and 2007</u></a>	<a href="#"><u>4</u></a>
<a href="#"><u>Notes to Financial Statements (unaudited)</u></a>	<a href="#"><u>5</u></a>
<a href="#"><u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of</u></a>	
<a href="#"><u>Operations</u></a>	<a href="#"><u>7</u></a>
<a href="#"><u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u></a>	<a href="#"><u>9</u></a>
<a href="#"><u>Item 4T. Controls and Procedures</u></a>	<a href="#"><u>9</u></a>
<b>Part II. Other Information</b>	
<a href="#"><u>Item 1. Legal Proceedings</u></a>	<a href="#"><u>10</u></a>
<a href="#"><u>Item 1A. Risk Factors</u></a>	<a href="#"><u>10</u></a>
<a href="#"><u>Item 6. Exhibits</u></a>	<a href="#"><u>10</u></a>
<a href="#"><u>Signatures</u></a>	<a href="#"><u>11</u></a>
<b>Certifications</b>	

**Part I. Financial Information****Item 1. Financial Statements.****Integrated Surgical Systems, Inc.  
Balance Sheet**

	March 31, 2008 (Unaudited)	December 31, 2007 (Audited)
<b>Assets</b>		
Current assets:		
Cash	\$ 2,993,914	\$ 3,099,199
Other current assets	32,083	51,333
Total current assets	3,025,997	3,150,532
Deferred offering costs	63,046	25,000
Total assets	<u>\$ 3,089,043</u>	<u>\$ 3,175,532</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 4,951	\$ 4,951
Accrued liabilities	89,815	10,782
Income taxes payable	1,482	31,482
Deferred rent – current portion	69,872	41,966
Total current liabilities	166,120	89,181
Deferred rent – noncurrent	195,938	220,824
Total liabilities	362,058	310,005
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
	<u>530,554</u>	<u>478,501</u>
Stockholders' equity:		
Common stock, \$0.01 par value, 100,000,000 shares authorized; 4,578,500 shares issued and outstanding	45,785	45,785
Additional paid-in capital	62,427,375	62,427,375
Deferred Compensation	(4,406)	(7,710)
Accumulated deficit	(59,910,265)	(59,768,419)
Total stockholders' equity	2,558,489	2,697,031
Total liabilities and stockholder's equity	<u>\$ 3,089,043</u>	<u>\$ 3,175,532</u>

*See accompanying notes to financial statements.*

**Integrated Surgical Systems, Inc.**  
**Statements of Operations**  
(Unaudited)

	<b>Three Months ended March 31,</b>	
	<b>2008</b>	<b>2007</b>
Continuing operations		
General and administrative expenses	\$ (159,987)	\$ —
Interest income, net	18,141	—
Loss from continuing operations	<u>(141,846)</u>	<u>—</u>
Discontinued Operations:		
Income from discontinued operations	—	69,486
Net (loss) income available to common stockholders	<u>\$ (141,846)</u>	<u>\$ 69,486</u>
Basic net (loss) income per common share		
Continuing operations	\$ (0.03)	\$ —
Discontinued operations	—	0.02
	<u>\$ (0.03)</u>	<u>\$ 0.02</u>
Diluted net (loss) income per common share		
Continuing operations	\$ (0.03)	\$ —
Discontinued operations	—	0.01
	<u>\$ (0.03)</u>	<u>\$ 0.01</u>
Weighted average number of shares outstanding:		
Basic	<u>4,578,500</u>	<u>4,578,500</u>
Diluted	<u>5,269,510</u>	<u>5,264,468</u>

*See accompanying notes to financial statements.*

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

	<b>Three Months ended March 31,</b>	
	<b>2008</b>	<b>2007</b>
<b>Continuing operations</b>		
Cash flow from continuing operating activities		
Loss from continuing operations	\$ (141,846)	\$ —
Adjustments to reconcile net loss from continued operations to cash flow used in continued operations:		
Stock based compensation – directors and employees	3,304	—
Changes in assets and liabilities		
Other current assets	19,250	—
Accrued liabilities	79,033	—
Income taxes payable	(30,000)	—
Deferred rent payable	3,020	—
Cash (used in) continuing operating activities	<u>(67,239)</u>	<u>—</u>
Cash flow from continuing financing activities		
Deferred offering costs	(38,046)	—
Cash used in continuing operations	<u>(105,285)</u>	<u>—</u>
<b>Discontinued operations</b>		
Net cash used in operating activities	—	(784,886)
Net cash provided by investing activities	—	(1,078)
Net cash provided by financing activities	—	1,000,000
Net cash provided by discontinued activities	<u>—</u>	<u>214,036</u>
Net increase (decrease) in cash	(105,285)	214,036
Cash and cash equivalents at beginning of period	3,099,199	1,327,268
Cash and cash equivalents at end of period	<u>\$ 2,993,914</u>	<u>\$ 1,541,304</u>

*See accompanying notes to financial statements.*

**Integrated Surgical Systems, Inc.**  
**Notes to Financial Statements (unaudited)**

**1. Organization and Operations**

Integrated Surgical Systems, Inc. (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. The Company's products are authorized to be sold through international distributors to hospitals and clinics in European Union member countries and Australia, Canada, India, Israel, Japan, Korea, New Zealand, Switzerland and South Africa.

On June 28, 2007, upon the sale of substantially all of its assets, the Company became inactive. As a result, all the Company's operations from January 1, 2007 through June 28, 2007 have been classified as discontinued operations.

On June 28, 2007, the stockholders approved the future liquidation of the Company if the Company is unable to complete an acquisition or similar transaction within one year from the sale of its assets.

**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 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 for complete financial statements 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, 2008 and 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 together with the Company's management discussion and analysis in the Company's Form 10-KSB for the year ended December 31, 2007. Interim results are not necessarily indicative of the results for a full year.

Certain amounts for prior years have been reclassified to conform to 2008 financial statement presentations.

The financial statements include all the accounts of the Company.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. Significant estimates made by management include revenue recognition, allowances for inventory and warranty liability.

**New Accounting Pronouncements**

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141(R), "Business Combinations" ("SFAS 141R"), which replaces SFAS No. 141, "Business Combinations." SFAS 141R establishes principles and requirements for determining how an enterprise recognizes and measures the fair value of certain assets and liabilities acquired in a business combination, including noncontrolling interests, contingent consideration, and certain acquired contingencies. SFAS 141R also requires acquisition-related transaction expenses and restructuring costs be expensed as incurred

rather than capitalized as a component of the business combination. SFAS 141R will be applicable prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. SFAS 141R would have an impact on accounting for any businesses acquired after the effective date of this pronouncement.

In December 2007, the FASB issued SFAS No. 160, “Noncontrolling Interests in Consolidated Financial Statements — An Amendment of ARB No. 51” (“SFAS 160”). SFAS 160 establishes accounting and reporting standards for the noncontrolling interest in a subsidiary (previously referred to as minority interests). SFAS 160 also requires that a retained noncontrolling interest upon the deconsolidation of a subsidiary be initially measured at its fair value. Upon adoption of SFAS 160, the Company would be required to report any noncontrolling interests as a separate component of stockholders’ equity. The Company would also be required to present any net income allocable to noncontrolling interests and net income attributable to stockholders of the Company separately in its consolidated statements of income. SFAS 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. SFAS 160 requires retroactive adoption of the presentation and disclosure requirements for existing minority interests. All other requirements of SFAS 160 shall be applied prospectively. SFAS 160 would have an impact on the presentation and disclosure of the noncontrolling interests of any non wholly-owned businesses acquired in the future.

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. Common Stock**

Effective July 26, 2007, the Company declared a 1-for-10 reverse stock split of its outstanding shares of common stock. All share and per share amounts for the periods presented prior to July 26, 2007 have been restated to reflect the affect of the split.

### **4. Income Taxes**

Effective January 1, 2007, the Company adopted the provisions of Financial Accounting Standards Board (FASB) Interpretation No. 48, “Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No.109” (FIN 48). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in the Company’s financial statements in accordance with FASB Statement 109, “Accounting for 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. FIN 48 also provides guidance under recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

Management has evaluated and concluded that there are no significant uncertain tax positions requiring recognition in the Company’s financial statements.

The Company’s policy is to classify assessments, if any, for tax related interest as interest expenses and penalties as general and administrative expenses.

### **5. Fair Value Measurement**

Effective January 1, 2008, the Company adopted both FAS 157 and FAS 159 without any effect.

Statement of Financial Accounting Standards (SFAS) No. 157, “Fair Value Measurements”, (SFAS 157) defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 applies to other accounting pronouncements that require the use of fair value measurements. A fair value measurement assumes that the transaction to sell an asset or transfer a liability occurs in the principal market for the asset or liability, or, in the absence of a principal market, the most advantageous market for the asset or liability.

SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities — Including an amendment of FASB Statement 115”, (SFAS 159) 159 permits an entity to elect to measure various financial instruments and certain other items at fair value that are not currently required to be

measured at fair value. Unrealized gains and losses on items for which the fair value option has been elected should be reported in earnings at each subsequent reporting date.

## **6. Subsequent Event**

On April 25, 2008, the Company sold an aggregate of 2,896,394 shares of common stock at \$0.6042 per share, for an aggregate purchase price of \$1,750,000. Certain of the investors are affiliated with the Company's advisory services firm that is currently providing investment banking services.

Through March 31, 2008, the Company incurred \$63,046 of expenses in connection with the offering.

## **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 that have been made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current expectations, estimates and projections about the software industry and certain assumptions made by the Company's management. 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 SEC, particularly the Company's Annual Report on Form 10-KSB, 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, together with Management's Discussion and Analysis of Financial Condition and Results of Operations, which are included in the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2007 as filed with the SEC.

#### *Overview*

We were 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. Although we had not received clearance to market the ROBODOC® System (ROBODOC) in the U.S., we were permitted to export the system provided certain requirements were met. Products approved for use by European Union member countries and Australia, Canada, India, Israel, Japan, Korea, New Zealand, Switzerland and South Africa, do not require U.S. FDA export approval. We had sold our robotic systems to international distributors, who in turn resold the product in their territories. Our international distributors were KTEC in Japan, ROCOM Frontier in Korea and Paramount Impex in India.

After the sale of substantially all of our assets on June 28, 2007, the Company became inactive. The Company has no employees and all services are provided by contracted personnel.

Our operations are limited to raising additional funds, including the sale of common stock for an aggregate of \$1,750,000 in April 2008, to be used to maintain our public company status and for a business combination, if a suitable candidate is located. Our stockholders have approved the future liquidation of the Company if we are unable to complete an acquisition or similar transaction by June 28, 2008. The Board of Directors has the authority to delay, revoke or abandon any decision to dissolve without further stockholder action.



Operations for the three months ended March 31, 2008 are not comparative to the corresponding three months ended March 31, 2007 as 2008 included our limited activity while 2007 included the operations of our historical discontinued business.

For the three months ended March 31, 2008, our general and administrative expenses consisted of our continuing expenses to maintain our public company status. Operations for the three months ended March 31, 2007 consisted primarily of revenues and from the amortization and settlement of existing agreements of \$963,228, net of costs of those revenues from general and administrative expenses.

#### *Liquidity and Capital Resources*

On April 18, 2008, we entered into stock purchase agreements with five accredited investors pursuant to which the investors agreed to purchase from the Registrant an aggregate of 2,896,394 shares of our common stock at a purchase price per share equal to \$0.6042, for an aggregate purchase price of \$1,750,000. In connection with the transaction, we provided demand and piggy-back registration rights to each investor pursuant to a registration rights agreement. The transaction was completed on April 25, 2008.

We believe our current cash position is adequate to carry out our plan.

At March 31, 2008, our “quick ratio” (cash divided by current liabilities), a conservative liquidity measure designed to predict our ability to pay bills, was 18.02.

We anticipate that we will incur operating losses from continuing operations in the next twelve months, until we enter into a business combination or until our liquidation.

Cash used in continuing operating activities of \$67,000 for the three months ended March 31, 2008 was due to our loss from continuing operations offset primarily by an increase in accrued liabilities of \$79,000.

We do not have any material commitments for capital expenditures.

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, liquidity or capital resources that are material to our investors.

#### *Critical Accounting Policies and Estimates*

The Company’s discussion and analysis of the financial condition and results of operations is based upon the Company’s unaudited financial statements included elsewhere in this Form 10-Q and have been prepared in accordance with accounting principles generally accepted in the United States as disclosed in our annual financial statements in our Form 10-KSB for the year ended December 31, 2007. Interim results are not necessarily indicative of the results for a full year.

The Company believes the following critical accounting policies affect the Company’s more significant judgments and estimates used in the preparation of the financial statements.

We have discussed our critical accounting policies with the Board of Directors.

#### *Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

Market risk represents the risk of loss that may impact our financial position, operating results or cash flows due to changes in U.S. interest rates. Our exposure to market risk is confined to our cash and short-term investments that have maturities or interest reset dates of less than one year. The goals of our cash investment policy are the security of the principal invested and fulfillment of liquidity needs. We currently do not hedge interest rate exposure. Because of the short-term nature of our investments, we do not believe that an increase in market rates would have any material negative impact on the value of our investment portfolio.

As of March 31, 2008, we held approximately \$2.9 million in a money market account at a major bank.

**Item 4T. Controls and Procedures.**

(a) Evaluation of Disclosure Controls and Procedures

Our management has established and maintains a system of disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed by us in the reports filed or submitted by us under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and include controls and procedures designed to provide reasonable assurance that information required to be disclosed by us in those reports is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer (our principal executive officer and principal financial officer, respectively), as appropriate to allow timely decisions regarding required disclosure. As of March 31, 2008, our management, including our Chief Executive Officer and our Chief Financial Officer, had conducted an evaluation of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to provide reasonable assurance that the information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

All disclosure control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Our management, including our Chief Executive Officer and our Chief Financial Officer, also conducted an evaluation of any changes in internal control over financial reporting that occurred during the last fiscal quarter covered by this Quarterly Report. That evaluation did not identify any significant changes to the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

(b) Changes in Internal Controls

Since the end of the last fiscal quarter, there have not been any significant changes in our internal control over financial reporting or in other factors that could significantly affect our internal control over financial reporting.

## Part II. Other Information

### Item 1. Legal Proceedings.

The Company is subject to various legal proceedings and claims arising in the ordinary course of business. There are no current proceedings or litigation involving us that we believe if judgment were rendered against us would have a material adverse impact on our financial position, results of operation or cash flows.

### Item 1A. Risk Factors.

There have been no material changes in our risk factors from those disclosed in our December 31, 2007 Form 10-KSB.

### Item 6. Exhibits.

Pursuant to the rules and regulations of the SEC, we have filed certain agreements as exhibits to this Quarterly Report on Form 10-Q. These agreements may contain representations and warranties by the parties. These representations and warranties have been made solely for the benefit of the other party or parties to such agreements and (i) may have been qualified by such disclosures made to such other party or parties, (ii) were made only as of the date of such agreements or such other date(s) as may be specified in such agreements and are subject to more recent developments, which may not be fully reflected in our public disclosure, (iii) may reflect the allocation risk among the parties to such agreements and (iv) may apply materiality standards different from what may be viewed as material to investors. Accordingly, these representations and warranties may not describe our actual state of affairs at the date hereof and should not be relied upon.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Stock Purchase Agreement, dated as of April 11, 2008, by and between Integrated Surgical Systems, Inc. and Robert M. Levande and Andrea Brown, JTWROS.
10.2	Stock Purchase Agreement, dated as of April 11, 2008, by and between Integrated Surgical Systems, Inc. and Christopher A. Marlett Living Trust.
10.3	Stock Purchase Agreement, dated as of April 11, 2008, by and between Integrated Surgical Systems, Inc. and Christopher A. Marlett IRA.
10.4	Stock Purchase Agreement, dated as of April 11, 2008, by and between Integrated Surgical Systems, Inc. and M. Stephen Walker, TTE and Toye A. Drewry – Walker U/A DTD 03/07/06.
10.5	Stock Purchase Agreement, dated as of April 11, 2008, by and between Integrated Surgical Systems, Inc. and Stephen Walker IRA.
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 David H. Adams.
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 David H. Adams.

**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/ DAVID H. ADAMS  
David H. Adams, Chief Financial Officer

May 20, 2008

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of April 11, 2008, by and between INTEGRATED SURGICAL SYSTEMS, INC., a Delaware corporation (the "Company"), and the party set forth on the signature page hereto ("Purchaser").

WHEREAS, the Company desires to issue to Purchaser, and Purchaser desires to purchase from the Company, that number of shares set forth on the signature page hereto (the "Shares") of common stock, par value \$.01 per share, of the Company ("Common Stock"); and

WHEREAS, the Company is issuing and selling to other purchasers additional shares of Common Stock either simultaneously with the Closing (as hereinafter defined) or as soon thereafter as practicable (collectively, the "Offering").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Purchase and Sale of Shares; Purchase Price.

a. Purchase of Shares. Purchaser hereby agrees to purchase the Shares from the Company, and the Company hereby agrees to issue and deliver to Purchaser, on the Closing Date (as hereinafter defined), the Shares.

b. Purchase Price. In consideration of the purchase of the Shares hereunder, Purchaser hereby agrees to pay to the Company on the Closing Date an amount equal to the amount set forth on the signature page hereto (the "Purchase Price").

2. Closing; Deliverables.

a. Closing. Consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Snow Becker Krauss P.C., 605 Third Avenue, New York, New York 10158, at 10:00 a.m., New York time, as soon as practicable following the date hereof, or at such other time, date or place as the parties hereto may agree upon (the "Closing Date").

b. Closing Deliverables. At the Closing, the Company shall issue and deliver to Purchaser certificate(s) representing the Shares registered in the name of Purchaser (or if so designated, a nominee thereof), and Purchaser shall deliver to the Company the Purchase Price by wire transfer of immediately available funds to such account or accounts as designated by the Company.

3. Representations and Warranties of the Company. The Company hereby

represents and warrants to Purchaser as follows:

a. Organization. The Company and each of its subsidiaries, if any ("Subsidiaries"), is duly organized and validly existing in good standing under the laws of the jurisdiction of its organization. Each of the Company and its Subsidiaries has full power and authority to own, operate and occupy its properties and to conduct its business as presently conducted and is registered or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the location of the properties owned or leased by it requires such qualification and where the failure to be so qualified would have a material adverse effect upon the condition (financial or otherwise), earnings, business, properties, prospects or operations of the Company and its Subsidiaries, considered as one enterprise (a "Material Adverse Effect"), and no proceeding has been instituted in any such jurisdiction, revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification.

b. Authority. The Company has full power and authority to execute, and deliver this Agreement and that certain registration rights agreement in the form of Exhibit A annexed hereto (the "Registration Rights Agreement"), and to perform its obligations hereunder and thereunder. Each of this Agreement and the Registration Rights Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

c. No Conflict. Neither the execution and delivery of this Agreement or the Registration Rights Agreement by the Company, nor the consummation of the transactions contemplated hereby or thereby, will result in (A) a conflict with or constitute a violation of, or default (with the passage of time or otherwise) under, (i) any material bond, debenture, note or other evidence of indebtedness, lease, contract, indenture, mortgage, deed of trust, loan agreement, joint venture or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any of its Subsidiaries or their respective properties are bound, (ii) the certificate of incorporation, by-laws or other organizational documents of the Company or any Subsidiary, or (iii) any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary or their respective properties, except in the case of clauses (i) and (iii) for any such conflicts, violations or defaults which are not reasonably likely to have a Material Adverse Effect or (B) the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or any Subsidiary or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material bond, debenture, note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any Subsidiary is a party or by which any of them is bound or to which any of the material property or assets of the Company or any Subsidiary is subject.

d. Authorized Capitalization; Shares Duly Issued. The authorized capital stock of the Company consists of (i) 100,000,000 shares of Common Stock,

4,578,500 of which are issued and outstanding, and (ii) 1,000,000 shares of preferred stock, 168 of which are issued and outstanding. The Shares, when issued in accordance with the terms and conditions of this Agreement, shall be duly authorized, validly issued, fully-paid and non-assessable, subject to no lien or encumbrance. The outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws, and were not issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Except as set forth on Schedule 3(d), there are no outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any unissued shares of capital stock or other equity interest in the Company or any Subsidiary, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or any Subsidiary is a party or of which the Company has knowledge and relating to the issuance or sale of any capital stock of the Company or any Subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options. No preemptive rights, co-sale rights, rights of first refusal, registration rights (other than with respect to the Purchaser) or other similar rights exist with respect to the Shares or the issuance and sale thereof.

e. SEC Reports. The Company has filed with the Securities and Exchange Commission (the "Commission") all reports, schedules, forms, statements and other documents required to be filed by it, as applicable, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for the last three (3) fiscal years ("SEC Reports"). The SEC Reports, when filed, complied in all material respects with the requirements of the Exchange Act, and to the knowledge of the Company, contain no 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.

f. Financial Statements. The financial statements of the Company included in the SEC Reports ("Financial Statements") (i) comply in all material respects with the requirements of the Exchange Act, (ii) fairly present the financial condition of the Company for the periods represented thereby and (iii) have been prepared in accordance with generally accepted accounting principles ("GAAP"). The capitalization table annexed hereto as Schedule 3(f) sets forth the basis for the calculation of the Purchase Price and is true and correct in all material respects as of the date hereof. There are no financial statements (historical or pro forma) that are required to be included in the SEC Reports that are not included as required; and the Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations) required to be disclosed in the SEC Reports that are not disclosed in the SEC Reports. Except as disclosed in the SEC Reports and Financial Statements, subsequent to the respective dates as of which information is given in the Financial Statements, there has not been (i) any material adverse change in the business, properties, management, financial condition or results of operations of the Company, (ii) other than in the ordinary course of business, any transaction which is material to the Company, (iii) any obligation, direct or contingent (including any off-balance sheet obligations), incurred by the Company which is material to the Company, (iv) any change in the capital stock or

outstanding indebtedness of the Company other than pursuant to the terms of outstanding debt and equity securities, or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company.

g. Legal Compliance. Neither the Company nor any Subsidiary is in violation of its charter, bylaws, or other organizational document. Neither the Company nor any Subsidiary has in the past been or currently is in violation of any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary, which violation, individually or in the aggregate, would be reasonably likely to have a Material Adverse Effect, or is in default (and there exists no condition which, with the passage of time or otherwise, would constitute a default) in any material respect in the performance of any bond, debenture, note or any other evidence of indebtedness in any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or by which the properties of the Company or any Subsidiary are bound, which would be reasonably likely to have a Material Adverse Effect.

h. Litigation. Except as set forth on Schedule 3(h), there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened or contemplated to which the Company or any of its directors or officers is or would be a party or of which any of the properties of the Company is or would be subject at law or in equity, before or by any governmental or regulatory commission, board, body, authority or agency, or preventing consummation of the transactions contemplated hereby; there are no legal or governmental proceedings pending before or by any governmental or regulatory commission, board, body, authority or agency relating to the Company's business practices and activities or to its securities, and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others. There has not been, and to the knowledge of the Company, there is not pending any investigation by the Commission involving the Company or any current or former director or officer of the Company (in his or her capacity as such). The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary.

i. Material Contracts. Schedule 3(i) sets forth the material contracts of the Company in effect as of the date hereof ("Contracts") together with a list of consents, if any, requiring consent to the transactions contemplated hereby. As of the date hereof, no party is in breach or default in any material respect under any Contract, except for such breaches and defaults as to which requisite waivers or consents have been obtained. Each Contract is valid, binding and enforceable by the Company in accordance with its terms subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

j. Property; Lease. Except with respect to that certain leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 (the



"Lease") by and between the Company, as tenant, and JB Management LP, as landlord, the Company is not party to any leasehold obligation and does not own any real or intellectual property.

k. Benefit Plans. Set forth on Schedule 3(k) is a list of each material bonus, deferred compensation, pension, profit-sharing, retirement, stock purchase or stock option, hospitalization or other medical, life or other insurance plan relating to the Company, including any policy, plan, program or agreement that provides for the payment of severance benefits, salary continuation, salary in lieu of notice or similar benefits, maintained, sponsored or contributed to by the Company or under which the Company has any present or future material obligations or material liability on behalf of the Company's employees or former employees or their dependents or beneficiaries of the Company (collectively, the "Employee Benefit Plans"). To the knowledge of the Company, the Employee Benefit Plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the Internal Revenue Code of 1986, as amended (the "Code"), are in compliance in all material respects with the presently applicable provisions of ERISA and the Code.

l. Intellectual Property. To the knowledge of the Company, each of the Company and its Subsidiaries, prior to selling substantially all of the Company's assets to a third party, owned or possessed sufficient rights to conduct its business in the ordinary course, including, without limitation, rights to use all material patents, patent rights, industry standards, trademarks, copyrights, licenses, inventions, trade secrets, trade names and know-how (collectively, "Intellectual Property") that was necessary for the conduct of its business as was conducted, except where the failure to have so owned or possessed would not have resulted in a Material Adverse Effect. To the knowledge of the Company, neither the Company nor any of its Subsidiaries infringed any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have had a Material Adverse Effect, and neither the Company nor any of its Subsidiaries has received any notice of, or has any knowledge of, any asserted infringement by the Company or any of its Subsidiaries of any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have a Material Adverse Effect.

m. Taxes. All income tax returns required to be filed by the Company have been filed and all such returns are true, complete, and correct in all material respects and all taxes that are due or claimed to be due from the Company have been paid other than those (x) currently payable without penalty or interest or (y) being contested in good faith and by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP.

n. Investment Company Status. The Company is not and, after giving effect to the Offering, will not be an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

o. Private Placement. Assuming that all representations and warranties of Purchaser set forth in Section 4 hereof are true and correct in all respects, the offer and sale of Shares hereunder is exempt from registration under the Securities Act (as hereinafter defined) and applicable state securities laws.

p. Internal Controls. At all times since first required by all applicable Exchange Act rules, the Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company, including its Subsidiaries, is made known to the certifying officers by others within those entities, particularly during the period in which the Form 10-KSB or Form 10-QSB, as the case may be, is being prepared. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by each Form 10-KSB or Form 10-QSB for which such evaluation was required by applicable Exchange Act rules, as the case may be (each such date, the "Evaluation Date"). The Company presented in each such Form 10-KSB or Form 10-QSB, as the case may be, the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the most recent Evaluation Date, there have been no significant changes in the Company's internal controls (as such term is used in Item 308(c) of Regulations S-K and S-B under the Exchange Act) or, to the Company's knowledge, in other factors that could significantly affect the Company's internal controls.

q. No Employee Violations. To the Company's knowledge, no employee or agent of the Company has made any payment of funds of the Company or received or retained any funds in violation of any law, rule or regulation. Neither the Company nor any of its directors, officers, or controlling persons has taken or will take, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares in violation of applicable law.

r. Foreign Corrupt Practices. Neither the Company, nor to the best knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

s. No Brokers. The Company is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

4. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to the Company as follows:

a. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

b. No Conflict. Neither the execution and delivery of this Agreement by Purchaser, nor the consummation of the transactions contemplated hereby, will result in a violation of any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Purchaser is subject, or conflict with, result in a breach of, constitute a default under, or result in the acceleration of, any contract or agreement to which Purchaser is a party or by which it is bound.

c. Review of SEC Reports and Financial Statements. Purchaser has fully reviewed all of the SEC Reports and Financial Statements.

d. Accredited Investor. Purchaser qualifies as an accredited investor as such term is defined under Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Purchaser has provided a completed and signed Investor Questionnaire in the form annexed to this Agreement.

e. Sophistication. Purchaser acknowledges that it is a sophisticated investor, has such knowledge and experience in financial and business matters in general and has full familiarity with the current business and future business prospects of the Company and the financial and other affairs of the Company and acknowledges that it has had access to and has received sufficient written and oral information about the Company, including any and all such information requested by Purchaser and including copies of all of the SEC Reports in order to make an informed decision to purchase the Shares. In addition, Purchaser acknowledges that it has had access to the officers, directors and employees of the Company to discuss the business, affairs and prospects of the Company and has had the opportunity to obtain additional information necessary to evaluate the merits and risks of engaging in the transactions contemplated by this Agreement. Purchaser has reached an independent decision with respect to the advisability of the purchase of the Shares and, in arriving at its decision, has considered both the value of the Shares as well as the present condition and future prospects of the Company.

f. Economic Risk. Purchaser is able to bear the economic risks of the investment in the Shares and, consequently, without limiting the generality of the foregoing, is able to hold the Shares for an indefinite period of time and has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such loss should occur.

g. No Representations. Purchaser fully understands and acknowledges that the Company makes no representations or warranties whatsoever with respect to the business, operations, financial condition, prospects or other affairs of the Company other than as explicitly set forth in this Agreement, and Purchaser expressly represents and warrants that in connection with its decision to purchase the Shares as contemplated hereunder, Purchaser is not relying upon any statements made by the Company or any of its shareholders, directors, officers, employees or agents, whether oral or written, concerning the Company, other than those set forth in this Agreement.

h. Own Account. Purchaser is acquiring the Shares for its own account for investment and not with a view to or for resale in connection with any distribution of the Shares. It has not offered or sold any portion of the Shares and has no present intention of dividing the Shares with others or of selling, distributing or otherwise disposing of any portion of the Shares either currently or after the passage of a fixed or determinable period of time or the occurrence or non-occurrence of any predetermined event or circumstance.

i. Resale. Purchaser acknowledges that the Shares have not been registered under the Securities Act and may not be offered or sold except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements thereof. Purchaser agrees that it shall not offer or sell any Shares except in accordance with Rule 144A, Rule 144 or other applicable exemption under the Securities Act, unless pursuant to an effective registration statement.

j. Taxes. Any obligation or liability for taxes (state, federal or otherwise) incurred by Purchaser in connection with this Agreement or the transactions contemplated hereby shall be the sole responsibility of and be paid for by Purchaser.

k. No Brokers. Purchaser is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

l. Advice of Counsel. Purchaser acknowledges that it has been advised to consult with its own attorney regarding the transactions contemplated hereby and to consult with its tax advisor regarding the tax consequences of acquiring the Shares.

m. Restrictive Legend. Certificates for the Shares shall contain a restrictive legend substantially in the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED,

TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENTS.

#### 5. Covenants.

a. Confidentiality. Purchaser agrees that it will not divulge, communicate, use to the detriment of the Company or for the benefit of any other person, firm or entity, or misappropriate in any way, any confidential information or trade secrets relating to the Company or any of its businesses including without limitation, business plans, systems and strategies, operating plans, acquisition strategies (including the identities of and any other information concerning possible acquisition candidates), financial information (whether pro forma or otherwise), market analyses, procedures or strategies, acquisition terms and conditions, personnel information, trade processes, manufacturing methods, operational and equipment techniques, quality control procedures and systems, projects and technological research or methods, know-how, customer lists and relationships, supplier lists, or other non-public proprietary and confidential information relating to the Company.

b. Board of Directors; Continuation of Offering. Simultaneously with the Closing, and explicitly subject to purchasers in the Offering purchasing shares of Common Stock for a purchase price not less than \$1,750,000 on or before the Closing, the Company agrees to appoint Christopher Marlett ("Marlett") as the Chief Executive Officer thereof and use its reasonable efforts to cause the Board of Directors of the Company (the "Board") to be established at a total of four (4) members, two of whom shall be the designees of Marlett. Following the Closing, MDB Capital Group LLC ("MDB") shall use its best efforts to arrange for an additional purchase or series of purchases of Common Stock (the "Subsequent Offering") with an aggregate purchase price of not less than \$1,649,608 (the "Subsequent Offering Minimum"), it being the intent of the parties that the total equity investment by all purchasers (including Purchaser) in the Offering and the Subsequent Offering be an aggregate amount not less than \$3,399,608. In the event that additional purchases of Common Stock in connection with the Subsequent Offering are completed in which the Company receives proceeds of not less than the Subsequent Offering Minimum, the Company agrees to use its reasonable efforts thereafter to cause the Board to be established at a total of five (5) members, and, at Marlett's option, cause a designee to be elected as a member of the Board at the next annual meeting of stockholders of the Company, or in the event that no such annual meeting has taken place on or before 90 days following the Subsequent Offering, appointed by the Board, provided that, such appointment does not violate any rules and regulations of the Commission. The Company agrees to accept as a purchaser in the Subsequent Offering any reasonable accredited investor introduced by MDB that has no criminal, civil or regulatory sanctions in respect thereof.

c. Blue Sky. The Company shall make all necessary filings under the Blue Sky laws of the State of New York related to the sale of the Shares and at

Purchaser's request, provide evidence of filing and payment of all related filing fees.

d. Lease. As soon as practicable after the Closing, the Company shall use its best efforts to arrange for a release from any obligation of the Company under the Lease except for a cash payment of up to \$60,000 to a new tenant leasing the leased premises. In the event that the Lease obligations are not so released on or before July 31, 2008, the Company agrees to pay to each purchaser in the Offering an amount in cash equal to \$0.0355 per share of Common Stock purchased by such purchaser in the Offering.

#### 6. Conditions to Closing.

a. Both Parties. The obligations of the parties to consummate the transactions contemplated hereby shall be subject to the following conditions:

(i) The representations and warranties of each of the Company and Purchaser shall be true and correct in all material respects on the Closing Date (except for representations and warranties that speak as of a specific date, which representations and warranties shall be true and correct as of such date).

(ii) There shall not have occurred a suspension or material limitation in trading in the Common Stock on any trading medium or exchange on which the Common Stock was being traded prior to the consummation of the purchase of the Shares.

(iii) The Registration Rights Agreement shall have been executed and delivered by the parties.

(iv) All consents, approvals or authorizations of any person required for the valid authorization, execution and delivery by the parties of this Agreement or for the consummation of the transactions contemplated hereby shall have been obtained.

(v) No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened by a third party which seeks to enjoin, restrain or prohibit this Agreement or consummation of the transactions contemplated hereby.

b. Purchaser. The obligations of Purchaser to consummate the transactions contemplated hereby shall be subject to the following additional conditions:

(i) The Company shall have delivered a secretary's certificate attesting to the current certificate of incorporation and by-laws of the Company and the resolutions approving the transactions contemplated by this Agreement.

(ii) If applicable, appropriate "blue sky" filings shall have been made under the Blue Sky laws of the State of New York relating to the sale of the Shares.

7. Indemnification. Each of the parties hereby agrees to indemnify and hold harmless the other party and each of its respective officers, directors, employees, affiliates and agents, from and against any and all losses, costs, claims, damages, expenses, obligations and liabilities of any nature whatsoever, including, without limitation, court costs and reasonable attorneys' fees (specifically including court costs and reasonable attorneys' fees incurred in enforcing this Section 7 or in recovering damages or pursuing other remedies with respect to any breach of this Section 7), incurred by such party as a result of or in connection with any breach of any representation, warranty, covenant or other obligation of the other party contained in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Company shall only be liable to indemnify Purchaser up to a maximum aggregate indemnification amount equal to the Purchase Price.

8. Expenses. The Company shall pay the expenses of Purchaser and the other purchasers in connection with the Offering, including without limitation, reasonable legal fees, expenses of registration, and other out-of-pocket expenses, up to an aggregate maximum for all purchasers of \$50,000. Purchaser agrees to provide written evidence to the Company reasonably satisfactory thereby of any expense in excess of \$500.

9. Miscellaneous.

a. Waiver. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against which the waiver is asserted or by its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation in any other instance, in any other respect, or at any other time.

b. Notices. All notices and other communications required or permitted to be made or given hereunder (all of the foregoing hereinafter collectively referred to as "Communications") shall be in writing, signed by or on behalf of the notifying party, and shall be deemed to have been duly made or given when (i) delivered personally, (ii) five (5) business days after being sent by registered or certified mail or equivalent, return receipt requested, or (iii) one (1) business day after being sent by recognized overnight courier for next business day delivery, in each case as set forth below or to such other or additional address as either party shall hereafter specify by Communication to the other party:

If to the Company:

Integrated Surgical Systems, Inc.  
105 Solana Drive  
Los Altos, California 94022  
Attention: Peter B. Mills, Chief Executive Officer

With a copy to:

Snow Becker Krauss P.C.  
605 Third Avenue  
New York, New York 10158  
Attention: David R. Fishkin, Esq.

If to Purchaser:

to the address as set forth on the signature page hereto

With a copy to:

Golenbock Eiseman Assor Bell & Peskoe LLP  
437 Madison Avenue  
New York, New York 10022  
Attention: Andrew D. Hudders, Esq.

c. Modifications to Be in Writing. To be effective, any modification to this Agreement must be in writing signed by all parties to this Agreement.

d. Agreement Binding upon Successors and Assigns. This Agreement shall bind both parties and their respective successors and assigns. All rights, privileges and powers granted to each party under this Agreement shall benefit such party and its successors and assigns.

e. Assignment of Agreement. This Agreement shall not be assigned by either party without the prior written consent of the other party.

f. Further Assurances. Both parties agree to take any further actions and to make, execute and deliver any further written instruments which may be reasonably required to carry out the terms, provisions, intentions and purposes of this Agreement.

g. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without giving effect to principles of conflicts or choice of laws thereof.

h. Severability. If any provision of this Agreement or any application of any provision is determined to be unenforceable, the remainder of this Agreement shall be unaffected. If the provision is found to be unenforceable when applied to particular persons or circumstances, the application of the provision to other persons or circumstances shall be unaffected.

i. Headings. Headings used in this Agreement have been included for convenience and ease of reference only and will not in any manner influence the construction or interpretation of any provision of this Agreement.



j. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement.

[The rest of this page is intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have executed and delivered this Agreement as of the date first written above.

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Peter B. Mills

-----  
Name: Peter B. Mills  
Title: Chief Executive Officer

Purchaser:

Robert M. Levande and Andrea Brown,  
JTWROS

By: /s/ Robert M. Levande

-----  
Name: Robert M. Levande  
Title:

Address:  
8 East 67th Street  
New York, New York 10065

Number of Shares: 16,551

Purchase Price: \$10,000

Purchase Price per Share: \$0.6042

SCHEDULE 3(D)

Outstanding Rights

1. Reference is made to Schedule 3(j)
2. Series G Convertible Preferred Stock

SCHEDULE 3(F)

Capitalization Table

INTEGRATED SURGICAL SYSTEMS  
CAP TABLE  
SUMMARY  
AS OF MARCH 14, 2008

COMMON STOCK OUTSTANDING	4,578,500		
WARRANTS	30,000		
STOCK OPTIONS	63,050		
	-----		
FULLY-DILUTED SHARES O/S 3-14-08	4,671,550		
WARRANTS			
SBK	30,000	@ \$0.625	
	-----		
Total Warrants	30,000		
STOCK OPTIONS		ex price	exp date
		-----	-----
Mills	3,000	\$ 0.4000	01-Nov-11
Tomczak	3,000	\$ 0.4000	01-Nov-11
Moorman	2,000	\$ 0.4000	01-Nov-11
Mills	25,000	\$ 0.3275	13-Aug-12
Tomczak	25,000	\$ 0.3275	13-Aug-12
Various Doctors	5,050	see below	
	-----		
	63,050		
VARIOUS DOCTOR STOCK OPTIONS			
Bargar, Dr.	500	\$27.5000	03-Oct-09
Bauer, Dr.	650	\$36.8800	11-Nov-08
Boerner, Dr.	650	\$36.8800	11-Nov-08
Dogali, Dr.	1,000	\$30.0000	13-Mar-10
Lahmer, Dr.	650	\$36.8800	11-Nov-08
Ries, Dr. K.	50	\$10.0000	14-Sep-08
Ries, Dr. K.	500	\$36.2500	04-Jan-09
Ries, Dr. M.	500	\$35.6300	25-Jul-09
Vince, Dr. Kelly	50	\$36.2500	14-Sep-08
Klosinski, R	500	\$ 0.3100	01-May-12
	-----		
	5,050		

BASIS FOR CALCULATION OF PURCHASE PRICE

fully-diluted common shares	4,671,550	low price last 5 days =	\$ 0.2900
plus: adjusted series G	734,548	80% of low price last 5 days	\$ 0.2300
	-----		
adjusted fully-diluted shares	5,406,098	# series G shares	168,946
			-----
ISS cash less liabs	2,866,290	CS equivalent series G	734,548
shell value	400,000	per term sheet	
	-----		
value ISS	3,266,290		
Amount required for 51%	3,399,608	51%	
# shares required for 51%	5,626,755	51% B6/.49-B6	
price per share	\$ 0.6042		
ISS cash @ 3-14	3,078,452	actual @ 3-13-08 per Adams	
All liabilities	(212,162)	total AP accrued liabs per worksheet	
	-----		
Adjusted net cash @ 2-29-08	2,866,290		

SCHEDULE 3(H)

Litigation

The Company is aware of a potential matter involving Energex Systems ("Energex") and its Chief Executive Officer, Thomas J. Fagan. Energex has instituted a demand for a list of the stockholders of the Company in connection with a potential transaction involving Energex and the Company.

1. Any claims or actions relating to the demand for the list of stockholders.
2. Any claims or actions relating to the potential transaction with Energex.

SCHEDULE 3(I)

Material Contracts

1. Agreement to pay \$25,000 per annum to each of Peter Mills and Michael Tomczak.
2. Options to purchase 3,000 shares of Common Stock granted in 2006 to each Messrs. Mills and Tomczak.
3. Agreement to grant 25,000 stock options to each of Messrs. Mills and Tomczak.
4. Leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 by and between the Company, as tenant, and JB Management LP, as landlord.
5. Advisory Services Agreement dated as of November 28, 2007 by and between MDB Capital Group LLC and the Company.

SCHEDULE 3(K)

Benefit Plans

See Schedule 3(h)



EXHIBIT A

Registration Rights Agreement

EXHIBIT B

Investor Questionnaire

INTEGRATED SURGICAL SYSTEMS, INC.

INVESTOR QUESTIONNAIRE

(ALL INFORMATION WILL BE TREATED CONFIDENTIALLY)

To: Integrated Surgical Systems, Inc.  
3221 Porter Avenue  
Palo Alto, California 94304

This Investor Questionnaire ("Questionnaire") must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value \$.01 per share, of Integrated Surgical Systems, Inc. (the "Securities"). The Securities are being offered and sold by Integrated Surgical Systems, Inc. (the "Corporation") without registration under the Securities Act of 1933, as amended (the "Act"), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(2) of the Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemption from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. Your answers will be kept strictly confidential. However, by signing this Questionnaire you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

A. BACKGROUND INFORMATION

Name: \_\_\_\_\_

Business Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone Number: (\_\_\_\_) \_\_\_\_\_

Residence Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone Number: (\_\_\_\_) \_\_\_\_\_

If an individual:

Age: \_\_\_\_\_ Citizenship: \_\_\_\_\_ Where registered to vote: \_\_\_\_\_

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity: \_\_\_\_\_

State of incorporation: \_\_\_\_\_

Social Security or Taxpayer Identification No. \_\_\_\_\_

Send all correspondence to (check one): \_\_\_\_\_ Residence Address \_\_\_\_\_ Business Address \_\_\_\_\_

Current ownership of securities of the Corporation:

\_\_\_\_\_ shares of common stock, par value \$.01 per share (the "Common Stock")

\_\_\_\_\_ options to purchase shares of common stock

Name(s) of persons with voting and selling authority of the above listed Common Stock and the Common Stock being purchased: \_\_\_\_\_

B. STATUS AS ACCREDITED INVESTOR

The undersigned is an "accredited investor" as such term is defined in Regulation D under the Act, as at the time of the sale of the Securities the undersigned falls within one or more of the following categories (Please initial one or more, as applicable):

\_\_\_\_ (1) a bank as defined in Section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Act; an investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; a Small Business Investment Corporation licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with the investment decisions made solely by persons that are accredited investors;

\_\_\_\_ (2) a private business development company as defined in Section 202(a)(22) of the Investment Adviser Act of 1940;

\_\_\_\_ (3) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities offered, with total assets in excess of \$5,000,000;

\_\_\_\_ (4) a natural person whose individual net worth(1), or joint net worth with that person's spouse, at the time of such person's purchase of the Securities exceeds \$1,000,000;

\_\_\_\_ (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

\_\_\_\_ (6) a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D; and

\_\_\_\_ (7) an entity in which all of the equity owners are accredited investors (as defined above).

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(1) As used in this Questionnaire, the term "net worth" means the excess of total assets over total liabilities. In computing net worth for the purpose of subsection (4), the principal residence of the investor must be valued at cost, including cost of improvements, or at recently appraised value by an institutional lender making a secured loan, net of encumbrances. In determining income, the investor should add to the investor's adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depiction, contributions to an IRA or KEOGH retirement plan, alimony payments, and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.

IN WITNESS WHEREOF, the undersigned has executed this Questionnaire this  
\_\_\_\_ day of \_\_\_\_\_, 2008, and declares under oath that it is truthful  
and correct.

\_\_\_\_\_  
Print Name

By:

-----  
Signature

Title: \_\_\_\_\_  
(required for any purchaser that is a  
corporation, partnership, trust or other  
entity)

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of April 11, 2008, by and between INTEGRATED SURGICAL SYSTEMS, INC., a Delaware corporation (the "Company"), and the party set forth on the signature page hereto ("Purchaser").

WHEREAS, the Company desires to issue to Purchaser, and Purchaser desires to purchase from the Company, that number of shares set forth on the signature page hereto (the "Shares") of common stock, par value \$.01 per share, of the Company ("Common Stock"); and

WHEREAS, the Company is issuing and selling to other purchasers additional shares of Common Stock either simultaneously with the Closing (as hereinafter defined) or as soon thereafter as practicable (collectively, the "Offering").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Purchase and Sale of Shares; Purchase Price.

a. Purchase of Shares. Purchaser hereby agrees to purchase the Shares from the Company, and the Company hereby agrees to issue and deliver to Purchaser, on the Closing Date (as hereinafter defined), the Shares.

b. Purchase Price. In consideration of the purchase of the Shares hereunder, Purchaser hereby agrees to pay to the Company on the Closing Date an amount equal to the amount set forth on the signature page hereto (the "Purchase Price").

2. Closing; Deliverables.

a. Closing. Consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Snow Becker Krauss P.C., 605 Third Avenue, New York, New York 10158, at 10:00 a.m., New York time, as soon as practicable following the date hereof, or at such other time, date or place as the parties hereto may agree upon (the "Closing Date").

b. Closing Deliverables. At the Closing, the Company shall issue and deliver to Purchaser certificate(s) representing the Shares registered in the name of Purchaser (or if so designated, a nominee thereof), and Purchaser shall deliver to the Company the Purchase Price by wire transfer of immediately available funds to such account or accounts as designated by the Company.

3. Representations and Warranties of the Company. The Company hereby

represents and warrants to Purchaser as follows:

a. Organization. The Company and each of its subsidiaries, if any ("Subsidiaries"), is duly organized and validly existing in good standing under the laws of the jurisdiction of its organization. Each of the Company and its Subsidiaries has full power and authority to own, operate and occupy its properties and to conduct its business as presently conducted and is registered or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the location of the properties owned or leased by it requires such qualification and where the failure to be so qualified would have a material adverse effect upon the condition (financial or otherwise), earnings, business, properties, prospects or operations of the Company and its Subsidiaries, considered as one enterprise (a "Material Adverse Effect"), and no proceeding has been instituted in any such jurisdiction, revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification.

b. Authority. The Company has full power and authority to execute, and deliver this Agreement and that certain registration rights agreement in the form of Exhibit A annexed hereto (the "Registration Rights Agreement"), and to perform its obligations hereunder and thereunder. Each of this Agreement and the Registration Rights Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

c. No Conflict. Neither the execution and delivery of this Agreement or the Registration Rights Agreement by the Company, nor the consummation of the transactions contemplated hereby or thereby, will result in (A) a conflict with or constitute a violation of, or default (with the passage of time or otherwise) under, (i) any material bond, debenture, note or other evidence of indebtedness, lease, contract, indenture, mortgage, deed of trust, loan agreement, joint venture or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any of its Subsidiaries or their respective properties are bound, (ii) the certificate of incorporation, by-laws or other organizational documents of the Company or any Subsidiary, or (iii) any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary or their respective properties, except in the case of clauses (i) and (iii) for any such conflicts, violations or defaults which are not reasonably likely to have a Material Adverse Effect or (B) the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or any Subsidiary or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material bond, debenture, note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any Subsidiary is a party or by which any of them is bound or to which any of the material property or assets of the Company or any Subsidiary is subject.

d. Authorized Capitalization; Shares Duly Issued. The authorized capital stock of the Company consists of (i) 100,000,000 shares of Common Stock,

4,578,500 of which are issued and outstanding, and (ii) 1,000,000 shares of preferred stock, 168 of which are issued and outstanding. The Shares, when issued in accordance with the terms and conditions of this Agreement, shall be duly authorized, validly issued, fully-paid and non-assessable, subject to no lien or encumbrance. The outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws, and were not issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Except as set forth on Schedule 3(d), there are no outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any unissued shares of capital stock or other equity interest in the Company or any Subsidiary, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or any Subsidiary is a party or of which the Company has knowledge and relating to the issuance or sale of any capital stock of the Company or any Subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options. No preemptive rights, co-sale rights, rights of first refusal, registration rights (other than with respect to the Purchaser) or other similar rights exist with respect to the Shares or the issuance and sale thereof.

e. SEC Reports. The Company has filed with the Securities and Exchange Commission (the "Commission") all reports, schedules, forms, statements and other documents required to be filed by it, as applicable, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for the last three (3) fiscal years ("SEC Reports"). The SEC Reports, when filed, complied in all material respects with the requirements of the Exchange Act, and to the knowledge of the Company, contain no 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.

f. Financial Statements. The financial statements of the Company included in the SEC Reports ("Financial Statements") (i) comply in all material respects with the requirements of the Exchange Act, (ii) fairly present the financial condition of the Company for the periods represented thereby and (iii) have been prepared in accordance with generally accepted accounting principles ("GAAP"). The capitalization table annexed hereto as Schedule 3(f) sets forth the basis for the calculation of the Purchase Price and is true and correct in all material respects as of the date hereof. There are no financial statements (historical or pro forma) that are required to be included in the SEC Reports that are not included as required; and the Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations) required to be disclosed in the SEC Reports that are not disclosed in the SEC Reports. Except as disclosed in the SEC Reports and Financial Statements, subsequent to the respective dates as of which information is given in the Financial Statements, there has not been (i) any material adverse change in the business, properties, management, financial condition or results of operations of the Company, (ii) other than in the ordinary course of business, any transaction which is material to the Company, (iii) any obligation, direct or contingent (including any off-balance sheet obligations), incurred by the Company which is material to the Company, (iv) any change in the capital stock or



outstanding indebtedness of the Company other than pursuant to the terms of outstanding debt and equity securities, or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company.

g. Legal Compliance. Neither the Company nor any Subsidiary is in violation of its charter, bylaws, or other organizational document. Neither the Company nor any Subsidiary has in the past been or currently is in violation of any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary, which violation, individually or in the aggregate, would be reasonably likely to have a Material Adverse Effect, or is in default (and there exists no condition which, with the passage of time or otherwise, would constitute a default) in any material respect in the performance of any bond, debenture, note or any other evidence of indebtedness in any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or by which the properties of the Company or any Subsidiary are bound, which would be reasonably likely to have a Material Adverse Effect.

h. Litigation. Except as set forth on Schedule 3(h), there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened or contemplated to which the Company or any of its directors or officers is or would be a party or of which any of the properties of the Company is or would be subject at law or in equity, before or by any governmental or regulatory commission, board, body, authority or agency, or preventing consummation of the transactions contemplated hereby; there are no legal or governmental proceedings pending before or by any governmental or regulatory commission, board, body, authority or agency relating to the Company's business practices and activities or to its securities, and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others. There has not been, and to the knowledge of the Company, there is not pending any investigation by the Commission involving the Company or any current or former director or officer of the Company (in his or her capacity as such). The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary.

i. Material Contracts. Schedule 3(i) sets forth the material contracts of the Company in effect as of the date hereof ("Contracts") together with a list of consents, if any, requiring consent to the transactions contemplated hereby. As of the date hereof, no party is in breach or default in any material respect under any Contract, except for such breaches and defaults as to which requisite waivers or consents have been obtained. Each Contract is valid, binding and enforceable by the Company in accordance with its terms subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

j. Property; Lease. Except with respect to that certain leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 (the

"Lease") by and between the Company, as tenant, and JB Management LP, as landlord, the Company is not party to any leasehold obligation and does not own any real or intellectual property.

k. Benefit Plans. Set forth on Schedule 3(k) is a list of each material bonus, deferred compensation, pension, profit-sharing, retirement, stock purchase or stock option, hospitalization or other medical, life or other insurance plan relating to the Company, including any policy, plan, program or agreement that provides for the payment of severance benefits, salary continuation, salary in lieu of notice or similar benefits, maintained, sponsored or contributed to by the Company or under which the Company has any present or future material obligations or material liability on behalf of the Company's employees or former employees or their dependents or beneficiaries of the Company (collectively, the "Employee Benefit Plans"). To the knowledge of the Company, the Employee Benefit Plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the Internal Revenue Code of 1986, as amended (the "Code"), are in compliance in all material respects with the presently applicable provisions of ERISA and the Code.

l. Intellectual Property. To the knowledge of the Company, each of the Company and its Subsidiaries, prior to selling substantially all of the Company's assets to a third party, owned or possessed sufficient rights to conduct its business in the ordinary course, including, without limitation, rights to use all material patents, patent rights, industry standards, trademarks, copyrights, licenses, inventions, trade secrets, trade names and know-how (collectively, "Intellectual Property") that was necessary for the conduct of its business as was conducted, except where the failure to have so owned or possessed would not have resulted in a Material Adverse Effect. To the knowledge of the Company, neither the Company nor any of its Subsidiaries infringed any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have had a Material Adverse Effect, and neither the Company nor any of its Subsidiaries has received any notice of, or has any knowledge of, any asserted infringement by the Company or any of its Subsidiaries of any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have a Material Adverse Effect.

m. Taxes. All income tax returns required to be filed by the Company have been filed and all such returns are true, complete, and correct in all material respects and all taxes that are due or claimed to be due from the Company have been paid other than those (x) currently payable without penalty or interest or (y) being contested in good faith and by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP.

n. Investment Company Status. The Company is not and, after giving effect to the Offering, will not be an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

o. Private Placement. Assuming that all representations and warranties of Purchaser set forth in Section 4 hereof are true and correct in all respects, the offer and sale of Shares hereunder is exempt from registration under the Securities Act (as hereinafter defined) and applicable state securities laws.

p. Internal Controls. At all times since first required by all applicable Exchange Act rules, the Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company, including its Subsidiaries, is made known to the certifying officers by others within those entities, particularly during the period in which the Form 10-KSB or Form 10-QSB, as the case may be, is being prepared. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by each Form 10-KSB or Form 10-QSB for which such evaluation was required by applicable Exchange Act rules, as the case may be (each such date, the "Evaluation Date"). The Company presented in each such Form 10-KSB or Form 10-QSB, as the case may be, the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the most recent Evaluation Date, there have been no significant changes in the Company's internal controls (as such term is used in Item 308(c) of Regulations S-K and S-B under the Exchange Act) or, to the Company's knowledge, in other factors that could significantly affect the Company's internal controls.

q. No Employee Violations. To the Company's knowledge, no employee or agent of the Company has made any payment of funds of the Company or received or retained any funds in violation of any law, rule or regulation. Neither the Company nor any of its directors, officers, or controlling persons has taken or will take, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares in violation of applicable law.

r. Foreign Corrupt Practices. Neither the Company, nor to the best knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

s. No Brokers. The Company is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

4. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to the Company as follows:

a. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

b. No Conflict. Neither the execution and delivery of this Agreement by Purchaser, nor the consummation of the transactions contemplated hereby, will result in a violation of any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Purchaser is subject, or conflict with, result in a breach of, constitute a default under, or result in the acceleration of, any contract or agreement to which Purchaser is a party or by which it is bound.

c. Review of SEC Reports and Financial Statements. Purchaser has fully reviewed all of the SEC Reports and Financial Statements.

d. Accredited Investor. Purchaser qualifies as an accredited investor as such term is defined under Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Purchaser has provided a completed and signed Investor Questionnaire in the form annexed to this Agreement.

e. Sophistication. Purchaser acknowledges that it is a sophisticated investor, has such knowledge and experience in financial and business matters in general and has full familiarity with the current business and future business prospects of the Company and the financial and other affairs of the Company and acknowledges that it has had access to and has received sufficient written and oral information about the Company, including any and all such information requested by Purchaser and including copies of all of the SEC Reports in order to make an informed decision to purchase the Shares. In addition, Purchaser acknowledges that it has had access to the officers, directors and employees of the Company to discuss the business, affairs and prospects of the Company and has had the opportunity to obtain additional information necessary to evaluate the merits and risks of engaging in the transactions contemplated by this Agreement. Purchaser has reached an independent decision with respect to the advisability of the purchase of the Shares and, in arriving at its decision, has considered both the value of the Shares as well as the present condition and future prospects of the Company.

f. Economic Risk. Purchaser is able to bear the economic risks of the investment in the Shares and, consequently, without limiting the generality of the foregoing, is able to hold the Shares for an indefinite period of time and has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such loss should occur.

g. No Representations. Purchaser fully understands and acknowledges that the Company makes no representations or warranties whatsoever with respect to the business, operations, financial condition, prospects or other affairs of the Company other than as explicitly set forth in this Agreement, and Purchaser expressly represents and warrants that in connection with its decision to purchase the Shares as contemplated hereunder, Purchaser is not relying upon any statements made by the Company or any of its shareholders, directors, officers, employees or agents, whether oral or written, concerning the Company, other than those set forth in this Agreement.

h. Own Account. Purchaser is acquiring the Shares for its own account for investment and not with a view to or for resale in connection with any distribution of the Shares. It has not offered or sold any portion of the Shares and has no present intention of dividing the Shares with others or of selling, distributing or otherwise disposing of any portion of the Shares either currently or after the passage of a fixed or determinable period of time or the occurrence or non-occurrence of any predetermined event or circumstance.

i. Resale. Purchaser acknowledges that the Shares have not been registered under the Securities Act and may not be offered or sold except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements thereof. Purchaser agrees that it shall not offer or sell any Shares except in accordance with Rule 144A, Rule 144 or other applicable exemption under the Securities Act, unless pursuant to an effective registration statement.

j. Taxes. Any obligation or liability for taxes (state, federal or otherwise) incurred by Purchaser in connection with this Agreement or the transactions contemplated hereby shall be the sole responsibility of and be paid for by Purchaser.

k. No Brokers. Purchaser is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

l. Advice of Counsel. Purchaser acknowledges that it has been advised to consult with its own attorney regarding the transactions contemplated hereby and to consult with its tax advisor regarding the tax consequences of acquiring the Shares.

m. Restrictive Legend. Certificates for the Shares shall contain a restrictive legend substantially in the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED,

TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENTS.

#### 5. Covenants.

a. Confidentiality. Purchaser agrees that it will not divulge, communicate, use to the detriment of the Company or for the benefit of any other person, firm or entity, or misappropriate in any way, any confidential information or trade secrets relating to the Company or any of its businesses including without limitation, business plans, systems and strategies, operating plans, acquisition strategies (including the identities of and any other information concerning possible acquisition candidates), financial information (whether pro forma or otherwise), market analyses, procedures or strategies, acquisition terms and conditions, personnel information, trade processes, manufacturing methods, operational and equipment techniques, quality control procedures and systems, projects and technological research or methods, know-how, customer lists and relationships, supplier lists, or other non-public proprietary and confidential information relating to the Company.

b. Board of Directors; Continuation of Offering. Simultaneously with the Closing, and explicitly subject to purchasers in the Offering purchasing shares of Common Stock for a purchase price not less than \$1,750,000 on or before the Closing, the Company agrees to appoint Christopher Marlett ("Marlett") as the Chief Executive Officer thereof and use its reasonable efforts to cause the Board of Directors of the Company (the "Board") to be established at a total of four (4) members, two of whom shall be the designees of Marlett. Following the Closing, MDB Capital Group LLC ("MDB") shall use its best efforts to arrange for an additional purchase or series of purchases of Common Stock (the "Subsequent Offering") with an aggregate purchase price of not less than \$1,649,608 (the "Subsequent Offering Minimum"), it being the intent of the parties that the total equity investment by all purchasers (including Purchaser) in the Offering and the Subsequent Offering be an aggregate amount not less than \$3,399,608. In the event that additional purchases of Common Stock in connection with the Subsequent Offering are completed in which the Company receives proceeds of not less than the Subsequent Offering Minimum, the Company agrees to use its reasonable efforts thereafter to cause the Board to be established at a total of five (5) members, and, at Marlett's option, cause a designee to be elected as a member of the Board at the next annual meeting of stockholders of the Company, or in the event that no such annual meeting has taken place on or before 90 days following the Subsequent Offering, appointed by the Board, provided that, such appointment does not violate any rules and regulations of the Commission. The Company agrees to accept as a purchaser in the Subsequent Offering any reasonable accredited investor introduced by MDB that has no criminal, civil or regulatory sanctions in respect thereof.

c. Blue Sky. The Company shall make all necessary filings under the Blue Sky laws of the State of New York related to the sale of the Shares and at

Purchaser's request, provide evidence of filing and payment of all related filing fees.

d. Lease. As soon as practicable after the Closing, the Company shall use its best efforts to arrange for a release from any obligation of the Company under the Lease except for a cash payment of up to \$60,000 to a new tenant leasing the leased premises. In the event that the Lease obligations are not so released on or before July 31, 2008, the Company agrees to pay to each purchaser in the Offering an amount in cash equal to \$0.0355 per share of Common Stock purchased by such purchaser in the Offering.

#### 6. Conditions to Closing.

a. Both Parties. The obligations of the parties to consummate the transactions contemplated hereby shall be subject to the following conditions:

(i) The representations and warranties of each of the Company and Purchaser shall be true and correct in all material respects on the Closing Date (except for representations and warranties that speak as of a specific date, which representations and warranties shall be true and correct as of such date).

(ii) There shall not have occurred a suspension or material limitation in trading in the Common Stock on any trading medium or exchange on which the Common Stock was being traded prior to the consummation of the purchase of the Shares.

(iii) The Registration Rights Agreement shall have been executed and delivered by the parties.

(iv) All consents, approvals or authorizations of any person required for the valid authorization, execution and delivery by the parties of this Agreement or for the consummation of the transactions contemplated hereby shall have been obtained.

(v) No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened by a third party which seeks to enjoin, restrain or prohibit this Agreement or consummation of the transactions contemplated hereby.

b. Purchaser. The obligations of Purchaser to consummate the transactions contemplated hereby shall be subject to the following additional conditions:

(i) The Company shall have delivered a secretary's certificate attesting to the current certificate of incorporation and by-laws of the Company and the resolutions approving the transactions contemplated by this Agreement.

(ii) If applicable, appropriate "blue sky" filings shall have been made under the Blue Sky laws of the State of New York relating to the sale of the Shares.

7. Indemnification. Each of the parties hereby agrees to indemnify and hold harmless the other party and each of its respective officers, directors, employees, affiliates and agents, from and against any and all losses, costs, claims, damages, expenses, obligations and liabilities of any nature whatsoever, including, without limitation, court costs and reasonable attorneys' fees (specifically including court costs and reasonable attorneys' fees incurred in enforcing this Section 7 or in recovering damages or pursuing other remedies with respect to any breach of this Section 7), incurred by such party as a result of or in connection with any breach of any representation, warranty, covenant or other obligation of the other party contained in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Company shall only be liable to indemnify Purchaser up to a maximum aggregate indemnification amount equal to the Purchase Price.

8. Expenses. The Company shall pay the expenses of Purchaser and the other purchasers in connection with the Offering, including without limitation, reasonable legal fees, expenses of registration, and other out-of-pocket expenses, up to an aggregate maximum for all purchasers of \$50,000. Purchaser agrees to provide written evidence to the Company reasonably satisfactory thereby of any expense in excess of \$500.

9. Miscellaneous.

a. Waiver. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against which the waiver is asserted or by its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation in any other instance, in any other respect, or at any other time.

b. Notices. All notices and other communications required or permitted to be made or given hereunder (all of the foregoing hereinafter collectively referred to as "Communications") shall be in writing, signed by or on behalf of the notifying party, and shall be deemed to have been duly made or given when (i) delivered personally, (ii) five (5) business days after being sent by registered or certified mail or equivalent, return receipt requested, or (iii) one (1) business day after being sent by recognized overnight courier for next business day delivery, in each case as set forth below or to such other or additional address as either party shall hereafter specify by Communication to the other party:

If to the Company:

Integrated Surgical Systems, Inc.  
105 Solana Drive  
Los Altos, California 94022  
Attention: Peter B. Mills, Chief Executive Officer

With a copy to:



Snow Becker Krauss P.C.  
605 Third Avenue  
New York, New York 10158  
Attention: David R. Fishkin, Esq.

If to Purchaser:

to the address as set forth on the signature page hereto

With a copy to:

Golenbock Eiseman Assor Bell & Peskoe LLP  
437 Madison Avenue  
New York, New York 10022  
Attention: Andrew D. Hudders, Esq.

c. Modifications to Be in Writing. To be effective, any modification to this Agreement must be in writing signed by all parties to this Agreement.

d. Agreement Binding upon Successors and Assigns. This Agreement shall bind both parties and their respective successors and assigns. All rights, privileges and powers granted to each party under this Agreement shall benefit such party and its successors and assigns.

e. Assignment of Agreement. This Agreement shall not be assigned by either party without the prior written consent of the other party.

f. Further Assurances. Both parties agree to take any further actions and to make, execute and deliver any further written instruments which may be reasonably required to carry out the terms, provisions, intentions and purposes of this Agreement.

g. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without giving effect to principles of conflicts or choice of laws thereof.

h. Severability. If any provision of this Agreement or any application of any provision is determined to be unenforceable, the remainder of this Agreement shall be unaffected. If the provision is found to be unenforceable when applied to particular persons or circumstances, the application of the provision to other persons or circumstances shall be unaffected.

i. Headings. Headings used in this Agreement have been included for convenience and ease of reference only and will not in any manner influence the construction or interpretation of any provision of this Agreement.

j. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement.

[The rest of this page is intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have executed and delivered this Agreement as of the date first written above.

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Peter B. Mills

-----  
Name: Peter B. Mills  
Title: Chief Executive Officer

Purchaser:

Christopher A. Marlett Living Trust

By: /s/ Christopher Marlett

-----  
Name: Christopher Marlett  
Title: Investor

Address:

c/o MDB Capital Group LLC  
401 Wilshire Blvd. #1020  
Santa Monica, CA 90401

Number of Shares: 827,541

Purchase Price: \$500,000

Purchase Price per Share: \$0.6042

SCHEDULE 3(D)

Outstanding Rights

1. Reference is made to Schedule 3(j)
2. Series G Convertible Preferred Stock

SCHEDULE 3(F)

Capitalization Table

INTEGRATED SURGICAL SYSTEMS  
CAP TABLE  
SUMMARY  
AS OF MARCH 14, 2008

COMMON STOCK OUTSTANDING	4,578,500
WARRANTS	30,000
STOCK OPTIONS	63,050
	-----
FULLY-DILUTED SHARES O/S 3-14-08	4,671,550

WARRANTS		
SBK	30,000	@ \$0.625
	-----	
Total Warrants	30,000	

STOCK OPTIONS		ex price	exp date
		-----	-----
Mills	3,000	\$0.4000	01-Nov-11
Tomczak	3,000	\$0.4000	01-Nov-11
Moorman	2,000	\$0.4000	01-Nov-11
Mills	25,000	\$0.3275	13-Aug-12
Tomczak	25,000	\$0.3275	13-Aug-12
Various Doctors	5,050	see below	
	-----		
	63,050		

VARIOUS DOCTOR STOCK OPTIONS

Bargar, Dr.	500	\$27.5000	03-Oct-09
Bauer, Dr.	650	\$36.8800	11-Nov-08
Boerner, Dr.	650	\$36.8800	11-Nov-08
Dogali, Dr.	1,000	\$30.0000	13-Mar-10
Lahmer, Dr.	650	\$36.8800	11-Nov-08
Ries, Dr. K.	50	\$10.0000	14-Sep-08
Ries, Dr. K.	500	\$36.2500	04-Jan-09
Ries, Dr. M.	500	\$35.6300	25-Jul-09
Vince, Dr. Kelly	50	\$36.2500	14-Sep-08
Klosinski, R	500	\$ 0.3100	01-May-12
	-----		
	5,050		

BASIS FOR CALCULATION OF PURCHASE PRICE

fully-diluted common shares	4,671,550	low price last 5 days =	\$ 0.2900
plus: adjusted series G	734,548	80% of low price last 5 days	\$ 0.2300
	-----		
adjusted fully-diluted shares	5,406,098	# series G shares	168,946
		CS equivalent series G	734,548
			-----
ISS cash less liabs	2,866,290		
shell value	400,000	per term sheet	
	-----		
value ISS	3,266,290		
Amount required for 51%	3,399,608	51%	
# shares required for 51%	5,626,755	51% B6/.49-B6	
price per share	\$ 0.6042		
ISS cash @ 3-14	3,078,452	actual @ 3-13-08 per Adams	
All liabilities	(212,162)	total AP accrued liabs per worksheet	
	-----		
Adjusted net cash @ 2-29-08	2,866,290		

SCHEDULE 3(H)

Litigation

The Company is aware of a potential matter involving Energex Systems ("Energex") and its Chief Executive Officer, Thomas J. Fagan. Energex has instituted a demand for a list of the stockholders of the Company in connection with a potential transaction involving Energex and the Company.

1. Any claims or actions relating to the demand for the list of stockholders.
2. Any claims or actions relating to the potential transaction with Energex.

SCHEDULE 3(I)

Material Contracts

1. Agreement to pay \$25,000 per annum to each of Peter Mills and Michael Tomczak.
2. Options to purchase 3,000 shares of Common Stock granted in 2006 to each Messrs. Mills and Tomczak.
3. Agreement to grant 25,000 stock options to each of Messrs. Mills and Tomczak.
4. Leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 by and between the Company, as tenant, and JB Management LP, as landlord.
5. Advisory Services Agreement dated as of November 28, 2007 by and between MDB Capital Group LLC and the Company.



SCHEDULE 3(K)

Benefit Plans

See Schedule 3(h)

EXHIBIT A

Registration Rights Agreement

EXHIBIT B

Investor Questionnaire

INTEGRATED SURGICAL SYSTEMS, INC.

INVESTOR QUESTIONNAIRE

(ALL INFORMATION WILL BE TREATED CONFIDENTIALLY)

To: Integrated Surgical Systems, Inc.  
3221 Porter Avenue  
Palo Alto, California 94304

This Investor Questionnaire ("Questionnaire") must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value \$.01 per share, of Integrated Surgical Systems, Inc. (the "Securities"). The Securities are being offered and sold by Integrated Surgical Systems, Inc. (the "Corporation") without registration under the Securities Act of 1933, as amended (the "Act"), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(2) of the Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemption from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. Your answers will be kept strictly confidential. However, by signing this Questionnaire you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

A. BACKGROUND INFORMATION

Name: \_\_\_\_\_

Business  
Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone  
Number: (\_\_\_\_) \_\_\_\_\_

Residence

Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone

Number: (\_\_\_\_) \_\_\_\_\_

If an individual:

Age: \_\_\_\_\_ Citizenship: \_\_\_\_\_ Where registered to vote: \_\_\_\_\_

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity: \_\_\_\_\_

State of incorporation: \_\_\_\_\_

Social Security or  
Taxpayer Identification  
No. \_\_\_\_\_

Send all correspondence to (check one): \_\_\_\_\_ Residence Address \_\_\_\_\_ Business Address

Current ownership of securities of the Corporation:

\_\_\_\_\_ shares of common stock, par value \$.01 per share (the "Common Stock")

\_\_\_\_\_ options to purchase shares of common stock

Name(s) of persons with voting  
and selling authority of the above  
listed Common Stock and the  
Common Stock being purchased: \_\_\_\_\_

B. STATUS AS ACCREDITED INVESTOR

The undersigned is an "accredited investor" as such term is defined in Regulation D under the Act, as at the time of the sale of the Securities the undersigned falls within one or more of the following categories (Please initial one or more, as applicable):

\_\_\_\_ (1) a bank as defined in Section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Act; an investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; a Small Business Investment Corporation licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with the investment decisions made solely by persons that are accredited investors;

\_\_\_\_ (2) a private business development company as defined in Section 202(a)(22) of the Investment Adviser Act of 1940;

\_\_\_\_ (3) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities offered, with total assets in excess of \$5,000,000;

\_\_\_\_ (4) a natural person whose individual net worth(1), or joint net worth with that person's spouse, at the time of such person's purchase of the Securities exceeds \$1,000,000;

\_\_\_\_ (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

\_\_\_\_ (6) a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D; and

\_\_\_\_ (7) an entity in which all of the equity owners are accredited investors (as defined above).

- - - - -  
(1) As used in this Questionnaire, the term "net worth" means the excess of total assets over total liabilities. In computing net worth for the purpose of subsection (4), the principal residence of the investor must be valued at cost, including cost of improvements, or at recently appraised value by an institutional lender making a secured loan, net of encumbrances. In determining income, the investor should add to the investor's adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depiction, contributions to an IRA or KEOGH retirement plan, alimony payments, and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.

IN WITNESS WHEREOF, the undersigned has executed this Questionnaire this  
\_\_\_\_ day of \_\_\_\_\_, 2008, and declares under oath that it is truthful  
and correct.

\_\_\_\_\_  
Print Name

By:

-----  
Signature

Title: \_\_\_\_\_  
(required for any purchaser that is a  
corporation, partnership, trust or other  
entity)

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of April 11, 2008, by and between INTEGRATED SURGICAL SYSTEMS, INC., a Delaware corporation (the "Company"), and the party set forth on the signature page hereto ("Purchaser").

WHEREAS, the Company desires to issue to Purchaser, and Purchaser desires to purchase from the Company, that number of shares set forth on the signature page hereto (the "Shares") of common stock, par value \$.01 per share, of the Company ("Common Stock"); and

WHEREAS, the Company is issuing and selling to other purchasers additional shares of Common Stock either simultaneously with the Closing (as hereinafter defined) or as soon thereafter as practicable (collectively, the "Offering").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Purchase and Sale of Shares; Purchase Price.

a. Purchase of Shares. Purchaser hereby agrees to purchase the Shares from the Company, and the Company hereby agrees to issue and deliver to Purchaser, on the Closing Date (as hereinafter defined), the Shares.

b. Purchase Price. In consideration of the purchase of the Shares hereunder, Purchaser hereby agrees to pay to the Company on the Closing Date an amount equal to the amount set forth on the signature page hereto (the "Purchase Price").

2. Closing; Deliverables.

a. Closing. Consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Snow Becker Krauss P.C., 605 Third Avenue, New York, New York 10158, at 10:00 a.m., New York time, as soon as practicable following the date hereof, or at such other time, date or place as the parties hereto may agree upon (the "Closing Date").

b. Closing Deliverables. At the Closing, the Company shall issue and deliver to Purchaser certificate(s) representing the Shares registered in the name of Purchaser (or if so designated, a nominee thereof), and Purchaser shall deliver to the Company the Purchase Price by wire transfer of immediately available funds to such account or accounts as designated by the Company.

3. Representations and Warranties of the Company. The Company hereby

represents and warrants to Purchaser as follows:

a. Organization. The Company and each of its subsidiaries, if any ("Subsidiaries"), is duly organized and validly existing in good standing under the laws of the jurisdiction of its organization. Each of the Company and its Subsidiaries has full power and authority to own, operate and occupy its properties and to conduct its business as presently conducted and is registered or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the location of the properties owned or leased by it requires such qualification and where the failure to be so qualified would have a material adverse effect upon the condition (financial or otherwise), earnings, business, properties, prospects or operations of the Company and its Subsidiaries, considered as one enterprise (a "Material Adverse Effect"), and no proceeding has been instituted in any such jurisdiction, revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification.

b. Authority. The Company has full power and authority to execute, and deliver this Agreement and that certain registration rights agreement in the form of Exhibit A annexed hereto (the "Registration Rights Agreement"), and to perform its obligations hereunder and thereunder. Each of this Agreement and the Registration Rights Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

c. No Conflict. Neither the execution and delivery of this Agreement or the Registration Rights Agreement by the Company, nor the consummation of the transactions contemplated hereby or thereby, will result in (A) a conflict with or constitute a violation of, or default (with the passage of time or otherwise) under, (i) any material bond, debenture, note or other evidence of indebtedness, lease, contract, indenture, mortgage, deed of trust, loan agreement, joint venture or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any of its Subsidiaries or their respective properties are bound, (ii) the certificate of incorporation, by-laws or other organizational documents of the Company or any Subsidiary, or (iii) any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary or their respective properties, except in the case of clauses (i) and (iii) for any such conflicts, violations or defaults which are not reasonably likely to have a Material Adverse Effect or (B) the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or any Subsidiary or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material bond, debenture, note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any Subsidiary is a party or by which any of them is bound or to which any of the material property or assets of the Company or any Subsidiary is subject.

d. Authorized Capitalization; Shares Duly Issued. The authorized capital stock of the Company consists of (i) 100,000,000 shares of Common Stock,



4,578,500 of which are issued and outstanding, and (ii) 1,000,000 shares of preferred stock, 168 of which are issued and outstanding. The Shares, when issued in accordance with the terms and conditions of this Agreement, shall be duly authorized, validly issued, fully-paid and non-assessable, subject to no lien or encumbrance. The outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws, and were not issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Except as set forth on Schedule 3(d), there are no outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any unissued shares of capital stock or other equity interest in the Company or any Subsidiary, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or any Subsidiary is a party or of which the Company has knowledge and relating to the issuance or sale of any capital stock of the Company or any Subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options. No preemptive rights, co-sale rights, rights of first refusal, registration rights (other than with respect to the Purchaser) or other similar rights exist with respect to the Shares or the issuance and sale thereof.

e. SEC Reports. The Company has filed with the Securities and Exchange Commission (the "Commission") all reports, schedules, forms, statements and other documents required to be filed by it, as applicable, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for the last three (3) fiscal years ("SEC Reports"). The SEC Reports, when filed, complied in all material respects with the requirements of the Exchange Act, and to the knowledge of the Company, contain no 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.

f. Financial Statements. The financial statements of the Company included in the SEC Reports ("Financial Statements") (i) comply in all material respects with the requirements of the Exchange Act, (ii) fairly present the financial condition of the Company for the periods represented thereby and (iii) have been prepared in accordance with generally accepted accounting principles ("GAAP"). The capitalization table annexed hereto as Schedule 3(f) sets forth the basis for the calculation of the Purchase Price and is true and correct in all material respects as of the date hereof. There are no financial statements (historical or pro forma) that are required to be included in the SEC Reports that are not included as required; and the Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations) required to be disclosed in the SEC Reports that are not disclosed in the SEC Reports. Except as disclosed in the SEC Reports and Financial Statements, subsequent to the respective dates as of which information is given in the Financial Statements, there has not been (i) any material adverse change in the business, properties, management, financial condition or results of operations of the Company, (ii) other than in the ordinary course of business, any transaction which is material to the Company, (iii) any obligation, direct or contingent (including any off-balance sheet obligations), incurred by the Company which is material to the Company, (iv) any change in the capital stock or

outstanding indebtedness of the Company other than pursuant to the terms of outstanding debt and equity securities, or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company.

g. Legal Compliance. Neither the Company nor any Subsidiary is in violation of its charter, bylaws, or other organizational document. Neither the Company nor any Subsidiary has in the past been or currently is in violation of any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary, which violation, individually or in the aggregate, would be reasonably likely to have a Material Adverse Effect, or is in default (and there exists no condition which, with the passage of time or otherwise, would constitute a default) in any material respect in the performance of any bond, debenture, note or any other evidence of indebtedness in any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or by which the properties of the Company or any Subsidiary are bound, which would be reasonably likely to have a Material Adverse Effect.

h. Litigation. Except as set forth on Schedule 3(h), there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened or contemplated to which the Company or any of its directors or officers is or would be a party or of which any of the properties of the Company is or would be subject at law or in equity, before or by any governmental or regulatory commission, board, body, authority or agency, or preventing consummation of the transactions contemplated hereby; there are no legal or governmental proceedings pending before or by any governmental or regulatory commission, board, body, authority or agency relating to the Company's business practices and activities or to its securities, and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others. There has not been, and to the knowledge of the Company, there is not pending any investigation by the Commission involving the Company or any current or former director or officer of the Company (in his or her capacity as such). The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary.

i. Material Contracts. Schedule 3(i) sets forth the material contracts of the Company in effect as of the date hereof ("Contracts") together with a list of consents, if any, requiring consent to the transactions contemplated hereby. As of the date hereof, no party is in breach or default in any material respect under any Contract, except for such breaches and defaults as to which requisite waivers or consents have been obtained. Each Contract is valid, binding and enforceable by the Company in accordance with its terms subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

j. Property; Lease. Except with respect to that certain leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 (the

"Lease") by and between the Company, as tenant, and JB Management LP, as landlord, the Company is not party to any leasehold obligation and does not own any real or intellectual property.

k. Benefit Plans. Set forth on Schedule 3(k) is a list of each material bonus, deferred compensation, pension, profit-sharing, retirement, stock purchase or stock option, hospitalization or other medical, life or other insurance plan relating to the Company, including any policy, plan, program or agreement that provides for the payment of severance benefits, salary continuation, salary in lieu of notice or similar benefits, maintained, sponsored or contributed to by the Company or under which the Company has any present or future material obligations or material liability on behalf of the Company's employees or former employees or their dependents or beneficiaries of the Company (collectively, the "Employee Benefit Plans"). To the knowledge of the Company, the Employee Benefit Plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the Internal Revenue Code of 1986, as amended (the "Code"), are in compliance in all material respects with the presently applicable provisions of ERISA and the Code.

l. Intellectual Property. To the knowledge of the Company, each of the Company and its Subsidiaries, prior to selling substantially all of the Company's assets to a third party, owned or possessed sufficient rights to conduct its business in the ordinary course, including, without limitation, rights to use all material patents, patent rights, industry standards, trademarks, copyrights, licenses, inventions, trade secrets, trade names and know-how (collectively, "Intellectual Property") that was necessary for the conduct of its business as was conducted, except where the failure to have so owned or possessed would not have resulted in a Material Adverse Effect. To the knowledge of the Company, neither the Company nor any of its Subsidiaries infringed any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have had a Material Adverse Effect, and neither the Company nor any of its Subsidiaries has received any notice of, or has any knowledge of, any asserted infringement by the Company or any of its Subsidiaries of any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have a Material Adverse Effect.

m. Taxes. All income tax returns required to be filed by the Company have been filed and all such returns are true, complete, and correct in all material respects and all taxes that are due or claimed to be due from the Company have been paid other than those (x) currently payable without penalty or interest or (y) being contested in good faith and by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP.

n. Investment Company Status. The Company is not and, after giving effect to the Offering, will not be an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

o. Private Placement. Assuming that all representations and warranties of Purchaser set forth in Section 4 hereof are true and correct in all respects, the offer and sale of Shares hereunder is exempt from registration under the Securities Act (as hereinafter defined) and applicable state securities laws.

p. Internal Controls. At all times since first required by all applicable Exchange Act rules, the Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company, including its Subsidiaries, is made known to the certifying officers by others within those entities, particularly during the period in which the Form 10-KSB or Form 10-QSB, as the case may be, is being prepared. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by each Form 10-KSB or Form 10-QSB for which such evaluation was required by applicable Exchange Act rules, as the case may be (each such date, the "Evaluation Date"). The Company presented in each such Form 10-KSB or Form 10-QSB, as the case may be, the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the most recent Evaluation Date, there have been no significant changes in the Company's internal controls (as such term is used in Item 308(c) of Regulations S-K and S-B under the Exchange Act) or, to the Company's knowledge, in other factors that could significantly affect the Company's internal controls.

q. No Employee Violations. To the Company's knowledge, no employee or agent of the Company has made any payment of funds of the Company or received or retained any funds in violation of any law, rule or regulation. Neither the Company nor any of its directors, officers, or controlling persons has taken or will take, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares in violation of applicable law.

r. Foreign Corrupt Practices. Neither the Company, nor to the best knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

s. No Brokers. The Company is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

4. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to the Company as follows:

a. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

b. No Conflict. Neither the execution and delivery of this Agreement by Purchaser, nor the consummation of the transactions contemplated hereby, will result in a violation of any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Purchaser is subject, or conflict with, result in a breach of, constitute a default under, or result in the acceleration of, any contract or agreement to which Purchaser is a party or by which it is bound.

c. Review of SEC Reports and Financial Statements. Purchaser has fully reviewed all of the SEC Reports and Financial Statements.

d. Accredited Investor. Purchaser qualifies as an accredited investor as such term is defined under Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Purchaser has provided a completed and signed Investor Questionnaire in the form annexed to this Agreement.

e. Sophistication. Purchaser acknowledges that it is a sophisticated investor, has such knowledge and experience in financial and business matters in general and has full familiarity with the current business and future business prospects of the Company and the financial and other affairs of the Company and acknowledges that it has had access to and has received sufficient written and oral information about the Company, including any and all such information requested by Purchaser and including copies of all of the SEC Reports in order to make an informed decision to purchase the Shares. In addition, Purchaser acknowledges that it has had access to the officers, directors and employees of the Company to discuss the business, affairs and prospects of the Company and has had the opportunity to obtain additional information necessary to evaluate the merits and risks of engaging in the transactions contemplated by this Agreement. Purchaser has reached an independent decision with respect to the advisability of the purchase of the Shares and, in arriving at its decision, has considered both the value of the Shares as well as the present condition and future prospects of the Company.

f. Economic Risk. Purchaser is able to bear the economic risks of the investment in the Shares and, consequently, without limiting the generality of the foregoing, is able to hold the Shares for an indefinite period of time and has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such loss should occur.

g. No Representations. Purchaser fully understands and acknowledges that the Company makes no representations or warranties whatsoever with respect to the business, operations, financial condition, prospects or other affairs of the Company other than as explicitly set forth in this Agreement, and Purchaser expressly represents and warrants that in connection with its decision to purchase the Shares as contemplated hereunder, Purchaser is not relying upon any statements made by the Company or any of its shareholders, directors, officers, employees or agents, whether oral or written, concerning the Company, other than those set forth in this Agreement.

h. Own Account. Purchaser is acquiring the Shares for its own account for investment and not with a view to or for resale in connection with any distribution of the Shares. It has not offered or sold any portion of the Shares and has no present intention of dividing the Shares with others or of selling, distributing or otherwise disposing of any portion of the Shares either currently or after the passage of a fixed or determinable period of time or the occurrence or non-occurrence of any predetermined event or circumstance.

i. Resale. Purchaser acknowledges that the Shares have not been registered under the Securities Act and may not be offered or sold except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements thereof. Purchaser agrees that it shall not offer or sell any Shares except in accordance with Rule 144A, Rule 144 or other applicable exemption under the Securities Act, unless pursuant to an effective registration statement.

j. Taxes. Any obligation or liability for taxes (state, federal or otherwise) incurred by Purchaser in connection with this Agreement or the transactions contemplated hereby shall be the sole responsibility of and be paid for by Purchaser.

k. No Brokers. Purchaser is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

l. Advice of Counsel. Purchaser acknowledges that it has been advised to consult with its own attorney regarding the transactions contemplated hereby and to consult with its tax advisor regarding the tax consequences of acquiring the Shares.

m. Restrictive Legend. Certificates for the Shares shall contain a restrictive legend substantially in the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED,

TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENTS.

#### 5. Covenants.

a. Confidentiality. Purchaser agrees that it will not divulge, communicate, use to the detriment of the Company or for the benefit of any other person, firm or entity, or misappropriate in any way, any confidential information or trade secrets relating to the Company or any of its businesses including without limitation, business plans, systems and strategies, operating plans, acquisition strategies (including the identities of and any other information concerning possible acquisition candidates), financial information (whether pro forma or otherwise), market analyses, procedures or strategies, acquisition terms and conditions, personnel information, trade processes, manufacturing methods, operational and equipment techniques, quality control procedures and systems, projects and technological research or methods, know-how, customer lists and relationships, supplier lists, or other non-public proprietary and confidential information relating to the Company.

b. Board of Directors; Continuation of Offering. Simultaneously with the Closing, and explicitly subject to purchasers in the Offering purchasing shares of Common Stock for a purchase price not less than \$1,750,000 on or before the Closing, the Company agrees to appoint Christopher Marlett ("Marlett") as the Chief Executive Officer thereof and use its reasonable efforts to cause the Board of Directors of the Company (the "Board") to be established at a total of four (4) members, two of whom shall be the designees of Marlett. Following the Closing, MDB Capital Group LLC ("MDB") shall use its best efforts to arrange for an additional purchase or series of purchases of Common Stock (the "Subsequent Offering") with an aggregate purchase price of not less than \$1,649,608 (the "Subsequent Offering Minimum"), it being the intent of the parties that the total equity investment by all purchasers (including Purchaser) in the Offering and the Subsequent Offering be an aggregate amount not less than \$3,399,608. In the event that additional purchases of Common Stock in connection with the Subsequent Offering are completed in which the Company receives proceeds of not less than the Subsequent Offering Minimum, the Company agrees to use its reasonable efforts thereafter to cause the Board to be established at a total of five (5) members, and, at Marlett's option, cause a designee to be elected as a member of the Board at the next annual meeting of stockholders of the Company, or in the event that no such annual meeting has taken place on or before 90 days following the Subsequent Offering, appointed by the Board, provided that, such appointment does not violate any rules and regulations of the Commission. The Company agrees to accept as a purchaser in the Subsequent Offering any reasonable accredited investor introduced by MDB that has no criminal, civil or regulatory sanctions in respect thereof.

c. Blue Sky. The Company shall make all necessary filings under the Blue Sky laws of the State of New York related to the sale of the Shares and at

Purchaser's request, provide evidence of filing and payment of all related filing fees.

d. Lease. As soon as practicable after the Closing, the Company shall use its best efforts to arrange for a release from any obligation of the Company under the Lease except for a cash payment of up to \$60,000 to a new tenant leasing the leased premises. In the event that the Lease obligations are not so released on or before July 31, 2008, the Company agrees to pay to each purchaser in the Offering an amount in cash equal to \$0.0355 per share of Common Stock purchased by such purchaser in the Offering.

#### 6. Conditions to Closing.

a. Both Parties. The obligations of the parties to consummate the transactions contemplated hereby shall be subject to the following conditions:

(i) The representations and warranties of each of the Company and Purchaser shall be true and correct in all material respects on the Closing Date (except for representations and warranties that speak as of a specific date, which representations and warranties shall be true and correct as of such date).

(ii) There shall not have occurred a suspension or material limitation in trading in the Common Stock on any trading medium or exchange on which the Common Stock was being traded prior to the consummation of the purchase of the Shares.

(iii) The Registration Rights Agreement shall have been executed and delivered by the parties.

(iv) All consents, approvals or authorizations of any person required for the valid authorization, execution and delivery by the parties of this Agreement or for the consummation of the transactions contemplated hereby shall have been obtained.

(v) No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened by a third party which seeks to enjoin, restrain or prohibit this Agreement or consummation of the transactions contemplated hereby.

b. Purchaser. The obligations of Purchaser to consummate the transactions contemplated hereby shall be subject to the following additional conditions:

(i) The Company shall have delivered a secretary's certificate attesting to the current certificate of incorporation and by-laws of the Company and the resolutions approving the transactions contemplated by this Agreement.

(ii) If applicable, appropriate "blue sky" filings shall have been made under the Blue Sky laws of the State of New York relating to the sale of the Shares.



7. Indemnification. Each of the parties hereby agrees to indemnify and hold harmless the other party and each of its respective officers, directors, employees, affiliates and agents, from and against any and all losses, costs, claims, damages, expenses, obligations and liabilities of any nature whatsoever, including, without limitation, court costs and reasonable attorneys' fees (specifically including court costs and reasonable attorneys' fees incurred in enforcing this Section 7 or in recovering damages or pursuing other remedies with respect to any breach of this Section 7), incurred by such party as a result of or in connection with any breach of any representation, warranty, covenant or other obligation of the other party contained in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Company shall only be liable to indemnify Purchaser up to a maximum aggregate indemnification amount equal to the Purchase Price.

8. Expenses. The Company shall pay the expenses of Purchaser and the other purchasers in connection with the Offering, including without limitation, reasonable legal fees, expenses of registration, and other out-of-pocket expenses, up to an aggregate maximum for all purchasers of \$50,000. Purchaser agrees to provide written evidence to the Company reasonably satisfactory thereby of any expense in excess of \$500.

9. Miscellaneous.

a. Waiver. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against which the waiver is asserted or by its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation in any other instance, in any other respect, or at any other time.

b. Notices. All notices and other communications required or permitted to be made or given hereunder (all of the foregoing hereinafter collectively referred to as "Communications") shall be in writing, signed by or on behalf of the notifying party, and shall be deemed to have been duly made or given when (i) delivered personally, (ii) five (5) business days after being sent by registered or certified mail or equivalent, return receipt requested, or (iii) one (1) business day after being sent by recognized overnight courier for next business day delivery, in each case as set forth below or to such other or additional address as either party shall hereafter specify by Communication to the other party:

If to the Company:

Integrated Surgical Systems, Inc.  
105 Solana Drive  
Los Altos, California 94022  
Attention: Peter B. Mills, Chief Executive Officer

With a copy to:

Snow Becker Krauss P.C.  
605 Third Avenue  
New York, New York 10158  
Attention: David R. Fishkin, Esq.

If to Purchaser:

to the address as set forth on the signature page hereto

With a copy to:

Golenbock Eiseman Assor Bell & Peskoe LLP  
437 Madison Avenue  
New York, New York 10022  
Attention: Andrew D. Hudders, Esq.

c. Modifications to Be in Writing. To be effective, any modification to this Agreement must be in writing signed by all parties to this Agreement.

d. Agreement Binding upon Successors and Assigns. This Agreement shall bind both parties and their respective successors and assigns. All rights, privileges and powers granted to each party under this Agreement shall benefit such party and its successors and assigns.

e. Assignment of Agreement. This Agreement shall not be assigned by either party without the prior written consent of the other party.

f. Further Assurances. Both parties agree to take any further actions and to make, execute and deliver any further written instruments which may be reasonably required to carry out the terms, provisions, intentions and purposes of this Agreement.

g. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without giving effect to principles of conflicts or choice of laws thereof.

h. Severability. If any provision of this Agreement or any application of any provision is determined to be unenforceable, the remainder of this Agreement shall be unaffected. If the provision is found to be unenforceable when applied to particular persons or circumstances, the application of the provision to other persons or circumstances shall be unaffected.

i. Headings. Headings used in this Agreement have been included for convenience and ease of reference only and will not in any manner influence the construction or interpretation of any provision of this Agreement.

j. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement.

[The rest of this page is intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have executed and delivered this Agreement as of the date first written above.

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Peter B. Mills

-----  
Name: Peter B. Mills  
Title: Chief Executive Officer

Purchaser:

Christopher A. Marlett IRA

By: /s/ Christopher Marlett

-----  
Name: Christopher Marlett  
Title: Investor

Address:

c/o MDB Capital Group LLC  
401 Wilshire Blvd. #1020  
Santa Monica, CA 90401

Number of Shares: 827,541

Purchase Price: \$500,000

Purchase Price per Share: \$0.6042

SCHEDULE 3(D)

Outstanding Rights

1. Reference is made to Schedule 3(j)
2. Series G Convertible Preferred Stock

SCHEDULE 3(F)

Capitalization Table

INTEGRATED SURGICAL SYSTEMS  
CAP TABLE  
SUMMARY  
AS OF MARCH 14, 2008

COMMON STOCK OUTSTANDING	4,578,500
WARRANTS	30,000
STOCK OPTIONS	63,050
	-----
FULLY-DILUTED SHARES O/S 3-14-08	4,671,550

WARRANTS		
SBK	30,000	@ \$0.625
	-----	
Total Warrants	30,000	

STOCK OPTIONS		ex price	exp date
		-----	-----
Mills	3,000	\$ 0.4000	01-Nov-11
Tomczak	3,000	\$ 0.4000	01-Nov-11
Moorman	2,000	\$ 0.4000	01-Nov-11
Mills	25,000	\$ 0.3275	13-Aug-12
Tomczak	25,000	\$ 0.3275	13-Aug-12
Various Doctors	5,050		
	-----	see below	
	63,050		

VARIOUS DOCTOR STOCK OPTIONS			
Bargar, Dr.	500	\$27.5000	03-Oct-09
Bauer, Dr.	650	\$36.8800	11-Nov-08
Boerner, Dr.	650	\$36.8800	11-Nov-08
Dogali, Dr.	1,000	\$30.0000	13-Mar-10
Lahmer, Dr.	650	\$36.8800	11-Nov-08
Ries, Dr. K.	50	\$10.0000	14-Sep-08
Ries, Dr. K.	500	\$36.2500	04-Jan-09
Ries, Dr. M.	500	\$35.6300	25-Jul-09
Vince, Dr. Kelly	50	\$36.2500	14-Sep-08
Klosinski, R	500	\$ 0.3100	01-May-12
	-----		
	5,050		

BASIS FOR CALCULATION OF PURCHASE PRICE

fully-diluted common shares	4,671,550	low price last 5 days =	\$ 0.2900
plus: adjusted series G	734,548	80% of low price last 5 days	\$ 0.2300
	-----		
adjusted fully-diluted shares	5,406,098	# series G shares	168,946
			-----
ISS cash less liabs	2,866,290	CS equivalent series G	734,548
shell value	400,000	per term sheet	
	-----		
value ISS	3,266,290		
Amount required for 51%	3,399,608	51%	
# shares required for 51%	5,626,755	51% B6/.49-B6	
price per share	\$ 0.6042		
ISS cash @ 3-14	3,078,452	actual @ 3-13-08 per Adams	
All liabilities	(212,162)	total AP accrued liabs per worksheet	
	-----		
Adjusted net cash @ 2-29-08	2,866,290		

SCHEDULE 3(H)

Litigation

The Company is aware of a potential matter involving Energex Systems ("Energex") and its Chief Executive Officer, Thomas J. Fagan. Energex has instituted a demand for a list of the stockholders of the Company in connection with a potential transaction involving Energex and the Company.

1. Any claims or actions relating to the demand for the list of stockholders.
2. Any claims or actions relating to the potential transaction with Energex.



SCHEDULE 3(I)

Material Contracts

1. Agreement to pay \$25,000 per annum to each of Peter Mills and Michael Tomczak.
2. Options to purchase 3,000 shares of Common Stock granted in 2006 to each Messrs. Mills and Tomczak.
3. Agreement to grant 25,000 stock options to each of Messrs. Mills and Tomczak.
4. Leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 by and between the Company, as tenant, and JB Management LP, as landlord.
5. Advisory Services Agreement dated as of November 28, 2007 by and between MDB Capital Group LLC and the Company.

SCHEDULE 3(K)

Benefit Plans

See Schedule 3(h)

EXHIBIT A

Registration Rights Agreement

EXHIBIT B

Investor Questionnaire

INTEGRATED SURGICAL SYSTEMS, INC.

INVESTOR QUESTIONNAIRE

(ALL INFORMATION WILL BE TREATED CONFIDENTIALLY)

To: Integrated Surgical Systems, Inc.  
3221 Porter Avenue  
Palo Alto, California 94304

This Investor Questionnaire ("Questionnaire") must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value \$.01 per share, of Integrated Surgical Systems, Inc. (the "Securities"). The Securities are being offered and sold by Integrated Surgical Systems, Inc. (the "Corporation") without registration under the Securities Act of 1933, as amended (the "Act"), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(2) of the Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemption from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. Your answers will be kept strictly confidential. However, by signing this Questionnaire you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

A. BACKGROUND INFORMATION

Name: \_\_\_\_\_

Business  
Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone Number: (\_\_\_\_) \_\_\_\_\_

Residence

Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone Number: (\_\_\_\_) \_\_\_\_\_

If an individual:

Age: \_\_\_\_\_ Citizenship: \_\_\_\_\_ Where registered to vote: \_\_\_\_\_

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity: \_\_\_\_\_

State of incorporation: \_\_\_\_\_

Social Security or Taxpayer Identification No. \_\_\_\_\_

Send all correspondence to (check one): \_\_\_\_\_ Residence Address \_\_\_\_\_ Business Address \_\_\_\_\_

Current ownership of securities of the Corporation:

\_\_\_\_\_ shares of common stock, par value \$.01 per share (the "Common Stock")

\_\_\_\_\_ options to purchase shares of common stock

Name(s) of persons with voting and selling authority of the above listed Common Stock and the Common Stock being purchased: \_\_\_\_\_

B. STATUS AS ACCREDITED INVESTOR

The undersigned is an "accredited investor" as such term is defined in Regulation D under the Act, as at the time of the sale of the Securities the undersigned falls within one or more of the following categories (Please initial one or more, as applicable):

\_\_\_\_ (1) a bank as defined in Section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Act; an investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; a Small Business Investment Corporation licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with the investment decisions made solely by persons that are accredited investors;

\_\_\_\_ (2) a private business development company as defined in Section 202(a)(22) of the Investment Adviser Act of 1940;

\_\_\_\_ (3) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities offered, with total assets in excess of \$5,000,000;

\_\_\_\_ (4) a natural person whose individual net worth(1), or joint net worth with that person's spouse, at the time of such person's purchase of the Securities exceeds \$1,000,000;

\_\_\_\_ (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

\_\_\_\_ (6) a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D; and

\_\_\_\_ (7) an entity in which all of the equity owners are accredited investors (as defined above).

- - - - -  
(1) As used in this Questionnaire, the term "net worth" means the excess of total assets over total liabilities. In computing net worth for the purpose of subsection (4), the principal residence of the investor must be valued at cost, including cost of improvements, or at recently appraised value by an institutional lender making a secured loan, net of encumbrances. In determining income, the investor should add to the investor's adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depiction, contributions to an IRA or KEOGH retirement plan, alimony payments, and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.

IN WITNESS WHEREOF, the undersigned has executed this Questionnaire this  
\_\_\_\_ day of \_\_\_\_\_, 2008, and declares under oath that it is truthful  
and correct.

\_\_\_\_\_  
Print Name

By:

-----  
Signature

Title: \_\_\_\_\_  
(required for any purchaser that is a  
corporation, partnership, trust or other  
entity)

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of April 11, 2008, by and between INTEGRATED SURGICAL SYSTEMS, INC., a Delaware corporation (the "Company"), and the party set forth on the signature page hereto ("Purchaser").

WHEREAS, the Company desires to issue to Purchaser, and Purchaser desires to purchase from the Company, that number of shares set forth on the signature page hereto (the "Shares") of common stock, par value \$.01 per share, of the Company ("Common Stock"); and

WHEREAS, the Company is issuing and selling to other purchasers additional shares of Common Stock either simultaneously with the Closing (as hereinafter defined) or as soon thereafter as practicable (collectively, the "Offering").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Purchase and Sale of Shares; Purchase Price.

a. Purchase of Shares. Purchaser hereby agrees to purchase the Shares from the Company, and the Company hereby agrees to issue and deliver to Purchaser, on the Closing Date (as hereinafter defined), the Shares.

b. Purchase Price. In consideration of the purchase of the Shares hereunder, Purchaser hereby agrees to pay to the Company on the Closing Date an amount equal to the amount set forth on the signature page hereto (the "Purchase Price").

2. Closing; Deliverables.

a. Closing. Consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Snow Becker Krauss P.C., 605 Third Avenue, New York, New York 10158, at 10:00 a.m., New York time, as soon as practicable following the date hereof, or at such other time, date or place as the parties hereto may agree upon (the "Closing Date").

b. Closing Deliverables. At the Closing, the Company shall issue and deliver to Purchaser certificate(s) representing the Shares registered in the name of Purchaser (or if so designated, a nominee thereof), and Purchaser shall deliver to the Company the Purchase Price by wire transfer of immediately available funds to such account or accounts as designated by the Company.

3. Representations and Warranties of the Company. The Company hereby



represents and warrants to Purchaser as follows:

a. Organization. The Company and each of its subsidiaries, if any ("Subsidiaries"), is duly organized and validly existing in good standing under the laws of the jurisdiction of its organization. Each of the Company and its Subsidiaries has full power and authority to own, operate and occupy its properties and to conduct its business as presently conducted and is registered or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the location of the properties owned or leased by it requires such qualification and where the failure to be so qualified would have a material adverse effect upon the condition (financial or otherwise), earnings, business, properties, prospects or operations of the Company and its Subsidiaries, considered as one enterprise (a "Material Adverse Effect"), and no proceeding has been instituted in any such jurisdiction, revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification.

b. Authority. The Company has full power and authority to execute, and deliver this Agreement and that certain registration rights agreement in the form of Exhibit A annexed hereto (the "Registration Rights Agreement"), and to perform its obligations hereunder and thereunder. Each of this Agreement and the Registration Rights Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

c. No Conflict. Neither the execution and delivery of this Agreement or the Registration Rights Agreement by the Company, nor the consummation of the transactions contemplated hereby or thereby, will result in (A) a conflict with or constitute a violation of, or default (with the passage of time or otherwise) under, (i) any material bond, debenture, note or other evidence of indebtedness, lease, contract, indenture, mortgage, deed of trust, loan agreement, joint venture or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any of its Subsidiaries or their respective properties are bound, (ii) the certificate of incorporation, by-laws or other organizational documents of the Company or any Subsidiary, or (iii) any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary or their respective properties, except in the case of clauses (i) and (iii) for any such conflicts, violations or defaults which are not reasonably likely to have a Material Adverse Effect or (B) the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or any Subsidiary or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material bond, debenture, note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any Subsidiary is a party or by which any of them is bound or to which any of the material property or assets of the Company or any Subsidiary is subject.

d. Authorized Capitalization; Shares Duly Issued. The authorized capital stock of the Company consists of (i) 100,000,000 shares of Common Stock,

4,578,500 of which are issued and outstanding, and (ii) 1,000,000 shares of preferred stock, 168 of which are issued and outstanding. The Shares, when issued in accordance with the terms and conditions of this Agreement, shall be duly authorized, validly issued, fully-paid and non-assessable, subject to no lien or encumbrance. The outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws, and were not issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Except as set forth on Schedule 3(d), there are no outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any unissued shares of capital stock or other equity interest in the Company or any Subsidiary, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or any Subsidiary is a party or of which the Company has knowledge and relating to the issuance or sale of any capital stock of the Company or any Subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options. No preemptive rights, co-sale rights, rights of first refusal, registration rights (other than with respect to the Purchaser) or other similar rights exist with respect to the Shares or the issuance and sale thereof.

e. SEC Reports. The Company has filed with the Securities and Exchange Commission (the "Commission") all reports, schedules, forms, statements and other documents required to be filed by it, as applicable, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for the last three (3) fiscal years ("SEC Reports"). The SEC Reports, when filed, complied in all material respects with the requirements of the Exchange Act, and to the knowledge of the Company, contain no 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.

f. Financial Statements. The financial statements of the Company included in the SEC Reports ("Financial Statements") (i) comply in all material respects with the requirements of the Exchange Act, (ii) fairly present the financial condition of the Company for the periods represented thereby and (iii) have been prepared in accordance with generally accepted accounting principles ("GAAP"). The capitalization table annexed hereto as Schedule 3(f) sets forth the basis for the calculation of the Purchase Price and is true and correct in all material respects as of the date hereof. There are no financial statements (historical or pro forma) that are required to be included in the SEC Reports that are not included as required; and the Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations) required to be disclosed in the SEC Reports that are not disclosed in the SEC Reports. Except as disclosed in the SEC Reports and Financial Statements, subsequent to the respective dates as of which information is given in the Financial Statements, there has not been (i) any material adverse change in the business, properties, management, financial condition or results of operations of the Company, (ii) other than in the ordinary course of business, any transaction which is material to the Company, (iii) any obligation, direct or contingent (including any off-balance sheet obligations), incurred by the Company which is material to the Company, (iv) any change in the capital stock or

outstanding indebtedness of the Company other than pursuant to the terms of outstanding debt and equity securities, or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company.

g. Legal Compliance. Neither the Company nor any Subsidiary is in violation of its charter, bylaws, or other organizational document. Neither the Company nor any Subsidiary has in the past been or currently is in violation of any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary, which violation, individually or in the aggregate, would be reasonably likely to have a Material Adverse Effect, or is in default (and there exists no condition which, with the passage of time or otherwise, would constitute a default) in any material respect in the performance of any bond, debenture, note or any other evidence of indebtedness in any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or by which the properties of the Company or any Subsidiary are bound, which would be reasonably likely to have a Material Adverse Effect.

h. Litigation. Except as set forth on Schedule 3(h), there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened or contemplated to which the Company or any of its directors or officers is or would be a party or of which any of the properties of the Company is or would be subject at law or in equity, before or by any governmental or regulatory commission, board, body, authority or agency, or preventing consummation of the transactions contemplated hereby; there are no legal or governmental proceedings pending before or by any governmental or regulatory commission, board, body, authority or agency relating to the Company's business practices and activities or to its securities, and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others. There has not been, and to the knowledge of the Company, there is not pending any investigation by the Commission involving the Company or any current or former director or officer of the Company (in his or her capacity as such). The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary.

i. Material Contracts. Schedule 3(i) sets forth the material contracts of the Company in effect as of the date hereof ("Contracts") together with a list of consents, if any, requiring consent to the transactions contemplated hereby. As of the date hereof, no party is in breach or default in any material respect under any Contract, except for such breaches and defaults as to which requisite waivers or consents have been obtained. Each Contract is valid, binding and enforceable by the Company in accordance with its terms subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

j. Property; Lease. Except with respect to that certain leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 (the

"Lease") by and between the Company, as tenant, and JB Management LP, as landlord, the Company is not party to any leasehold obligation and does not own any real or intellectual property.

k. Benefit Plans. Set forth on Schedule 3(k) is a list of each material bonus, deferred compensation, pension, profit-sharing, retirement, stock purchase or stock option, hospitalization or other medical, life or other insurance plan relating to the Company, including any policy, plan, program or agreement that provides for the payment of severance benefits, salary continuation, salary in lieu of notice or similar benefits, maintained, sponsored or contributed to by the Company or under which the Company has any present or future material obligations or material liability on behalf of the Company's employees or former employees or their dependents or beneficiaries of the Company (collectively, the "Employee Benefit Plans"). To the knowledge of the Company, the Employee Benefit Plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the Internal Revenue Code of 1986, as amended (the "Code"), are in compliance in all material respects with the presently applicable provisions of ERISA and the Code.

l. Intellectual Property. To the knowledge of the Company, each of the Company and its Subsidiaries, prior to selling substantially all of the Company's assets to a third party, owned or possessed sufficient rights to conduct its business in the ordinary course, including, without limitation, rights to use all material patents, patent rights, industry standards, trademarks, copyrights, licenses, inventions, trade secrets, trade names and know-how (collectively, "Intellectual Property") that was necessary for the conduct of its business as was conducted, except where the failure to have so owned or possessed would not have resulted in a Material Adverse Effect. To the knowledge of the Company, neither the Company nor any of its Subsidiaries infringed any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have had a Material Adverse Effect, and neither the Company nor any of its Subsidiaries has received any notice of, or has any knowledge of, any asserted infringement by the Company or any of its Subsidiaries of any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have a Material Adverse Effect.

m. Taxes. All income tax returns required to be filed by the Company have been filed and all such returns are true, complete, and correct in all material respects and all taxes that are due or claimed to be due from the Company have been paid other than those (x) currently payable without penalty or interest or (y) being contested in good faith and by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP.

n. Investment Company Status. The Company is not and, after giving effect to the Offering, will not be an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

o. Private Placement. Assuming that all representations and warranties of Purchaser set forth in Section 4 hereof are true and correct in all respects, the offer and sale of Shares hereunder is exempt from registration under the Securities Act (as hereinafter defined) and applicable state securities laws.

p. Internal Controls. At all times since first required by all applicable Exchange Act rules, the Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company, including its Subsidiaries, is made known to the certifying officers by others within those entities, particularly during the period in which the Form 10-KSB or Form 10-QSB, as the case may be, is being prepared. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by each Form 10-KSB or Form 10-QSB for which such evaluation was required by applicable Exchange Act rules, as the case may be (each such date, the "Evaluation Date"). The Company presented in each such Form 10-KSB or Form 10-QSB, as the case may be, the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the most recent Evaluation Date, there have been no significant changes in the Company's internal controls (as such term is used in Item 308(c) of Regulations S-K and S-B under the Exchange Act) or, to the Company's knowledge, in other factors that could significantly affect the Company's internal controls.

q. No Employee Violations. To the Company's knowledge, no employee or agent of the Company has made any payment of funds of the Company or received or retained any funds in violation of any law, rule or regulation. Neither the Company nor any of its directors, officers, or controlling persons has taken or will take, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares in violation of applicable law.

r. Foreign Corrupt Practices. Neither the Company, nor to the best knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

s. No Brokers. The Company is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

4. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to the Company as follows:

a. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

b. No Conflict. Neither the execution and delivery of this Agreement by Purchaser, nor the consummation of the transactions contemplated hereby, will result in a violation of any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Purchaser is subject, or conflict with, result in a breach of, constitute a default under, or result in the acceleration of, any contract or agreement to which Purchaser is a party or by which it is bound.

c. Review of SEC Reports and Financial Statements. Purchaser has fully reviewed all of the SEC Reports and Financial Statements.

d. Accredited Investor. Purchaser qualifies as an accredited investor as such term is defined under Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Purchaser has provided a completed and signed Investor Questionnaire in the form annexed to this Agreement.

e. Sophistication. Purchaser acknowledges that it is a sophisticated investor, has such knowledge and experience in financial and business matters in general and has full familiarity with the current business and future business prospects of the Company and the financial and other affairs of the Company and acknowledges that it has had access to and has received sufficient written and oral information about the Company, including any and all such information requested by Purchaser and including copies of all of the SEC Reports in order to make an informed decision to purchase the Shares. In addition, Purchaser acknowledges that it has had access to the officers, directors and employees of the Company to discuss the business, affairs and prospects of the Company and has had the opportunity to obtain additional information necessary to evaluate the merits and risks of engaging in the transactions contemplated by this Agreement. Purchaser has reached an independent decision with respect to the advisability of the purchase of the Shares and, in arriving at its decision, has considered both the value of the Shares as well as the present condition and future prospects of the Company.

f. Economic Risk. Purchaser is able to bear the economic risks of the investment in the Shares and, consequently, without limiting the generality of the foregoing, is able to hold the Shares for an indefinite period of time and has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such loss should occur.

g. No Representations. Purchaser fully understands and acknowledges that the Company makes no representations or warranties whatsoever with respect to the business, operations, financial condition, prospects or other affairs of the Company other than as explicitly set forth in this Agreement, and Purchaser expressly represents and warrants that in connection with its decision to purchase the Shares as contemplated hereunder, Purchaser is not relying upon any statements made by the Company or any of its shareholders, directors, officers, employees or agents, whether oral or written, concerning the Company, other than those set forth in this Agreement.

h. Own Account. Purchaser is acquiring the Shares for its own account for investment and not with a view to or for resale in connection with any distribution of the Shares. It has not offered or sold any portion of the Shares and has no present intention of dividing the Shares with others or of selling, distributing or otherwise disposing of any portion of the Shares either currently or after the passage of a fixed or determinable period of time or the occurrence or non-occurrence of any predetermined event or circumstance.

i. Resale. Purchaser acknowledges that the Shares have not been registered under the Securities Act and may not be offered or sold except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements thereof. Purchaser agrees that it shall not offer or sell any Shares except in accordance with Rule 144A, Rule 144 or other applicable exemption under the Securities Act, unless pursuant to an effective registration statement.

j. Taxes. Any obligation or liability for taxes (state, federal or otherwise) incurred by Purchaser in connection with this Agreement or the transactions contemplated hereby shall be the sole responsibility of and be paid for by Purchaser.

k. No Brokers. Purchaser is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

l. Advice of Counsel. Purchaser acknowledges that it has been advised to consult with its own attorney regarding the transactions contemplated hereby and to consult with its tax advisor regarding the tax consequences of acquiring the Shares.

m. Restrictive Legend. Certificates for the Shares shall contain a restrictive legend substantially in the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED,

TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENTS.

#### 5. Covenants.

a. Confidentiality. Purchaser agrees that it will not divulge, communicate, use to the detriment of the Company or for the benefit of any other person, firm or entity, or misappropriate in any way, any confidential information or trade secrets relating to the Company or any of its businesses including without limitation, business plans, systems and strategies, operating plans, acquisition strategies (including the identities of and any other information concerning possible acquisition candidates), financial information (whether pro forma or otherwise), market analyses, procedures or strategies, acquisition terms and conditions, personnel information, trade processes, manufacturing methods, operational and equipment techniques, quality control procedures and systems, projects and technological research or methods, know-how, customer lists and relationships, supplier lists, or other non-public proprietary and confidential information relating to the Company.

b. Board of Directors; Continuation of Offering. Simultaneously with the Closing, and explicitly subject to purchasers in the Offering purchasing shares of Common Stock for a purchase price not less than \$1,750,000 on or before the Closing, the Company agrees to appoint Christopher Marlett ("Marlett") as the Chief Executive Officer thereof and use its reasonable efforts to cause the Board of Directors of the Company (the "Board") to be established at a total of four (4) members, two of whom shall be the designees of Marlett. Following the Closing, MDB Capital Group LLC ("MDB") shall use its best efforts to arrange for an additional purchase or series of purchases of Common Stock (the "Subsequent Offering") with an aggregate purchase price of not less than \$1,649,608 (the "Subsequent Offering Minimum"), it being the intent of the parties that the total equity investment by all purchasers (including Purchaser) in the Offering and the Subsequent Offering be an aggregate amount not less than \$3,399,608. In the event that additional purchases of Common Stock in connection with the Subsequent Offering are completed in which the Company receives proceeds of not less than the Subsequent Offering Minimum, the Company agrees to use its reasonable efforts thereafter to cause the Board to be established at a total of five (5) members, and, at Marlett's option, cause a designee to be elected as a member of the Board at the next annual meeting of stockholders of the Company, or in the event that no such annual meeting has taken place on or before 90 days following the Subsequent Offering, appointed by the Board, provided that, such appointment does not violate any rules and regulations of the Commission. The Company agrees to accept as a purchaser in the Subsequent Offering any reasonable accredited investor introduced by MDB that has no criminal, civil or regulatory sanctions in respect thereof.

c. Blue Sky. The Company shall make all necessary filings under the Blue Sky laws of the State of New York related to the sale of the Shares and at



Purchaser's request, provide evidence of filing and payment of all related filing fees.

d. Lease. As soon as practicable after the Closing, the Company shall use its best efforts to arrange for a release from any obligation of the Company under the Lease except for a cash payment of up to \$60,000 to a new tenant leasing the leased premises. In the event that the Lease obligations are not so released on or before July 31, 2008, the Company agrees to pay to each purchaser in the Offering an amount in cash equal to \$0.0355 per share of Common Stock purchased by such purchaser in the Offering.

#### 6. Conditions to Closing.

a. Both Parties. The obligations of the parties to consummate the transactions contemplated hereby shall be subject to the following conditions:

(i) The representations and warranties of each of the Company and Purchaser shall be true and correct in all material respects on the Closing Date (except for representations and warranties that speak as of a specific date, which representations and warranties shall be true and correct as of such date).

(ii) There shall not have occurred a suspension or material limitation in trading in the Common Stock on any trading medium or exchange on which the Common Stock was being traded prior to the consummation of the purchase of the Shares.

(iii) The Registration Rights Agreement shall have been executed and delivered by the parties.

(iv) All consents, approvals or authorizations of any person required for the valid authorization, execution and delivery by the parties of this Agreement or for the consummation of the transactions contemplated hereby shall have been obtained.

(v) No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened by a third party which seeks to enjoin, restrain or prohibit this Agreement or consummation of the transactions contemplated hereby.

b. Purchaser. The obligations of Purchaser to consummate the transactions contemplated hereby shall be subject to the following additional conditions:

(i) The Company shall have delivered a secretary's certificate attesting to the current certificate of incorporation and by-laws of the Company and the resolutions approving the transactions contemplated by this Agreement.

(ii) If applicable, appropriate "blue sky" filings shall have been made under the Blue Sky laws of the State of New York relating to the sale of the Shares.

7. Indemnification. Each of the parties hereby agrees to indemnify and hold harmless the other party and each of its respective officers, directors, employees, affiliates and agents, from and against any and all losses, costs, claims, damages, expenses, obligations and liabilities of any nature whatsoever, including, without limitation, court costs and reasonable attorneys' fees (specifically including court costs and reasonable attorneys' fees incurred in enforcing this Section 7 or in recovering damages or pursuing other remedies with respect to any breach of this Section 7), incurred by such party as a result of or in connection with any breach of any representation, warranty, covenant or other obligation of the other party contained in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Company shall only be liable to indemnify Purchaser up to a maximum aggregate indemnification amount equal to the Purchase Price.

8. Expenses. The Company shall pay the expenses of Purchaser and the other purchasers in connection with the Offering, including without limitation, reasonable legal fees, expenses of registration, and other out-of-pocket expenses, up to an aggregate maximum for all purchasers of \$50,000. Purchaser agrees to provide written evidence to the Company reasonably satisfactory thereby of any expense in excess of \$500.

9. Miscellaneous.

a. Waiver. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against which the waiver is asserted or by its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation in any other instance, in any other respect, or at any other time.

b. Notices. All notices and other communications required or permitted to be made or given hereunder (all of the foregoing hereinafter collectively referred to as "Communications") shall be in writing, signed by or on behalf of the notifying party, and shall be deemed to have been duly made or given when (i) delivered personally, (ii) five (5) business days after being sent by registered or certified mail or equivalent, return receipt requested, or (iii) one (1) business day after being sent by recognized overnight courier for next business day delivery, in each case as set forth below or to such other or additional address as either party shall hereafter specify by Communication to the other party:

If to the Company:

Integrated Surgical Systems, Inc.  
105 Solana Drive  
Los Altos, California 94022  
Attention: Peter B. Mills, Chief Executive Officer

With a copy to:

Snow Becker Krauss P.C.  
605 Third Avenue  
New York, New York 10158  
Attention: David R. Fishkin, Esq.

If to Purchaser:

to the address as set forth on the signature page hereto

With a copy to:

Golenbock Eiseman Assor Bell & Peskoe LLP  
437 Madison Avenue  
New York, New York 10022  
Attention: Andrew D. Hudders, Esq.

c. Modifications to Be in Writing. To be effective, any modification to this Agreement must be in writing signed by all parties to this Agreement.

d. Agreement Binding upon Successors and Assigns. This Agreement shall bind both parties and their respective successors and assigns. All rights, privileges and powers granted to each party under this Agreement shall benefit such party and its successors and assigns.

e. Assignment of Agreement. This Agreement shall not be assigned by either party without the prior written consent of the other party.

f. Further Assurances. Both parties agree to take any further actions and to make, execute and deliver any further written instruments which may be reasonably required to carry out the terms, provisions, intentions and purposes of this Agreement.

g. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without giving effect to principles of conflicts or choice of laws thereof.

h. Severability. If any provision of this Agreement or any application of any provision is determined to be unenforceable, the remainder of this Agreement shall be unaffected. If the provision is found to be unenforceable when applied to particular persons or circumstances, the application of the provision to other persons or circumstances shall be unaffected.

i. Headings. Headings used in this Agreement have been included for convenience and ease of reference only and will not in any manner influence the construction or interpretation of any provision of this Agreement.

j. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement.

[The rest of this page is intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have executed and delivered this Agreement as of the date first written above.

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Peter B. Mills

-----  
Name: Peter B. Mills  
Title: Chief Executive Officer

Purchaser:

M. Stephen Walker, TTE Toye A. Drewry -  
Walker U/A DTD 03/07/06

By: /s/ M. Stephen Walker, TE

-----  
Name: M. Stephen Walker  
Title: Trustee

Address:  
1408 Olivia Street  
Key West, Florida 33040

Number of Shares: 1,199,934

Purchase Price: \$725,000

Purchase Price per Share: \$0.6042

SCHEDULE 3(D)

Outstanding Rights

1. Reference is made to Schedule 3(j)
2. Series G Convertible Preferred Stock

SCHEDULE 3(F)

Capitalization Table

INTEGRATED SURGICAL SYSTEMS  
CAP TABLE  
SUMMARY  
AS OF MARCH 14, 2008

COMMON STOCK OUTSTANDING	4,578,500
WARRANTS	30,000
STOCK OPTIONS	63,050
	-----
FULLY-DILUTED SHARES O/S 3-14-08	4,671,550

WARRANTS		
SBK	30,000	@ \$0.625
	-----	
Total Warrants	30,000	

STOCK OPTIONS		ex price	exp date
		-----	-----
Mills	3,000	\$ 0.4000	01-Nov-11
Tomczak	3,000	\$ 0.4000	01-Nov-11
Moorman	2,000	\$ 0.4000	01-Nov-11
Mills	25,000	\$ 0.3275	13-Aug-12
Tomczak	25,000	\$ 0.3275	13-Aug-12
Various Doctors	5,050	see below	
	-----		
	63,050		

VARIOUS DOCTOR STOCK OPTIONS

Bargar, Dr.	500	\$27.5000	03-Oct-09
Bauer, Dr.	650	\$36.8800	11-Nov-08
Boerner, Dr.	650	\$36.8800	11-Nov-08
Dogali, Dr.	1,000	\$30.0000	13-Mar-10
Lahmer, Dr.	650	\$36.8800	11-Nov-08
Ries, Dr. K.	50	\$10.0000	14-Sep-08
Ries, Dr. K.	500	\$36.2500	04-Jan-09
Ries, Dr. M.	500	\$35.6300	25-Jul-09
Vince, Dr. Kelly	50	\$36.2500	14-Sep-08
Klosinski, R	500	\$ 0.3100	01-May-12
	-----		
	5,050		

BASIS FOR CALCULATION OF PURCHASE PRICE

fully-diluted common shares	4,671,550	low price last 5 days =	\$ 0.2900
plus: adjusted series G	734,548	80% of low price last 5 days	\$ 0.2300
	-----		
adjusted fully-diluted shares	5,406,098	# series G shares	168,946
			-----
ISS cash less liabs	2,866,290	CS equivalent series G	734,548
shell value	400,000	per term sheet	
	-----		
value ISS	3,266,290		
Amount required for 51%	3,399,608	51%	
# shares required for 51%	5,626,755	51% B6/.49-B6	
price per share	\$ 0.6042		
ISS cash @ 3-14	3,078,452	actual @ 3-13-08 per Adams	
All liabilities	(212,162)	total AP accrued liabs per worksheet	
	-----		
Adjusted net cash @ 2-29-08	2,866,290		



## SCHEDULE 3(H)

### Litigation

The Company is aware of a potential matter involving Energex Systems ("Energex") and its Chief Executive Officer, Thomas J. Fagan. Energex has instituted a demand for a list of the stockholders of the Company in connection with a potential transaction involving Energex and the Company.

1. Any claims or actions relating to the demand for the list of stockholders.
2. Any claims or actions relating to the potential transaction with Energex.

SCHEDULE 3(I)

Material Contracts

1. Agreement to pay \$25,000 per annum to each of Peter Mills and Michael Tomczak.
2. Options to purchase 3,000 shares of Common Stock granted in 2006 to each Messrs. Mills and Tomczak.
3. Agreement to grant 25,000 stock options to each of Messrs. Mills and Tomczak.
4. Leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 by and between the Company, as tenant, and JB Management LP, as landlord.
5. Advisory Services Agreement dated as of November 28, 2007 by and between MDB Capital Group LLC and the Company.

SCHEDULE 3(K)

Benefit Plans

See Schedule 3(h)

EXHIBIT A

Registration Rights Agreement

EXHIBIT B

Investor Questionnaire

INTEGRATED SURGICAL SYSTEMS, INC.

INVESTOR QUESTIONNAIRE

(ALL INFORMATION WILL BE TREATED CONFIDENTIALLY)

To: Integrated Surgical Systems, Inc.  
3221 Porter Avenue  
Palo Alto, California 94304

This Investor Questionnaire ("Questionnaire") must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value \$.01 per share, of Integrated Surgical Systems, Inc. (the "Securities"). The Securities are being offered and sold by Integrated Surgical Systems, Inc. (the "Corporation") without registration under the Securities Act of 1933, as amended (the "Act"), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(2) of the Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemption from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. Your answers will be kept strictly confidential. However, by signing this Questionnaire you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

A. BACKGROUND INFORMATION

Name: \_\_\_\_\_

Business  
Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone  
Number: (\_\_\_\_) \_\_\_\_\_

Residence

Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone

Number: (\_\_\_\_) \_\_\_\_\_

If an individual:

Age: \_\_\_\_\_ Citizenship: \_\_\_\_\_ Where registered to vote: \_\_\_\_\_

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity: \_\_\_\_\_

State of incorporation: \_\_\_\_\_

Social Security or

Taxpayer Identification

No. \_\_\_\_\_

Send all correspondence to (check one): \_\_\_\_\_ Residence Address \_\_\_\_\_ Business Address

Current ownership of securities of the Corporation:

\_\_\_\_\_ shares of common stock, par value \$.01 per share (the "Common Stock")

\_\_\_\_\_ options to purchase shares of common stock

Name(s) of persons with voting and selling

authority of the above listed Common Stock

and the Common Stock being purchased: \_\_\_\_\_

B. STATUS AS ACCREDITED INVESTOR

The undersigned is an "accredited investor" as such term is defined in Regulation D under the Act, as at the time of the sale of the Securities the undersigned falls within one or more of the following categories (Please initial one or more, as applicable):

\_\_\_\_ (1) a bank as defined in Section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Act; an investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; a Small Business Investment Corporation licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with the investment decisions made solely by persons that are accredited investors;

\_\_\_\_ (2) a private business development company as defined in Section 202(a)(22) of the Investment Adviser Act of 1940;

\_\_\_\_ (3) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities offered, with total assets in excess of \$5,000,000;

\_\_\_\_ (4) a natural person whose individual net worth(1), or joint net worth with that person's spouse, at the time of such person's purchase of the Securities exceeds \$1,000,000;

\_\_\_\_ (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

\_\_\_\_ (6) a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D; and

\_\_\_\_ (7) an entity in which all of the equity owners are accredited investors (as defined above).

- - - - -  
(1) As used in this Questionnaire, the term "net worth" means the excess of total assets over total liabilities. In computing net worth for the purpose of subsection (4), the principal residence of the investor must be valued at cost, including cost of improvements, or at recently appraised value by an institutional lender making a secured loan, net of encumbrances. In determining income, the investor should add to the investor's adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depiction, contributions to an IRA or KEOGH retirement plan, alimony payments, and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.

IN WITNESS WHEREOF, the undersigned has executed this Questionnaire this  
\_\_\_\_ day of \_\_\_\_\_, 2008, and declares under oath that it is truthful  
and correct.

\_\_\_\_\_  
Print Name

By:

-----  
Signature

Title: \_\_\_\_\_  
(required for any purchaser that is a  
corporation, partnership, trust or other  
entity)



STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of April 11, 2008, by and between INTEGRATED SURGICAL SYSTEMS, INC., a Delaware corporation (the "Company"), and the party set forth on the signature page hereto ("Purchaser").

WHEREAS, the Company desires to issue to Purchaser, and Purchaser desires to purchase from the Company, that number of shares set forth on the signature page hereto (the "Shares") of common stock, par value \$.01 per share, of the Company ("Common Stock"); and

WHEREAS, the Company is issuing and selling to other purchasers additional shares of Common Stock either simultaneously with the Closing (as hereinafter defined) or as soon thereafter as practicable (collectively, the "Offering").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Purchase and Sale of Shares; Purchase Price.

a. Purchase of Shares. Purchaser hereby agrees to purchase the Shares from the Company, and the Company hereby agrees to issue and deliver to Purchaser, on the Closing Date (as hereinafter defined), the Shares.

b. Purchase Price. In consideration of the purchase of the Shares hereunder, Purchaser hereby agrees to pay to the Company on the Closing Date an amount equal to the amount set forth on the signature page hereto (the "Purchase Price").

2. Closing; Deliverables.

a. Closing. Consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Snow Becker Krauss P.C., 605 Third Avenue, New York, New York 10158, at 10:00 a.m., New York time, as soon as practicable following the date hereof, or at such other time, date or place as the parties hereto may agree upon (the "Closing Date").

b. Closing Deliverables. At the Closing, the Company shall issue and deliver to Purchaser certificate(s) representing the Shares registered in the name of Purchaser (or if so designated, a nominee thereof), and Purchaser shall deliver to the Company the Purchase Price by wire transfer of immediately available funds to such account or accounts as designated by the Company.

3. Representations and Warranties of the Company. The Company hereby

represents and warrants to Purchaser as follows:

a. Organization. The Company and each of its subsidiaries, if any ("Subsidiaries"), is duly organized and validly existing in good standing under the laws of the jurisdiction of its organization. Each of the Company and its Subsidiaries has full power and authority to own, operate and occupy its properties and to conduct its business as presently conducted and is registered or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the location of the properties owned or leased by it requires such qualification and where the failure to be so qualified would have a material adverse effect upon the condition (financial or otherwise), earnings, business, properties, prospects or operations of the Company and its Subsidiaries, considered as one enterprise (a "Material Adverse Effect"), and no proceeding has been instituted in any such jurisdiction, revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification.

b. Authority. The Company has full power and authority to execute, and deliver this Agreement and that certain registration rights agreement in the form of Exhibit A annexed hereto (the "Registration Rights Agreement"), and to perform its obligations hereunder and thereunder. Each of this Agreement and the Registration Rights Agreement constitutes the valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

c. No Conflict. Neither the execution and delivery of this Agreement or the Registration Rights Agreement by the Company, nor the consummation of the transactions contemplated hereby or thereby, will result in (A) a conflict with or constitute a violation of, or default (with the passage of time or otherwise) under, (i) any material bond, debenture, note or other evidence of indebtedness, lease, contract, indenture, mortgage, deed of trust, loan agreement, joint venture or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any of its Subsidiaries or their respective properties are bound, (ii) the certificate of incorporation, by-laws or other organizational documents of the Company or any Subsidiary, or (iii) any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary or their respective properties, except in the case of clauses (i) and (iii) for any such conflicts, violations or defaults which are not reasonably likely to have a Material Adverse Effect or (B) the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or any Subsidiary or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material bond, debenture, note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any Subsidiary is a party or by which any of them is bound or to which any of the material property or assets of the Company or any Subsidiary is subject.

d. Authorized Capitalization; Shares Duly Issued. The authorized capital stock of the Company consists of (i) 100,000,000 shares of Common Stock,

4,578,500 of which are issued and outstanding, and (ii) 1,000,000 shares of preferred stock, 168 of which are issued and outstanding. The Shares, when issued in accordance with the terms and conditions of this Agreement, shall be duly authorized, validly issued, fully-paid and non-assessable, subject to no lien or encumbrance. The outstanding shares of capital stock of the Company have been duly and validly issued and are fully paid and non-assessable, have been issued in compliance with all federal and state securities laws, and were not issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Except as set forth on Schedule 3(d), there are no outstanding rights (including, without limitation, preemptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any unissued shares of capital stock or other equity interest in the Company or any Subsidiary, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or any Subsidiary is a party or of which the Company has knowledge and relating to the issuance or sale of any capital stock of the Company or any Subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options. No preemptive rights, co-sale rights, rights of first refusal, registration rights (other than with respect to the Purchaser) or other similar rights exist with respect to the Shares or the issuance and sale thereof.

e. SEC Reports. The Company has filed with the Securities and Exchange Commission (the "Commission") all reports, schedules, forms, statements and other documents required to be filed by it, as applicable, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for the last three (3) fiscal years ("SEC Reports"). The SEC Reports, when filed, complied in all material respects with the requirements of the Exchange Act, and to the knowledge of the Company, contain no 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.

f. Financial Statements. The financial statements of the Company included in the SEC Reports ("Financial Statements") (i) comply in all material respects with the requirements of the Exchange Act, (ii) fairly present the financial condition of the Company for the periods represented thereby and (iii) have been prepared in accordance with generally accepted accounting principles ("GAAP"). The capitalization table annexed hereto as Schedule 3(f) sets forth the basis for the calculation of the Purchase Price and is true and correct in all material respects as of the date hereof. There are no financial statements (historical or pro forma) that are required to be included in the SEC Reports that are not included as required; and the Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations) required to be disclosed in the SEC Reports that are not disclosed in the SEC Reports. Except as disclosed in the SEC Reports and Financial Statements, subsequent to the respective dates as of which information is given in the Financial Statements, there has not been (i) any material adverse change in the business, properties, management, financial condition or results of operations of the Company, (ii) other than in the ordinary course of business, any transaction which is material to the Company, (iii) any obligation, direct or contingent (including any off-balance sheet obligations), incurred by the Company which is material to the Company, (iv) any change in the capital stock or

outstanding indebtedness of the Company other than pursuant to the terms of outstanding debt and equity securities, or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company.

g. Legal Compliance. Neither the Company nor any Subsidiary is in violation of its charter, bylaws, or other organizational document. Neither the Company nor any Subsidiary has in the past been or currently is in violation of any law, administrative regulation, ordinance or order of any court or governmental agency, arbitration panel or authority applicable to the Company or any Subsidiary, which violation, individually or in the aggregate, would be reasonably likely to have a Material Adverse Effect, or is in default (and there exists no condition which, with the passage of time or otherwise, would constitute a default) in any material respect in the performance of any bond, debenture, note or any other evidence of indebtedness in any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or by which the properties of the Company or any Subsidiary are bound, which would be reasonably likely to have a Material Adverse Effect.

h. Litigation. Except as set forth on Schedule 3(h), there are no actions, suits, claims, investigations or proceedings pending or, to the Company's knowledge, threatened or contemplated to which the Company or any of its directors or officers is or would be a party or of which any of the properties of the Company is or would be subject at law or in equity, before or by any governmental or regulatory commission, board, body, authority or agency, or preventing consummation of the transactions contemplated hereby; there are no legal or governmental proceedings pending before or by any governmental or regulatory commission, board, body, authority or agency relating to the Company's business practices and activities or to its securities, and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others. There has not been, and to the knowledge of the Company, there is not pending any investigation by the Commission involving the Company or any current or former director or officer of the Company (in his or her capacity as such). The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary.

i. Material Contracts. Schedule 3(i) sets forth the material contracts of the Company in effect as of the date hereof ("Contracts") together with a list of consents, if any, requiring consent to the transactions contemplated hereby. As of the date hereof, no party is in breach or default in any material respect under any Contract, except for such breaches and defaults as to which requisite waivers or consents have been obtained. Each Contract is valid, binding and enforceable by the Company in accordance with its terms subject to: (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

j. Property; Lease. Except with respect to that certain leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 (the

"Lease") by and between the Company, as tenant, and JB Management LP, as landlord, the Company is not party to any leasehold obligation and does not own any real or intellectual property.

k. Benefit Plans. Set forth on Schedule 3(k) is a list of each material bonus, deferred compensation, pension, profit-sharing, retirement, stock purchase or stock option, hospitalization or other medical, life or other insurance plan relating to the Company, including any policy, plan, program or agreement that provides for the payment of severance benefits, salary continuation, salary in lieu of notice or similar benefits, maintained, sponsored or contributed to by the Company or under which the Company has any present or future material obligations or material liability on behalf of the Company's employees or former employees or their dependents or beneficiaries of the Company (collectively, the "Employee Benefit Plans"). To the knowledge of the Company, the Employee Benefit Plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the Internal Revenue Code of 1986, as amended (the "Code"), are in compliance in all material respects with the presently applicable provisions of ERISA and the Code.

l. Intellectual Property. To the knowledge of the Company, each of the Company and its Subsidiaries, prior to selling substantially all of the Company's assets to a third party, owned or possessed sufficient rights to conduct its business in the ordinary course, including, without limitation, rights to use all material patents, patent rights, industry standards, trademarks, copyrights, licenses, inventions, trade secrets, trade names and know-how (collectively, "Intellectual Property") that was necessary for the conduct of its business as was conducted, except where the failure to have so owned or possessed would not have resulted in a Material Adverse Effect. To the knowledge of the Company, neither the Company nor any of its Subsidiaries infringed any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have had a Material Adverse Effect, and neither the Company nor any of its Subsidiaries has received any notice of, or has any knowledge of, any asserted infringement by the Company or any of its Subsidiaries of any rights of a third party with respect to any Intellectual Property that, individually or in the aggregate, would have a Material Adverse Effect.

m. Taxes. All income tax returns required to be filed by the Company have been filed and all such returns are true, complete, and correct in all material respects and all taxes that are due or claimed to be due from the Company have been paid other than those (x) currently payable without penalty or interest or (y) being contested in good faith and by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP.

n. Investment Company Status. The Company is not and, after giving effect to the Offering, will not be an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

o. Private Placement. Assuming that all representations and warranties of Purchaser set forth in Section 4 hereof are true and correct in all respects, the offer and sale of Shares hereunder is exempt from registration under the Securities Act (as hereinafter defined) and applicable state securities laws.

p. Internal Controls. At all times since first required by all applicable Exchange Act rules, the Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company, including its Subsidiaries, is made known to the certifying officers by others within those entities, particularly during the period in which the Form 10-KSB or Form 10-QSB, as the case may be, is being prepared. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by each Form 10-KSB or Form 10-QSB for which such evaluation was required by applicable Exchange Act rules, as the case may be (each such date, the "Evaluation Date"). The Company presented in each such Form 10-KSB or Form 10-QSB, as the case may be, the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the most recent Evaluation Date, there have been no significant changes in the Company's internal controls (as such term is used in Item 308(c) of Regulations S-K and S-B under the Exchange Act) or, to the Company's knowledge, in other factors that could significantly affect the Company's internal controls.

q. No Employee Violations. To the Company's knowledge, no employee or agent of the Company has made any payment of funds of the Company or received or retained any funds in violation of any law, rule or regulation. Neither the Company nor any of its directors, officers, or controlling persons has taken or will take, directly or indirectly, any action designed, or which has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares in violation of applicable law.

r. Foreign Corrupt Practices. Neither the Company, nor to the best knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

s. No Brokers. The Company is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

4. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to the Company as follows:

a. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Purchaser, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy or insolvency statutes.

b. No Conflict. Neither the execution and delivery of this Agreement by Purchaser, nor the consummation of the transactions contemplated hereby, will result in a violation of any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Purchaser is subject, or conflict with, result in a breach of, constitute a default under, or result in the acceleration of, any contract or agreement to which Purchaser is a party or by which it is bound.

c. Review of SEC Reports and Financial Statements. Purchaser has fully reviewed all of the SEC Reports and Financial Statements.

d. Accredited Investor. Purchaser qualifies as an accredited investor as such term is defined under Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Purchaser has provided a completed and signed Investor Questionnaire in the form annexed to this Agreement.

e. Sophistication. Purchaser acknowledges that it is a sophisticated investor, has such knowledge and experience in financial and business matters in general and has full familiarity with the current business and future business prospects of the Company and the financial and other affairs of the Company and acknowledges that it has had access to and has received sufficient written and oral information about the Company, including any and all such information requested by Purchaser and including copies of all of the SEC Reports in order to make an informed decision to purchase the Shares. In addition, Purchaser acknowledges that it has had access to the officers, directors and employees of the Company to discuss the business, affairs and prospects of the Company and has had the opportunity to obtain additional information necessary to evaluate the merits and risks of engaging in the transactions contemplated by this Agreement. Purchaser has reached an independent decision with respect to the advisability of the purchase of the Shares and, in arriving at its decision, has considered both the value of the Shares as well as the present condition and future prospects of the Company.

f. Economic Risk. Purchaser is able to bear the economic risks of the investment in the Shares and, consequently, without limiting the generality of the foregoing, is able to hold the Shares for an indefinite period of time and has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such loss should occur.

g. No Representations. Purchaser fully understands and acknowledges that the Company makes no representations or warranties whatsoever with respect to the business, operations, financial condition, prospects or other affairs of the Company other than as explicitly set forth in this Agreement, and Purchaser expressly represents and warrants that in connection with its decision to purchase the Shares as contemplated hereunder, Purchaser is not relying upon any statements made by the Company or any of its shareholders, directors, officers, employees or agents, whether oral or written, concerning the Company, other than those set forth in this Agreement.

h. Own Account. Purchaser is acquiring the Shares for its own account for investment and not with a view to or for resale in connection with any distribution of the Shares. It has not offered or sold any portion of the Shares and has no present intention of dividing the Shares with others or of selling, distributing or otherwise disposing of any portion of the Shares either currently or after the passage of a fixed or determinable period of time or the occurrence or non-occurrence of any predetermined event or circumstance.

i. Resale. Purchaser acknowledges that the Shares have not been registered under the Securities Act and may not be offered or sold except pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements thereof. Purchaser agrees that it shall not offer or sell any Shares except in accordance with Rule 144A, Rule 144 or other applicable exemption under the Securities Act, unless pursuant to an effective registration statement.

j. Taxes. Any obligation or liability for taxes (state, federal or otherwise) incurred by Purchaser in connection with this Agreement or the transactions contemplated hereby shall be the sole responsibility of and be paid for by Purchaser.

k. No Brokers. Purchaser is not subject to any valid claim of any broker, investment banker, finder or other intermediary in connection with the transactions contemplated by this Agreement.

l. Advice of Counsel. Purchaser acknowledges that it has been advised to consult with its own attorney regarding the transactions contemplated hereby and to consult with its tax advisor regarding the tax consequences of acquiring the Shares.

m. Restrictive Legend. Certificates for the Shares shall contain a restrictive legend substantially in the following form:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS AND HAVE BEEN ISSUED IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED,



TRANSFERRED, PLEDGED, ENCUMBERED, HYPOTHECATED OR OTHERWISE DISPOSED OF, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO A TRANSACTION THAT IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENTS.

#### 5. Covenants.

a. Confidentiality. Purchaser agrees that it will not divulge, communicate, use to the detriment of the Company or for the benefit of any other person, firm or entity, or misappropriate in any way, any confidential information or trade secrets relating to the Company or any of its businesses including without limitation, business plans, systems and strategies, operating plans, acquisition strategies (including the identities of and any other information concerning possible acquisition candidates), financial information (whether pro forma or otherwise), market analyses, procedures or strategies, acquisition terms and conditions, personnel information, trade processes, manufacturing methods, operational and equipment techniques, quality control procedures and systems, projects and technological research or methods, know-how, customer lists and relationships, supplier lists, or other non-public proprietary and confidential information relating to the Company.

b. Board of Directors; Continuation of Offering. Simultaneously with the Closing, and explicitly subject to purchasers in the Offering purchasing shares of Common Stock for a purchase price not less than \$1,750,000 on or before the Closing, the Company agrees to appoint Christopher Marlett ("Marlett") as the Chief Executive Officer thereof and use its reasonable efforts to cause the Board of Directors of the Company (the "Board") to be established at a total of four (4) members, two of whom shall be the designees of Marlett. Following the Closing, MDB Capital Group LLC ("MDB") shall use its best efforts to arrange for an additional purchase or series of purchases of Common Stock (the "Subsequent Offering") with an aggregate purchase price of not less than \$1,649,608 (the "Subsequent Offering Minimum"), it being the intent of the parties that the total equity investment by all purchasers (including Purchaser) in the Offering and the Subsequent Offering be an aggregate amount not less than \$3,399,608. In the event that additional purchases of Common Stock in connection with the Subsequent Offering are completed in which the Company receives proceeds of not less than the Subsequent Offering Minimum, the Company agrees to use its reasonable efforts thereafter to cause the Board to be established at a total of five (5) members, and, at Marlett's option, cause a designee to be elected as a member of the Board at the next annual meeting of stockholders of the Company, or in the event that no such annual meeting has taken place on or before 90 days following the Subsequent Offering, appointed by the Board, provided that, such appointment does not violate any rules and regulations of the Commission. The Company agrees to accept as a purchaser in the Subsequent Offering any reasonable accredited investor introduced by MDB that has no criminal, civil or regulatory sanctions in respect thereof.

c. Blue Sky. The Company shall make all necessary filings under the Blue Sky laws of the State of New York related to the sale of the Shares and at

Purchaser's request, provide evidence of filing and payment of all related filing fees.

d. Lease. As soon as practicable after the Closing, the Company shall use its best efforts to arrange for a release from any obligation of the Company under the Lease except for a cash payment of up to \$60,000 to a new tenant leasing the leased premises. In the event that the Lease obligations are not so released on or before July 31, 2008, the Company agrees to pay to each purchaser in the Offering an amount in cash equal to \$0.0355 per share of Common Stock purchased by such purchaser in the Offering.

#### 6. Conditions to Closing.

a. Both Parties. The obligations of the parties to consummate the transactions contemplated hereby shall be subject to the following conditions:

(i) The representations and warranties of each of the Company and Purchaser shall be true and correct in all material respects on the Closing Date (except for representations and warranties that speak as of a specific date, which representations and warranties shall be true and correct as of such date).

(ii) There shall not have occurred a suspension or material limitation in trading in the Common Stock on any trading medium or exchange on which the Common Stock was being traded prior to the consummation of the purchase of the Shares.

(iii) The Registration Rights Agreement shall have been executed and delivered by the parties.

(iv) All consents, approvals or authorizations of any person required for the valid authorization, execution and delivery by the parties of this Agreement or for the consummation of the transactions contemplated hereby shall have been obtained.

(v) No action or proceeding by or before any court, administrative body or governmental agency shall have been instituted or threatened by a third party which seeks to enjoin, restrain or prohibit this Agreement or consummation of the transactions contemplated hereby.

b. Purchaser. The obligations of Purchaser to consummate the transactions contemplated hereby shall be subject to the following additional conditions:

(i) The Company shall have delivered a secretary's certificate attesting to the current certificate of incorporation and by-laws of the Company and the resolutions approving the transactions contemplated by this Agreement.

(ii) If applicable, appropriate "blue sky" filings shall have been made under the Blue Sky laws of the State of New York relating to the sale of the Shares.

7. Indemnification. Each of the parties hereby agrees to indemnify and hold harmless the other party and each of its respective officers, directors, employees, affiliates and agents, from and against any and all losses, costs, claims, damages, expenses, obligations and liabilities of any nature whatsoever, including, without limitation, court costs and reasonable attorneys' fees (specifically including court costs and reasonable attorneys' fees incurred in enforcing this Section 7 or in recovering damages or pursuing other remedies with respect to any breach of this Section 7), incurred by such party as a result of or in connection with any breach of any representation, warranty, covenant or other obligation of the other party contained in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Company shall only be liable to indemnify Purchaser up to a maximum aggregate indemnification amount equal to the Purchase Price.

8. Expenses. The Company shall pay the expenses of Purchaser and the other purchasers in connection with the Offering, including without limitation, reasonable legal fees, expenses of registration, and other out-of-pocket expenses, up to an aggregate maximum for all purchasers of \$50,000. Purchaser agrees to provide written evidence to the Company reasonably satisfactory thereby of any expense in excess of \$500.

9. Miscellaneous.

a. Waiver. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against which the waiver is asserted or by its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation in any other instance, in any other respect, or at any other time.

b. Notices. All notices and other communications required or permitted to be made or given hereunder (all of the foregoing hereinafter collectively referred to as "Communications") shall be in writing, signed by or on behalf of the notifying party, and shall be deemed to have been duly made or given when (i) delivered personally, (ii) five (5) business days after being sent by registered or certified mail or equivalent, return receipt requested, or (iii) one (1) business day after being sent by recognized overnight courier for next business day delivery, in each case as set forth below or to such other or additional address as either party shall hereafter specify by Communication to the other party:

If to the Company:

Integrated Surgical Systems, Inc.  
105 Solana Drive  
Los Altos, California 94022  
Attention: Peter B. Mills, Chief Executive Officer

With a copy to:

Snow Becker Krauss P.C.  
605 Third Avenue  
New York, New York 10158  
Attention: David R. Fishkin, Esq.

If to Purchaser:

to the address as set forth on the signature page hereto

With a copy to:

Golenbock Eiseman Assor Bell & Peskoe LLP  
437 Madison Avenue  
New York, New York 10022  
Attention: Andrew D. Hudders, Esq.

c. Modifications to Be in Writing. To be effective, any modification to this Agreement must be in writing signed by all parties to this Agreement.

d. Agreement Binding upon Successors and Assigns. This Agreement shall bind both parties and their respective successors and assigns. All rights, privileges and powers granted to each party under this Agreement shall benefit such party and its successors and assigns.

e. Assignment of Agreement. This Agreement shall not be assigned by either party without the prior written consent of the other party.

f. Further Assurances. Both parties agree to take any further actions and to make, execute and deliver any further written instruments which may be reasonably required to carry out the terms, provisions, intentions and purposes of this Agreement.

g. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without giving effect to principles of conflicts or choice of laws thereof.

h. Severability. If any provision of this Agreement or any application of any provision is determined to be unenforceable, the remainder of this Agreement shall be unaffected. If the provision is found to be unenforceable when applied to particular persons or circumstances, the application of the provision to other persons or circumstances shall be unaffected.

i. Headings. Headings used in this Agreement have been included for convenience and ease of reference only and will not in any manner influence the construction or interpretation of any provision of this Agreement.

j. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement.

[The rest of this page is intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have executed and delivered this Agreement as of the date first written above.

INTEGRATED SURGICAL SYSTEMS, INC.

By: /s/ Peter B. Mills

-----  
Name: Peter B. Mills  
Title: Chief Executive Officer

Purchaser:

Stephen Walker IRA

By: /s/ Stephen Walker, IRA

-----  
Name: Stephen Walker  
Title: Investor

Address:  
1408 Olivia Street  
Key West, Florida 33040

Number of Shares: 24,827

Purchase Price: \$15,000

Purchase Price per Share: \$0.6042

SCHEDULE 3(D)

Outstanding Rights

1. Reference is made to Schedule 3(j)
2. Series G Convertible Preferred Stock

SCHEDULE 3(F)

Capitalization Table

INTEGRATED SURGICAL SYSTEMS  
CAP TABLE  
SUMMARY  
AS OF MARCH 14, 2008

COMMON STOCK OUTSTANDING	4,578,500
WARRANTS	30,000
STOCK OPTIONS	63,050
	-----
FULLY-DILUTED SHARES O/S 3-14-08	4,671,550

WARRANTS		
SBK	30,000	@ \$0.625
	-----	
Total Warrants	30,000	

STOCK OPTIONS		ex price	exp date
		-----	-----
Mills	3,000	\$ 0.4000	01-Nov-11
Tomczak	3,000	\$ 0.4000	01-Nov-11
Moorman	2,000	\$ 0.4000	01-Nov-11
Mills	25,000	\$ 0.3275	13-Aug-12
Tomczak	25,000	\$ 0.3275	13-Aug-12
Various Doctors	5,050	see below	
	-----		
	63,050		

VARIOUS DOCTOR STOCK OPTIONS			
Bargar, Dr.	500	\$27.5000	03-Oct-09
Bauer, Dr.	650	\$36.8800	11-Nov-08
Boerner, Dr.	650	\$36.8800	11-Nov-08
Dogali, Dr.	1,000	\$30.0000	13-Mar-10
Lahmer, Dr.	650	\$36.8800	11-Nov-08
Ries, Dr. K.	50	\$10.0000	14-Sep-08
Ries, Dr. K.	500	\$36.2500	04-Jan-09
Ries, Dr. M.	500	\$35.6300	25-Jul-09
Vince, Dr. Kelly	50	\$36.2500	14-Sep-08
Klosinski, R	500	\$ 0.3100	01-May-12
	-----		
	5,050		



BASIS FOR CALCULATION OF PURCHASE PRICE

fully-diluted common shares	4,671,550	low price last 5 days =	\$ 0.2900
plus: adjusted series G	734,548	80% of low price last 5 days	\$ 0.2300
	-----		
adjusted fully-diluted shares	5,406,098	# series G shares	168,946
			-----
ISS cash less liabs	2,866,290	CS equivalent series G	734,548
shell value	400,000	per term sheet	
	-----		
value ISS	3,266,290		
Amount required for 51%	3,399,608	51%	
# shares required for 51%	5,626,755	51% B6/.49-B6	
price per share	\$ 0.6042		
ISS cash @ 3-14	3,078,452	actual @ 3-13-08 per Adams	
All liabilities	(212,162)	total AP accrued liabs per worksheet	
	-----		
Adjusted net cash @ 2-29-08	2,866,290		

SCHEDULE 3(H)

Litigation

The Company is aware of a potential matter involving Energex Systems ("Energex") and its Chief Executive Officer, Thomas J. Fagan. Energex has instituted a demand for a list of the stockholders of the Company in connection with a potential transaction involving Energex and the Company.

1. Any claims or actions relating to the demand for the list of stockholders.
2. Any claims or actions relating to the potential transaction with Energex.

SCHEDULE 3(I)

Material Contracts

1. Agreement to pay \$25,000 per annum to each of Peter Mills and Michael Tomczak.
2. Options to purchase 3,000 shares of Common Stock granted in 2006 to each Messrs. Mills and Tomczak.
3. Agreement to grant 25,000 stock options to each of Messrs. Mills and Tomczak.
4. Leasehold for the premises located at 1433 N. Market Blvd. #1, Sacramento, California 95834 by and between the Company, as tenant, and JB Management LP, as landlord.
5. Advisory Services Agreement dated as of November 28, 2007 by and between MDB Capital Group LLC and the Company.

SCHEDULE 3(K)

Benefit Plans

See Schedule 3(h)

EXHIBIT A

Registration Rights Agreement

EXHIBIT B

Investor Questionnaire

INTEGRATED SURGICAL SYSTEMS, INC.

INVESTOR QUESTIONNAIRE

(ALL INFORMATION WILL BE TREATED CONFIDENTIALLY)

To: Integrated Surgical Systems, Inc.  
3221 Porter Avenue  
Palo Alto, California 94304

This Investor Questionnaire ("Questionnaire") must be completed by each potential investor in connection with the offer and sale of the shares of the common stock, par value \$.01 per share, of Integrated Surgical Systems, Inc. (the "Securities"). The Securities are being offered and sold by Integrated Surgical Systems, Inc. (the "Corporation") without registration under the Securities Act of 1933, as amended (the "Act"), and the securities laws of certain states, in reliance on the exemptions contained in Section 4(2) of the Act and on Regulation D promulgated thereunder and in reliance on similar exemptions under applicable state laws. The Corporation must determine that a potential investor meets certain suitability requirements before offering or selling Securities to such investor. The purpose of this Questionnaire is to assure the Corporation that each investor will meet the applicable suitability requirements. The information supplied by you will be used in determining whether you meet such criteria, and reliance upon the private offering exemption from registration is based in part on the information herein supplied.

This Questionnaire does not constitute an offer to sell or a solicitation of an offer to buy any security. Your answers will be kept strictly confidential. However, by signing this Questionnaire you will be authorizing the Corporation to provide a completed copy of this Questionnaire to such parties as the Corporation deems appropriate in order to ensure that the offer and sale of the Securities will not result in a violation of the Act or the securities laws of any state and that you otherwise satisfy the suitability standards applicable to purchasers of the Securities. All potential investors must answer all applicable questions and complete, date and sign this Questionnaire. Please print or type your responses and attach additional sheets of paper if necessary to complete your answers to any item.

A. BACKGROUND INFORMATION

Name: \_\_\_\_\_

Business  
Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone  
Number: (\_\_\_\_) \_\_\_\_\_

Residence

Address: \_\_\_\_\_  
(Number and Street)

\_\_\_\_\_  
(City) (State) (Zip Code)

Telephone

Number: (\_\_\_\_) \_\_\_\_\_

If an individual:

Age: \_\_\_\_\_ Citizenship: \_\_\_\_\_ Where registered to vote: \_\_\_\_\_

If a corporation, partnership, limited liability company, trust or other entity:

Type of entity: \_\_\_\_\_

State of incorporation: \_\_\_\_\_

Social Security or

Taxpayer Identification

No. \_\_\_\_\_

Send all correspondence to (check one): \_\_\_\_\_ Residence Address \_\_\_\_\_ Business Address

Current ownership of securities of the Corporation:

\_\_\_\_\_ shares of common stock, par value \$.01 per share (the "Common Stock")

\_\_\_\_\_ options to purchase shares of common stock

Name(s) of persons with voting and selling authority of the above listed Common Stock and the Common Stock being purchased: \_\_\_\_\_

B. STATUS AS ACCREDITED INVESTOR

The undersigned is an "accredited investor" as such term is defined in Regulation D under the Act, as at the time of the sale of the Securities the undersigned falls within one or more of the following categories (Please initial one or more, as applicable):

\_\_\_\_ (1) a bank as defined in Section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Act; an investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; a Small Business Investment Corporation licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with the investment decisions made solely by persons that are accredited investors;

\_\_\_\_ (2) a private business development company as defined in Section 202(a)(22) of the Investment Adviser Act of 1940;

\_\_\_\_ (3) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Securities offered, with total assets in excess of \$5,000,000;

\_\_\_\_ (4) a natural person whose individual net worth(1), or joint net worth with that person's spouse, at the time of such person's purchase of the Securities exceeds \$1,000,000;

\_\_\_\_ (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

\_\_\_\_ (6) a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D; and

\_\_\_\_ (7) an entity in which all of the equity owners are accredited investors (as defined above).

- - - - -  
(1) As used in this Questionnaire, the term "net worth" means the excess of total assets over total liabilities. In computing net worth for the purpose of subsection (4), the principal residence of the investor must be valued at cost, including cost of improvements, or at recently appraised value by an institutional lender making a secured loan, net of encumbrances. In determining income, the investor should add to the investor's adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depiction, contributions to an IRA or KEOGH retirement plan, alimony payments, and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.



IN WITNESS WHEREOF, the undersigned has executed this Questionnaire this  
\_\_\_\_ day of \_\_\_\_\_, 2008, and declares under oath that it is truthful  
and correct.

\_\_\_\_\_  
Print Name

By:

-----  
Signature

Title: \_\_\_\_\_  
(required for any purchaser that is a  
corporation, partnership, trust or other  
entity)

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 three months ended March 31, 2008 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 officers 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 me 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, my 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.
5. The registrant's other certifying officer(s) 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.

Date: May 20, 2008

By: /s/ CHRISTOPHER A. MARLETT

-----  
Christopher A. Marlett  
Chief Executive Officer

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

I, David H. Adams, Chief Financial Officer of Integrated Surgical Systems, Inc.,  
certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the three months ended March 31, 2008 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 officers 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 me 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 my 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.
5. The registrant's other certifying officer(s) 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.

Date: May 20, 2008

By: /s/ DAVID H. ADAMS

-----  
David H. Adams  
Chief Financial Officer

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 three months ended March 31, 2008, 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 20, 2008

/s/ CHRISTOPHER A. MARLETT

-----  
Christopher A. Marlett  
Chief Executive Officer

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

I, David H. Adams, 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 three months ended March 31, 2008, 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 20, 2008

/s/ DAVID H. ADAMS

-----  
David H. Adams  
Chief Financial Officer