

COLEMAN DON
Form 4
February 15, 2011

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 *
COLEMAN DON

2. Issuer Name and Ticker or Trading Symbol
CPI INTERNATIONAL, INC.
[CPII]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
811 HANSEN WAY
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/11/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VICE PRESIDENT

PALO ALTO, CA 94303

(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) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock, par value \$0.01 per share | 02/11/2011 | | D ⁽¹⁾ | 8,000 D | \$ 19.50 <u>(1)</u> | D | |

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) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|-----------------|--------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (Right to Buy) | \$ 19.33 | 02/11/2011 | | D ⁽²⁾ | | 12,000 | | ⁽²⁾ | 12/01/2020 | Common Stock | 12,000 |
| Employee Stock Option (Right to Buy) | \$ 9.66 | 02/11/2011 | | D ⁽³⁾ | | 12,000 | | ⁽³⁾ | 12/08/2019 | Common Stock | 12,000 |
| Employee Stock Option (Right to Buy) | \$ 10 | 02/11/2011 | | D ⁽⁴⁾ | | 12,000 | | ⁽⁴⁾ | 12/05/2018 | Common Stock | 12,000 |
| Employee Stock Option (Right to Buy) | \$ 16.79 | 02/11/2011 | | D ⁽⁵⁾ | | 10,000 | | ⁽⁵⁾ | 11/30/2017 | Common Stock | 10,000 |
| Employee Stock Option (Right to Buy) | \$ 14.22 | 02/11/2011 | | D ⁽⁶⁾ | | 15,000 | | 12/08/2010 | 12/08/2016 | Common Stock | 15,000 |
| Employee Stock Option (Right to Buy) | \$ 18 | 02/11/2011 | | D ⁽⁷⁾ | | 15,000 | | ⁽⁷⁾ | 04/27/2016 | Common Stock | 15,000 |
| Employee Stock Option (Right to Buy) | \$ 6.61 | 02/11/2011 | | D ⁽⁸⁾ | | 5,448 | | 09/29/2008 | 09/29/2014 | Common Stock | 5,448 |

Buy)

Employee
Stock

| | | | | | | | | | |
|-----------------------------|---------|------------|--|------------------|--------|------------|------------|-----------------|--------|
| Option (Right to Buy) | \$ 4.32 | 02/11/2011 | | D ⁽⁹⁾ | 21,792 | 09/29/2008 | 09/29/2014 | Common Stock | 21,792 |
|-----------------------------|---------|------------|--|------------------|--------|------------|------------|-----------------|--------|

Employee
Stock

| | | | | | | | | | |
|-----------------------------|---------|------------|--|-------------------|--------|------------|------------|-----------------|--------|
| Option (Right to Buy) | \$ 4.32 | 02/11/2011 | | D ⁽¹⁰⁾ | 81,720 | 03/01/2008 | 03/01/2014 | Common Stock | 81,720 |
|-----------------------------|---------|------------|--|-------------------|--------|------------|------------|-----------------|--------|

Employee
Stock

| | | | | | | | | | |
|-----------------------------|--------|------------|--|-------------------|--------|------------|------------|-----------------|--------|
| Option (Right to Buy) | \$ 0.2 | 02/11/2011 | | D ⁽¹¹⁾ | 38,681 | 03/10/2007 | 03/10/2013 | Common Stock | 38,681 |
|-----------------------------|--------|------------|--|-------------------|--------|------------|------------|-----------------|--------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| COLEMAN DON 811 HANSEN WAY PALO ALTO, CA 94303 | | | VICE PRESIDENT | |

Signatures

/s/ Amanda Mogin, Attorney
in Fact

02/15/2011

 **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) Disposed of pursuant to merger agreement between issuer and CPI International Acquisition, Inc. (formerly Catalyst Holdings, Inc.) in exchange for \$19.50 per share in cash.
- (2) This option provided for vesting in four equal annual installments beginning on December 1, 2011. 25% of the option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$0.17 per option. The remaining 75% of the option was cancelled for no consideration.
- (3) This option provided for vesting in four equal annual installments beginning on December 8, 2010. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$9.84 per option.
- (4) This option provided for vesting in four equal annual installments beginning on December 5, 2009. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$9.50 per option.
- (5) This option provided for vesting in four equal annual installments beginning on November 30, 2008. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$2.71 per option.

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- (6) This option provided for vesting in four equal annual installments beginning on December 8, 2007. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$5.28 per option.
- (7) This option provided for vesting in four equal annual installments beginning on April 27, 2008. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$1.50 per option.
- (8) This option provided for vesting in four equal annual installments beginning on September 29, 2005. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$12.89 per option.
- (9) This option provided for vesting in four equal annual installments beginning on September 29, 2005. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$15.18 per option.
- (10) This option provided for vesting in four equal annual installments beginning on March 1, 2005. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$15.18 per option.
- (11) This option provided for vesting in four equal annual installments beginning on March 10, 2004. The option was cancelled in exchange for a cash payment equal to the excess of the amount payable for shares in the merger (\$19.50) over the exercise price, resulting in a net payment of \$19.30 per option.

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.