

ADVANCED ENERGY INDUSTRIES INC
 Form 4
 May 13, 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)
 05/11/2009

____ 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	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
---------------------------------	---------------------------	--------------------------------------	-----------------------------------	---------------------	------------------------------------	--	---

Edgar Filing: ADVANCED ENERGY INDUSTRIES INC - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount of Number of Shares
			Code	V	(A)	(D)			
Put Option (right to sell) under Prepaid Forward Contract	(1) (2) (3)	05/11/2009	J(1)(2)(3)		150,000	(1)(2)(3)	(1)(2)(3)	Common Stock	150,000

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)

05/13/2009

 **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).
 - (1) 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 order in respect of one of such contracts, relating to 150,000 shares of AEIS common stock, became binding on the Family Trust as of May 11, 2009. When such order has been fulfilled, the broker will deliver to the Family Trust a cash payment equal to approximately 84% of the market value of the shares. Upon settlement of the contract, the date of which will be one year plus one week 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) 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 settlement. Accordingly, the Family Trust may retain some or all of the shares subject to the contract. The Family Trust has pledged to the securities broker 150,000 shares of the common stock held directly by the Family Trust, to secure the Family Trust's performance of the contract upon settlement; however, unless and until common stock is delivered to the securities broker upon settlement of the contract, the Family Trust will retain all voting and dividend rights in respect of such shares.
 - (3) In connection with the Family Trust's pledge of 150,000 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 11, 2009 remain pledged as collateral for the Silicon Valley Bank line of credit. The remaining variable prepaid forward contracts entered into by the Family Trust on May 8, 2009 relate to an additional 650,000 shares. The Family Trust has paid an affiliate of the securities broker a fee in connection with the

Edgar Filing: ADVANCED ENERGY INDUSTRIES INC - Form 4

variable prepaid forward contract.

- (4) The shares subject to the variable prepaid forward contract 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.