

INTER TEL INC
Form 4
February 23, 2005

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
STOUT NORMAN

(Last) (First) (Middle)

**C/O INTER-TEL,
INCORPORATED, 1615 SOUTH
52ND STREET**

(Street)

TEMPE, AZ 85281

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
INTER TEL INC [INTL]

3. Date of Earliest Transaction
(Month/Day/Year)
02/18/2005

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

CAO and Executive VP

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	02/18/2005		M		2,500 A \$ 9.125	21,361	D
Common Stock	02/18/2005		M		5,000 A \$ 9.125	26,361	D
Common Stock	02/18/2005		M		5,000 A \$ 9.125	31,361	D
Common Stock	02/18/2005		M		2,500 A \$ 9.125	33,861	D
Common Stock	02/18/2005		M		2,500 A \$ 9.125	36,361	D

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Common Stock	02/18/2005	M	7,500	A	\$ 9.125	43,861	D
Common Stock	02/18/2005	M	7,500	A	\$ 9.125	51,361	D
Common Stock	02/18/2005	M	2,500	A	\$ 9.125	53,861	D
Common Stock	02/18/2005	M	7,500	A	\$ 9.125	61,361	D
Common Stock	02/18/2005	M	2,500	A	\$ 9.125	63,861	D
Common Stock	02/18/2005	M	2,500	A	\$ 9.125	66,361	D
Common Stock	02/18/2005	M	2,500	A	\$ 9.125	68,861	D
Common Stock	02/18/2005	S	2,500	D	\$ 28	66,361	D
Common Stock	02/18/2005	S	5,000	D	\$ 27.9	61,361	D
Common Stock	02/18/2005	S	5,000	D	\$ 27.96	56,361	D
Common Stock	02/18/2005	S	2,500	D	\$ 27.88	53,861	D
Common Stock	02/18/2005	S	2,500	D	\$ 27.87	51,361	D
Common Stock	02/18/2005	S	7,500	D	\$ 27.85	43,861	D
Common Stock	02/18/2005	S	7,500	D	\$ 27.8	36,361	D
Common Stock	02/18/2005	S	2,500	D	\$ 27.76	33,861	D
Common Stock	02/18/2005	S	7,500	D	\$ 27.75	26,361	D
Common Stock	02/18/2005	S	2,500	D	\$ 27.64	23,861	D
Common Stock	02/18/2005	S	2,500	D	\$ 27.6	21,361	D
Common Stock	02/18/2005	S	2,500	D	\$ 27.4	18,861	D

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

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(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title or Number of Shares
Stock Options	\$ 9.89	02/18/2005		M	19,200 (3)	04/30/2002 ⁽¹⁾ 04/30/2011 ⁽²⁾	Common Stock 19,200
Stock Options	\$ 9.89	02/18/2005		M	30,800 (4)	04/30/2002 ⁽¹⁾ 04/30/2011 ⁽²⁾	Common Stock 30,800

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
STOUT NORMAN C/O INTER-TEL, INCORPORATED 1615 SOUTH 52ND STREET TEMPE, AZ 85281	CAO and Executive VP

Signatures

/s/ Kristi Bonfiglio for Norman Stout

02/23/2005

__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) One year vesting.

(2) Ten year vesting.

(3) 1994 Plan grant date 4/30/01

(4) 1997 Plan grant date 4/30/01

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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