

Energy Recovery, Inc.  
Form 4  
August 10, 2016

**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  
Number: 3235-0287  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**STROUD ANDREW B JR**

(Last) (First) (Middle)

**C/O ENERGY RECOVERY,  
INC., 1717 DOOLITTLE DRIVE**

(Street)

**SAN LEANDRO, CA 94577**

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

**Energy Recovery, Inc. [ERII]**

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

**08/09/2016**

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)

VP, Human Resources

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)
Common Stock	08/09/2016		M	5,000	A \$ 2.75	19,241	D
Common Stock	08/09/2016		D	5,000	D \$ 13.0387	14,241	D

(1)

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  
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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. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 2.75	08/09/2016		X	5,000	<u>(2)</u>	03/09/2025	Common Stock	5,000

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
STROUD ANDREW B JR C/O ENERGY RECOVERY, INC. 1717 DOOLITTLE DRIVE SAN LEANDRO, CA 94577	VP, Human Resources

## Signatures

/s/ Lemyrle Finley, Attorney-in-fact for Andrew B.  
Stroud, Jr.

08/10/2016

\*\*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).

This figure is the weighted average sales price of multiple trades ranging from \$13.03 to \$13.05 per share. The reporting person  
(1) undertakes to provide to the SEC staff, ERI, or a shareholder of ERI, full information about the number of shares sold at each separate price, upon request.

The options exercised were originally granted as part of a larger option award on 3/10/2015. 25% of the option award became vested on  
(2) the 1st anniversary of the vesting start date of 03/10/2015; thereafter, the remaining 75% vest 1/36th per month. The options may become fully vested on 03/10/2019

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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