

COMMUNICATIONS SYSTEMS INC

Form 5

January 11, 2011

FORM 5

**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).
Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
SAMPSON CURTIS A

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. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2010

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

PO BOX 777, S MAIN ST

(Street)

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

6. Individual or Joint/Group Reporting

(check applicable line)

HECTOR, MN 55342

(City) (State) (Zip)

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)	(A) or (D)	Price	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock	^	^	^	^	^	^	1,071.079	D	^
Common Stock	^	^	^	^	^	^	7,000	I	see footnote (1)
Common Stock	^	^	^	^	^	^	41,355	I	see footnote (2)

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

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SEC 2270 (9-02)

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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)
Non-Qualified Stock Option	\$ 11.82	Â	Â	Â	Â Â	05/18/2010 05/18/2020	Common Stock 3,000
Non-Qualified Stock Option	\$ 9.73	Â	Â	Â	Â Â	05/21/2009 05/21/2019	Common Stock 3,000
Non-Qualified Stock Option	\$ 11.41	Â	Â	Â	Â Â	05/21/2008 05/21/2018	Common Stock 3,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SAMPSON CURTIS A PO BOX 777 S MAIN ST HECTOR, MN 55342	Â X	Â X	Â	Â

Signatures

/s/ Curtis A. Sampson 01/11/2011

**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) Shares held in a 1989 irrevocable trust

(2) Shares held in the Communications Systems Inc. Employee Stock Ownership Plan (CSI ESOP). Mr. Sampson is a trustee of the CSI ESOP and disclaims beneficial ownership of any shares of the issuer held by the CSI ESOP in excess of the shares allocated to his individual CSI ESOP account, which total 41,355 shares.

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Remarks:

Mr. Sampson disclaims any beneficial ownership of the shares of the Issuer owned by his spouse

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

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