

INTER TEL (DELAWARE), INC  
 Form 4  
 August 17, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
 CAPPELLO ALEXANDER L

2. Issuer Name and Ticker or Trading Symbol  
 INTER TEL (DELAWARE), INC  
 [INTL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 08/16/2007

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

C/O GENIUS PRODUCTS, INC., 740 LOMAS SANTA FE, SUITE 210

(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

SOLANA BEACH, CA 92075

(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 Indirect Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	08/16/2007		M	15,000 A \$ 19.13	15,000	D	
Common Stock	08/16/2007		M	2,750 A \$ 20.95	17,750	D	
Common Stock	08/16/2007		S	15,000 D \$ 25.6	2,750	D	
Common Stock	08/16/2007		S	2,750 D \$ 25.6	0	D	

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

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(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 Securities (Instr. 3 and 4)	Amount or Number of Shares
Stock Options	\$ 19.13	08/16/2007		M	15,000	11/03/2005 05/03/2015 <sup>(1)</sup>	Common Stock	15,000
Stock Options	\$ 20.95	08/16/2007		M	2,750	12/07/2006 06/07/2016 <sup>(2)</sup>	Common Stock	2,750

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director 10% Owner Officer Other

CAPPELLO ALEXANDER L  
C/O GENIUS PRODUCTS, INC.  
740 LOMAS SANTA FE, SUITE 210  
SOLANA BEACH, CA 92075

X

## Signatures

Kurt R. Kneip, 08/17/2007  
CFO

\*\*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) The original expiration date is superceded by this date (8/16/2007) as a result of the merger of Inter-Tel with Mitel effective that day.

(2) The original expiration date is superceded by this date (8/16/2007) as a result of the merger of Inter-Tel with Mitel effective that day.

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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