

Lupinetti Alexander R
 Form 4
 September 12, 2007

FORM 4

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

OMB APPROVAL

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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 *
 Lupinetti Alexander R

(Last) (First) (Middle)
 43 MANNING ROAD
 (Street)

BILLERICA, MA 01821

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 CSP INC /MA/ [CSPI]

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/11/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 CEO/Chairman/President

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 09/11/2007 | | M ⁽¹⁾ | | 3,872 | A | \$ 6.01 |
| Common Stock | 09/11/2007 | | S | | 3,872 | D | \$ 7.31 |

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

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SEC 1474
 (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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option Right to Buy | \$ 6.4 | | | | | 10/07/1998 10/07/2008 | Common Stock | 60,500 |
| Stock Option Right to Buy | \$ 5 | | | | | 10/19/1999 10/19/2009 | Common Stock | 75,000 |
| Stock Option Right to Buy | \$ 4.25 | | | | | 10/18/2000 10/18/2010 | Common Stock | 25,000 |
| Stock Option Right to Buy | \$ 10.03 | | | | | 12/30/2004 12/30/2014 | Common Stock | 40,000 |
| Stock Option Right to Buy | \$ 6.5 | | | | | 01/17/2006 01/17/2016 | Common Stock | 20,000 |
| Stock Option Right to Buy | \$ 9.3 | | | | | 02/21/2007 02/21/2017 | Common Stock | 16,000 |
| Stock Option Right to Buy | \$ 6.01 | 09/11/2007 | | M | 3,872 | 10/31/2001 10/31/2007 | Common Stock | 3,872 |

Reporting Owners

Reporting Owner Name / Address

Relationships

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Director 10% Owner Officer Other

Lupinetti Alexander R
43 MANNING ROAD
BILLERICA, MA 01821

CEO/Chairman/President

Signatures

Alexander R 09/12/2007
Lupinetti

__Signature of Date
Reporting Person

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) Stock Option

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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