

MCGRAW DAVID T

Form 4

April 19, 2007

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MCGRAW DAVID T

2. Issuer Name **and** Ticker or Trading  
Symbol  
COMMUNICATIONS SYSTEMS  
INC [JCS]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)

8108 LEA RD

(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/18/2007

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title \_\_\_\_X\_\_\_\_ Other (specify  
below) below)  
Gen Mgr, Suttle Division

4. If Amendment, Date Original  
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

BLOOMINGTON, MN 55438

(City) (State) (Zip)

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

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired (A)<br>or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V                                                                       | Amount                                                                                                             | (A)<br>or<br>(D)                                                        | Price                                                             |
| Common<br>Stock                       | 04/18/2007                              |                                                             | M                                    |                                                                         | 2,600                                                                                                              | A                                                                       | \$ 7.14 3,179                                                     |
| Common<br>Stock                       | 04/18/2007                              |                                                             | M                                    |                                                                         | 2,700                                                                                                              | A                                                                       | \$ 8.65 5,879                                                     |
| Common<br>Stock                       | 04/18/2007                              |                                                             | M                                    |                                                                         | 2,700                                                                                                              | A                                                                       | \$ 8.65 8,579                                                     |
| Common<br>Stock                       | 04/18/2007                              |                                                             | M                                    |                                                                         | 2,700                                                                                                              | A                                                                       | \$ 8.65 11,279                                                    |
| Common<br>Stock                       | 04/18/2007                              |                                                             | S                                    |                                                                         | 10,700                                                                                                             | D                                                                       | \$ 10.95 579                                                      |

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Common Stock      04/18/2007      01/24/2007      A      713.329      A      \$ 10.14      2,501.2      I      \*ESOP <sup>(1)</sup>

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<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Amount<br>or<br>Number<br>of<br>Shares |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------|
| Incentive<br>Stock<br>Option                        | \$ 7.14                                                            | 04/18/2007                              |                                                             | M                                    | 2,600                                                                                                           | 09/07/2005 03/07/2008                                          | Common<br>Stock                                                     | 2,600                                     |
| Incentive<br>Stock<br>Option                        | \$ 8.65                                                            | 04/18/2007                              |                                                             | M                                    | 2,700                                                                                                           | 09/15/2004 03/15/2009                                          | Common<br>Stock                                                     | 2,700                                     |
| Incentive<br>Stock<br>Option                        | \$ 8.65                                                            | 04/18/2007                              |                                                             | M                                    | 2,700                                                                                                           | 09/15/2005 03/15/2009                                          | Common<br>Stock                                                     | 2,700                                     |
| Incentive<br>Stock<br>Option                        | \$ 8.65                                                            | 04/18/2007                              |                                                             | M                                    | 2,700                                                                                                           | 09/15/2006 03/15/2009                                          | Common<br>Stock                                                     | 2,700                                     |

## Reporting Owners

| Reporting Owner Name / Address                         | Relationships            |
|--------------------------------------------------------|--------------------------|
| Director    10% Owner    Officer    Other              |                          |
| MCGRAW DAVID T<br>8108 LEA RD<br>BLOOMINGTON, MN 55438 | Gen Mgr, Suttle Division |

## Signatures

/s/ David T.  
McGraw

04/19/2007

\_\_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) Acquired pursuant to Communications Systems Inc Employee Stock Ownership Plan & Trust - 2006 contribution

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

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