

ADVANCED ENERGY INDUSTRIES INC  
 Form 4  
 May 20, 2009

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 SCHATZ DOUGLAS S & SCHATZ  
 JILL E FAMILY TRUST

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)  
 PO BOX 481  
 (Street)

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 05/18/2009

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

FORT COLLINS, CO 80522  
 (City) (State) (Zip)

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

**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)
				(A) or (D)	Price		
				Code	V	Amount	

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
 (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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
---------------------------------	---------------------------	--------------------------------------	-----------------------------------	--------------------------------	------------------------------------	--	---

Edgar Filing: ADVANCED ENERGY INDUSTRIES INC - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amo Num Shar
			Code	V (A) (D)				
Put Option (right to sell) under Prepaid Forward Contract	<u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u>	05/18/2009	J <u>(1)(2)(3)(4)</u>	150,000	<u>(1)(2)(3)(4)</u>	<u>(1)(2)(3)(4)</u>	Common Stock	150
Put Option (right to sell) under Prepaid Forward Contract	<u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u>	05/19/2009	J <u>(1)(2)(3)(4)</u>	200,000	<u>(1)(2)(3)(4)</u>	<u>(1)(2)(3)(4)</u>	Common Stock	200

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHATZ DOUGLAS S & SCHATZ JILL E FAMILY TRUST PO BOX 481 FORT COLLINS, CO 80522			X	

## Signatures

/S/ Thomas O. McGimpsey (Power of Attorney) 05/20/2009

\_\_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).

- On May 8, 2009, the Douglas S. Schatz and Jill E. Schatz Family Trust entered into a series of variable prepaid forward contracts with a securities broker. The Family Trust's orders in respect of two of such contracts, relating to 150,000 and 200,000 shares of AEIS common stock, respectively, became binding on the Family Trust as of May 18, 2009 and May 19, 2009, respectively. When each of such orders
- (1) has been fulfilled, the broker will deliver to the Family Trust a cash payment equal to approximately 84% of the market value of the respective shares. Upon settlement of the first order listed above, the date of which will be one year plus two weeks following the date the order has been fulfilled, the Family Trust may deliver to the broker between 120,000 and 150,000 shares of AEIS common stock, depending on the market price of the AEIS common stock on the two trading days prior to the settlement date.
  - (2) Upon settlement of the second order listed above, the date of which will be 18 months following the date the order has been fulfilled, the Family Trust may deliver to the broker between 160,000 and 200,000 shares of AEIS common stock, depending on the market price of

## Edgar Filing: ADVANCED ENERGY INDUSTRIES INC - Form 4

the AEIS common stock on the two trading days prior to the settlement date. In the alternative, at the Family Trust's option, the Family Trust may deliver cash in an amount equal to the fair market value of the shares that the Family Trust would otherwise deliver upon the respective settlement dates. Accordingly, the Family Trust may retain some or all of the shares subject to the contracts.

(3) The Family Trust has pledged to the securities broker an aggregate of 350,000 shares of the common stock held directly by the Family Trust, to secure the Family Trust's performance of the two above-mentioned orders under the contracts upon settlement; however, unless and until common stock is delivered to the securities broker upon settlement of such contracts, the Family Trust will retain all voting and dividend rights in respect of such shares. In connection with the Family Trust's pledge of 350,000 shares to the securities broker, Silicon Valley Bank released such shares from the pledge agreement under which the Family Trust previously had pledged such shares to Silicon Valley Bank as collateral for a line of credit entered into by the Family Trust, Douglas Schatz and Jill Schatz. All other shares of AEI common stock held directly by the Family Trust and pledged to Silicon Valley Bank as of May 19, 2009 remain pledged as collateral for the Silicon Valley Bank line of credit.

(4) The remaining variable prepaid forward contracts entered into by the Family Trust on May 8, 2009 relate to an additional 300,000 shares. The Family Trust has paid an affiliate of the securities broker a fee in connection with the variable prepaid forward contracts.

(5) The shares subject to the variable prepaid forward contracts are owned directly by the Douglas S. Schatz & Jill E. Schatz Family Trust, a ten percent owner of the issuer, and indirectly by Douglas S. Schatz and Jill E. Schatz, co-trustees of the trust. Douglas S. Schatz is Chairman of the Board of the issuer.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.