

ADVANCED ENERGY INDUSTRIES INC  
 Form 4  
 May 12, 2009

**FORM 4**

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

OMB APPROVAL

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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)  
 05/08/2009

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 \_\_\_X\_\_\_ 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)  
 \_\_\_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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Code V Amount (D) Price   |  |                                   |

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

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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)**

| 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 Security (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

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| (Instr. 3)   | Price of<br>Derivative<br>Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4, and<br>5) |         | Date<br>Exercisable | Expiration<br>Date | Title      | Amount<br>Number<br>Shares |     |
|--|------------------------------------|------------------|------------|---|---------|---------------------|--------------------|------------|----------------------------|-----|
|  |                                    |                  | Code       | V   | (A)     | (D)                 |                    |            |                            |     |
| Put<br>Option<br>(right to<br>sell)<br>under<br>Prepaid<br>Forward<br>Contract | (1) (2) (3)                        | 05/08/2009       | J(1)(2)(3) |   | 200,000 |                     | 05/11/2010         | 05/11/2010 | Common<br>Stock            | 200 |

## Reporting Owners

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

## Signatures

/S/ Thomas O. McGimpsey (Power of Attorney) 05/12/2009

\*\*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 variable prepaid forward contract with a securities broker. Upon execution of the contract, the broker delivered to the Family Trust a cash payment of \$1,441,909. Upon settlement of the contract on May 11, 2010, 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 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 settlement. Accordingly, the Family Trust may retain some or all of the shares subject to the contract.
- (2) The Family Trust has pledged to the securities broker 200,000 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. In connection with the Family Trust's pledge of 200,000 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.
- (3) All other shares of AEI common stock held directly by the Family Trust remain pledged as collateral for the Silicon Valley Bank line of credit. The Family Trust intends to enter into additional variable prepaid forward contracts with the securities broker for up to an additional 800,000 shares. The Family Trust has paid an affiliate of the securities broker a commission in connection with the 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

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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.

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