

SCHATZ DOUGLAS S

Form 4

December 15, 2010

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHATZ DOUGLAS S

2. Issuer Name **and** Ticker or Trading
Symbol
ADVANCED ENERGY
INDUSTRIES INC [AEIS]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
P.O. BOX 481
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
12/13/2010

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

FORT COLLINS, CO 80522

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

(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 Beneficial Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	12/13/2010		J ⁽¹⁾⁽²⁾		122,978	D	\$ 12.8118 ^{(1) (2)}	4,034,642 ^{(3) (4)}	I	By Trust

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

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information contained in this form are not
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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)

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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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Put Option (right to sell) under Prepaid Forward contract	(1) (2)	12/13/2010		J(1)(2)		150,000		12/13/2010	12/13/2010	Common Stock	150,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHATZ DOUGLAS S P.O. BOX 481 FORT COLLINS, CO 80522	X			

Signatures

/s/ Thomas O. McGimpsey
(Attorney-in-Fact)

12/15/2010

****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) On December 13, 2010, The Douglas S. Schatz and Jill E. Schatz Family Trust settled a variable prepaid forward contract that was entered into on May 8, 2009 with a securities broker. The contract obligated the Family Trust to deliver to the securities broker up to 150,000 shares of AEIS common stock (or, at the Family Trust's election, an equivalent amount in cash) on the maturity date of the contract, which was December 13, 2010. In exchange for assuming this obligation, the Family Trust received a cash payment of \$1,114,487.04 upon execution of the contract. The Family Trust had pledged 150,000 shares of AEIS common stock to secure its obligations under the contract, but retained dividend and voting rights in such shares during the term of the pledge.

(2) The contract provided that the number of shares of AEIS common stock that the Family Trust would be obligated to deliver to the securities broker on the maturity date would be determined based on the closing price of AEIS common stock on the maturity date. As of the maturity date, such closing price was \$12.8118 and the Family Trust transferred 122,978 shares of AEIS common stock to the securities broker. The remaining shares were released from the pledge account with the securities broker but immediately were pledged to Silicon Valley Bank as collateral for a line of credit entered into by the Family Trust, Douglas S. Schatz and Jill E. Schatz.

(3) Douglas S. Schatz and Jill E. Schatz, husband and wife, are co-trustees of the Family Trust and may be deemed to be indirect beneficial owners of the shares of AEIS common stock held directly by the Family Trust. Douglas S. Schatz is a director of AEIS.

(4) All shares of AEIS common stock reported on this Form 4 are held directly by the Family Trust and are pledged to Silicon Valley Bank as collateral for a line of credit entered into by the Family Trust, Douglas S. Schatz and Jill E. Schatz.

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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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