

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

FORM S-8

REGISTRATION STATEMENT

under

THE SECURITIES ACT OF 1933

INSTRUMENT SYSTEMS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	11-1893410
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

100 Jericho Quadrangle, Jericho, New York	11753
(Address of principal executive offices)	(Zip Code)

INSTRUMENT SYSTEMS CORPORATION OUTSIDE DIRECTOR STOCK AWARD PLAN
(Full Title of the Plan)

ROBERT BALEMIAN, PRESIDENT
INSTRUMENT SYSTEMS CORPORATION
100 Jericho Quadrangle
Jericho, New York 11753
(Name and address of agent for service)

(516) 938-5544
(Telephone number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

Title of Securities To be Registered	Amount To Be Registered	Proposed Offering Price Per Share (1)	Proposed Aggregate Offering Price (1)	Amount of Registration Fee
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Common Stock, par value \$.25 per share	300,000 shs.(2)	\$9.25	\$2,775,000	\$957

(1) Estimated solely for the purpose of calculating the registration fee, based upon the average of the high and low closing sales prices of the Company's Common Stock on the New York Stock Exchange on February 16, 1994.

(2) The Registration Statement also covers an indeterminate number of additional shares of Common Stock which may become issuable pursuant to anti-dilution and adjustment provisions of the Plan.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The Registrant hereby incorporates by reference into this Registration Statement the documents listed in (a) through (c) below:

- (a) The Registrant's latest annual report filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, or either (I) the latest prospectus filed pursuant to Rule 424(b) under the Securities Act of 1933 that contains audited financial statements for the Registrant's latest fiscal year for which such statements have been filed or (II) the Registrant's effective registration statement on Form 10 filed under the Securities Exchange Act of 1934 containing audited financial statements for the Registrant's latest fiscal year;
- (b) All other reports filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 since the end of the fiscal year covered by the Registrant's document referred to in (a) above;
- (c) The description of the class of securities to be offered which is contained in a registration statement filed under Section 12 of the Securities Exchange Act of 1934, including any amendment or report filed for the purpose of updating such description.

All documents subsequently filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Under provisions of the Certificate of Incorporation and By-Laws of Registrant, each person who is or was a director or officer of Registrant shall be indemnified by Registrant as of right to the full extent permitted or authorized by the General Corporation Law of Delaware.

Under such law, to the extent that such person is successful on the merits of defense of a suit or proceeding brought against him by reason of the fact that he is a director or officer of Registrant, he shall be indemnified against expenses (including attorneys' fees) reasonably incurred in connection with such action.

If unsuccessful in defense of a third-party civil suit or a criminal suit is settled, such a person shall be indemnified under such law against both (1) expenses (including attorneys' fees) and (2) judgments, fines and amounts paid in settlement if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of Registrant, and with respect to any criminal action, had no reasonable cause to believe his conduct was unlawful.

If unsuccessful in defense of a suit brought by or in the right of Registrant, or if such suit is settled, such a person

shall be indemnified under such law only against expenses (including attorneys' fees) incurred in the defense or settlement of such suit if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of Registrant except that if such a person is adjudicated to be liable in such suit for negligence or misconduct in the performance of his duty to Registrant, he cannot be made whole even for expenses unless the court determines that he is fairly and reasonably entitled to be indemnified for such expenses.

The Company entered into Indemnification Agreements with each of its officers and directors. The Agreements provide for reimbursement for all direct and indirect costs of any type or nature whatsoever (including attorneys' fees and related disbursements) actually and reasonably incurred in connection with either the investigation, defense or appeal of a Proceeding, as defined, including amounts paid in settlement by or on behalf of an Indemnitee.

The officers and directors of the Company are covered by officers' and directors' liability insurance. The policy coverage is \$20,000,000, which includes reimbursement for costs and fees. There is a maximum aggregate deductible for each loss under the policy of \$100,000.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

- 4 Instrument Systems Corporation Outside Director Stock Award Plan
- 5 Opinion and consent of Blau, Kramer, Wactlar & Lieberman, P.C.
- 23.1 Consent of Blau, Kramer, Wactlar, & Lieberman, P.C. - included in their opinion filed as Exhibit 5.
- 23.2 Consent of Arthur Andersen & Co.
- 24 Power of Attorney

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be

included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That, for the purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Jericho, New York on the 8th day of February, 1994.

INSTRUMENT SYSTEMS CORPORATION

By: Harvey R. Blau

Harvey R. Blau
Chairman of the Board

POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed on February 8, 1994 by the following persons in the capacities indicated. Each person whose signature appears below constitutes and appoints Harvey R. Blau and Robert Balemian, and each of them acting individually, with full power of substitution, our true and lawful attorneys-in-fact and agents to do any and all acts and things in our name and on our behalf in our capacities indicated below which they or either of them may deem necessary or advisable to enable Instrument Systems Corporation to comply with the Securities Act of 1933, as amended, and any rules, regulations and requirements of the Securities and Exchange Commission, in connection with this Registration Statement including specifically, but not limited to, power and authority to sign for us or any of us in our names in the capacities stated below, any and all amendments (including post-effective amendments) thereto, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in such connection, as fully to all intents and purposes as we might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Signature -----	Title -----
Harvey R. Blau - ----- Harvey R. Blau	Chairman of the Board (Principal Executive Officer)
Robert Balemian - ----- Robert Balemian	President and Director (Principal Operating and Financial Officer)
Patrick Alesia - ----- Patrick Alesia	Vice President and Treasurer (Chief Accounting Officer)
- ----- Bertrand Bell	Director
Robert Bradley - ----- Robert Bradley	Director
Abraham M. Buchman - ----- Abraham M. Buchman	Director
- ----- Clarence A. Hill, Jr.	Director
Ronald J. Kramer - ----- Ronald J. Kramer	Director
- ----- Milton Paulson	Director
James W. Stansberry - ----- James W. Stansberry	Director

INSTRUMENT SYSTEMS CORPORATION
OUTSIDE DIRECTOR STOCK AWARD PLAN

1. Purpose. Instrument Systems Corporation and its subsidiaries (the "Company") wish to establish an Outside Director Stock Award Plan (the "Plan"). The purposes of the Plan are to attract and retain well-qualified persons for service as directors, who are not salaried employees of the Company or any of its subsidiaries ("Outside Directors"); and to provide such Outside Directors with the opportunity to increase their proprietary interest in the Company, and thereby to increase their personal interest in the Company's continued success, through the payment of a portion of directors' fees in shares of the Company's Common Stock, \$.25 par value ("Common Stock").

2. Administration. The Board of Directors of the Company (the "Board") will have the responsibility and authority to administer and interpret the provisions of this Plan. All determinations of the Board with respect to the Plan shall be final and binding upon all persons.

In administering the Plan, the Board may employ attorneys, consultants, accountants or other persons, and the Company and the Board shall be entitled to rely upon the advice, opinions or valuations of any such persons. All usual and reasonable expenses of the Board shall be paid by the Company. No member of the Board shall be personally liable for any action, determination or interpretation taken or made with respect to the Plan or awards made thereunder, and all members of the Board shall be fully indemnified and protected by the Company in respect of any such action, determination or interpretation, in the absence of any fraudulent act or omission.

3. Eligibility. Awards under the Plan shall be available to all Outside Directors; provided, that no director who is an employee of the Company shall be eligible for participation in the Plan.

4. Awards. At each meeting of the Board next following the Annual Meeting of Stockholders of the Company beginning with the meeting to be held on February 8, 1994 (the "Effective Date"), each Outside Director shall be awarded shares of the Company's Common Stock valued at \$10,000 based upon the closing price of the Company's Common Stock on the New York Stock Exchange or such other exchange upon which the Company's Common Stock is listed for the twenty (20) consecutive trading days preceding the Annual Meeting date, subject to and in accordance with the terms of Section 5. Each such award shall be evidenced by written agreement, executed by the Outside Director and the Company. Common Stock awarded to each Outside Director shall vest over a period of three years, subject to forfeiture under certain conditions.

Each share certificate issued in respect of any grant under this Plan shall be registered in the name of the Outside Director to whom it is granted hereunder and shall be deposited by and on behalf of such director, together with a stock power properly endorsed in blank and any other documentation requested by the Company, with the Company. The Company shall hold and retain such share certificates in a custodial capacity until the relevant restrictions have been satisfied by such Outside Director.

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5. Terms and Conditions. (a) Up to 300,000 shares of Common Stock may be issued pursuant to the Plan. Such shares may not be sold, assigned, transferred or otherwise disposed of in the absence of an effective registration statement covering such shares, or unless such registration is not required by reason of an exemption available under the Securities Act of 1933, as amended (the "Act"). Shares awarded under the Plan shall be certificated. Certificates for shares issued under the Plan shall include the following legend:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD OR OTHERWISE PLEDGED, HYPOTHECATED OR TRANSFERRED UNLESS (A)

PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT, OR (B) AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT IS AVAILABLE. IN ADDITION, THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS CONTAINED IN THE INSTRUMENT SYSTEMS CORPORATION OUTSIDE DIRECTOR STOCK AWARD PLAN."

(b) No award of Common Stock received under the Plan may be sold, assigned, transferred or otherwise disposed of until vested. If an Outside Director ceases to be a director by reason of voluntary termination or failure to be reelected, all shares not yet vested shall be forfeited. In the case of death, disability or retirement as a director (retirement shall mean termination as a director after reaching 65 years of age) all shares shall become fully vested.

(c) An award of Common Stock hereunder, received by an Outside Director, shall be shown in the Company's proxy statement for the year in which the Common Stock was granted, and the Outside Director, as of the date of receipt of the Common Stock, shall be registered as a "Stockholder of Record" and shall immediately become entitled to all dividends paid on the Company's Common Stock and to all voting rights accorded the Company's Common Stock and shares shall be shown on the appropriate form for reporting beneficial ownership of securities pursuant to Section 16 of the Securities Exchange Act of 1934.

(d) The Board shall appropriately adjust the number of shares for which awards may be granted pursuant to the Plan in the event of reorganization, recapitalization, stock split, reverse stock split, stock dividend, exchange or combination of shares, merger, consolidation, rights offering, or any change in capitalization.

6. Regulatory Compliance and Listing. The delivery of any shares under this Plan may be postponed by the Company for such period as may be required to comply with Federal or State securities laws, including listing requirements, national securities exchange requirements and any other law or regulation applicable to the delivery of such shares. The Company shall not be obligated to deliver any shares under this Plan if such delivery shall constitute a violation of any provision of any law or any regulation of any governmental authority or any national securities exchange. In addition, the shares when delivered may be subject to conditions, including transfer restrictions, if such conditions are required to comply with applicable securities laws.

7. Dividends. An Outside Director shall have the right (a) to receive all dividends and other distributions paid with respect to the restricted shares granted to such director under this Plan and registered in such director's name, and (b) to vote or execute proxies in respect of the restricted shares granted to such director under this Plan and registered in such director's name.

8. Taxes. Any taxes that are required to be withheld as a result of any stock grant to any Outside Director pursuant to this Plan shall be paid to the Company in cash by such Outside Director unless deducted and withheld to the extent permitted by applicable law, from any cash fees payable by the Company to such Outside Director.

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9. Limitations and Conditions. Prior to each grant of any restricted shares of Common Stock pursuant to this Plan, an Outside Director may be required to make reasonable representations satisfactory to the Company to the effect that such shares are to be held for investment purposes only and not with a view to or for resale or distribution, except in compliance with the Act and the rules and regulations thereunder, and each such director may be required to submit a written undertaking to the Company in form and substance reasonably satisfactory to it that such Outside Director will not publicly offer to sell or otherwise distribute such shares other than (a) in the manner and to the extent permitted by SEC Rule 144, as promulgated under the Act, (b) pursuant to any other exemption from the registration provisions of the Act, or (c) pursuant to an effective registration statement filed under the Act.

10. Transferability. The restricted shares of Common Stock granted under

this Plan and held in custody by the Company, and any rights created thereby or thereunder in any person, shall not be assigned, transferred, encumbered, sold, pledged or otherwise disposed of or hypothecated by any person, including without limitation, by operation of law, execution, garnishment, attachment or bankruptcy, until such time as the relevant restrictions are satisfied and all provisions of any applicable federal or state securities law, rule or regulation have been complied with.

11. No Right to Continue as an Outside Director. Nothing contained in this Plan shall be construed as conferring upon the Outside Director the right to continue to be associated with the Company as an Outside Director or in any other capacity.

12. Unfunded Status of this Plan. This Plan shall be an unfunded plan. The Company shall not be required to establish a special or separate fund or reserve or to make any other segregation of assets to assure the issuance of any shares granted under this Plan, except for the 300,000 shares reserved pursuant to Section 5 herein.

13. Amendment or Discontinuance. The Board of Directors of the Company may at any time amend, rescind or terminate the Plan, as it shall deem advisable; provided, however, (i) that no change may be made in awards theretofore granted under the Plan which would impair participants' rights without their consent, and (ii) that no amendment to the Plan shall be made without approval of the Company's stockholders if the effect of such amendment would be to (a) increase the number of shares reserved for issuance under the Plan; (b) change the requirements for eligibility under the Plan; or (c) materially modify the method of determining the number of shares awarded under the Plan.

14. Governing Law. This Plan and all determinations made and actions taken hereto shall be governed by the laws of the State of New York pertaining to contracts made and to be performed wholly within such jurisdiction, except as Federal law may apply.

February 17, 1994

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Instrument Systems Corporation
Registration Statement on Form S-8

Gentlemen:

Reference is made to the filing by Instrument Systems Corporation (the "Corporation") of a Registration Statement on Form S-8 with the Securities and Exchange Commission pursuant to the provisions of the Securities Act of 1933, as amended, covering the registration of 300,000 shares of the Corporation's Common Stock, \$.25 par value per share, in connection with the Corporation's Outside Director Stock Award Plan.

As counsel for the Corporation, we have examined its corporate records, including its Certificate of Incorporation, as amended, By-Laws, as amended, its corporate minutes, the form of its Common Stock certificate, its Outside Director Stock Award Plan, the form of options granted under such Plan, related documents under such Plan, and such other documents as we have deemed necessary or relevant under the circumstances.

Based upon our examination, we are of the opinion that:

Exhibit 5

Securities and Exchange Commission
February 17, 1994
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1. The Corporation is duly organized and validly existing under the laws of the State of Delaware.

2. There have been reserved for issuance by the Board of Directors of the Corporation 300,000 shares of its Common Stock, \$.25 par value per share. The shares of the Corporation's Common Stock, when issued upon exercise of options under and pursuant to the terms of the aforesaid Outside Director Stock Award Plan, will be validly authorized, legally issued, fully paid and nonassessable.

We hereby consent to be named in the Registration Statement as counsel of the Corporation, and we hereby consent to the filing of this opinion as Exhibit 5 to the Registration Statement.

Very truly yours,

Blau, Kramer, Wactlar & Lieberman, P.C.

BLAU, KRAMER, WACTLAR
& LIEBERMAN, P.C.

See Exhibit 5.

ARTHUR ANDERSEN & CO.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement of our report dated November 9, 1993 included in Instrument Systems Corporation's Form 10-K for the year ended September 30, 1993 and to all references to our Firm included in this registration statement.

Arthur Andersen & Co.

ARTHUR ANDERSEN & CO.

Roseland, New Jersey
February 14, 1994

Exhibit 23.2

See signature page.