

KIELY JOHN R III  
 Form 4  
 September 17, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KIELY JOHN R III**

2. Issuer Name and Ticker or Trading Symbol  
**INTEGRAL VISION INC [INVI]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 17817 DAVIS ROAD  
 (Street)  
 DUNDEE, MI 48131  
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)  
 09/15/2008  
 4. If Amendment, Date Original Filed (Month/Day/Year)

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 10% Owner  
 \_\_\_\_ Other (specify below)  
 6. Individual or Joint/Group Filing (Check Applicable Line)  
 Form filed by One Reporting Person  
 \_\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
common stock					2,211,988	D	
common stock					1,291,693	I	Trustee <sup>(1)</sup>
common stock	09/15/2008		J <sup>(2)</sup>	1,500 D <u>(2)</u>	0	I	Custodian for my two children
common stock					10,200	I	Co-Trustee Michael Kiely Trust

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474  
(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)
					V	(A) (D)	Date Exercisable	Expiration Date	
warrants	\$ 0.25 <sup>(3)</sup>	09/15/2008 <sup>(4)</sup>		A	156,281		09/15/2008	07/30/2011	common 156,281
warrants	\$ 0.25 <sup>(3)</sup>	09/15/2008 <sup>(6)</sup>		A	191,733		09/15/2008	01/02/2012	common 191,733
convertible note	\$ 0.25	09/15/2008		A	\$ 608,668		09/15/2008	07/01/2010	common 2,434,668
warrants	\$ 0.25 <sup>(8)</sup>						04/13/2005	04/13/2009	common 114,000
warrants	\$ 0.25 <sup>(3)</sup>	09/15/2008 <sup>(4)</sup>		A	67,730		09/15/2008	07/30/2011	common 67,730
warrants	\$ 0.25 <sup>(3)</sup>	09/15/2008 <sup>(6)</sup>		A	180,048		09/15/2008	01/02/2012	common 180,048
convertible note	\$ 0.25	09/15/2008		A	\$ 551,598		09/15/2008	07/01/2010	common 2,200,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KIELY JOHN R III 17817 DAVIS ROAD DUNDEE, MI 48131		X		

## Signatures

JOHN R.  
KIELY, III

09/17/2008

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Trustee means Trustee of the John R. & Margaret Lee Kiely 1979 Trust
- (2) Custodial relationship lapsed when my two children reached age 21 in May 2003 and October 2007 respectively
- (3) exercise price of warrants lowered from \$1.60 per share to \$0.25 per share effective September 15, 2008
- (4) warrants issued July 30, 2007 -- but were blocked from exercise until September 15, 2008
- (5) warrants were acquired in conjunction with a note of issuer
- (6) warrants issued January 2, 2008 -- but were blocked from exercise until September 15, 2008
- (7) convertible note acquired in exchange for other short term secured notes of issuer (principal value \$575,750 plus \$32,918 accrued interest due thereon)
- (8) exercise price lowered from \$1.00 per share to \$0.25 per share September 15, 2008
- (9) convertible note acquired in exchange for other short term secured notes of issuer (principal value \$524,250 plus \$27,348 accrued interest due thereon)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.