

COMMUNICATIONS SYSTEMS INC
 Form 4
 April 07, 2015

FORM 4

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

OMB APPROVAL

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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 *
 PINT GERALD D

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)

3. Date of Earliest Transaction (Month/Day/Year)
 04/03/2015

Director 10% Owner
 Officer (give title below) Other (specify below)

356 WAYCLIFFE CIR

(Street)

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

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

WAYZATA, MN 55391

(City) (State) (Zip)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| | | | | Code | V | Amount | |

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

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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 | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|--|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|--|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | | | | | | |
|-----------------------------|------------------------------|------------------|------------------|---|-----|-----|------------------------------|-----------------|-------|--------------|--|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | | |
| Non-Qualified Stock Options | \$ 12.9 | 04/03/2015 | | | | | | | | Common Stock | |
| Non-Qualified Stock Options | \$ 11.7 | 04/03/2015 | D ⁽¹⁾ | | | | 05/31/2015 | 07/01/2021 | | Common Stock | |
| Restricted Stock Units | \$ 0 ⁽²⁾ | 04/03/2015 | A ⁽¹⁾ | | 193 | | 05/31/2015 ⁽¹⁾⁽³⁾ | 07/01/2021 | | Common Stock | |
| Restricted Stock Units | \$ 0 ⁽²⁾ | 04/03/2015 | A ⁽¹⁾ | | 598 | | 06/04/2015 ⁽¹⁾⁽⁴⁾ | 06/04/2021 | | Common Stock | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| PINT GERALD D 356 WAYCLIFFE CIR WAYZATA, MN 55391 | | X | | |

Signatures

Suzette McNally, Attorney-in-Fact for Gerald D. Pint
 Date: 04/07/2015

__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).

- Options and restricted stock units ("RSU") are issued to non-employee directors ("NEDs") under the Issuer's Executive Incentive Compensation Plan ("2011 Plan"). In March 2015, the CSI Board determined the number of shares covered by 2014 option and RSU awards to CSI NEDs exceeded the 50000 share limit on allowable awards to all NEDs in a calendar year. To reduce the total number of shares to less than 50000, on 4/3/15, the Board, based on authority granted in the 2011 Plan, cancelled a total of 34551 options granted to NEDs in 2014 and issued additional RSUs covering 6282 shares to these NEDs, vesting on the same dates as the original RSUs granted. The dollar value of the new RSUs granted was equivalent to the value of the options cancelled. This cancellation of options and issuance of RSUs will have no material effect on the Company's financial statements. The cancellation of the options and issuance of RSUs for the Reporting Person are part of the CSI Board's 4/3/15 actions.
- (1) Each Restricted Stock Unit represents a contingent right to receive one share of Communications Systems, Inc. common stock.
 - (2) The Restricted Stock Units vest on May 31, 2015 as long as director continues his service to the Board prior to the vesting date. The Restricted Stock Units have an additional year of restrictions and stock will be issued on July 1, 2016.
 - (3) The Restricted Stock Units vest on the earlier of the first anniversary of the date of grant or the 2015 Annual Meeting of Shareholders as long as the director continues service to the Board prior to the vesting date. The Restricted Stock Units have an additional year of

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restrictions and will be issued on June 4, 2016.

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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