

PECO II INC
Form 3
April 07, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â Delta Electronics, Inc.		(Month/Day/Year)	PECO II INC [PIII]	
(Last)	(First)	(Middle)	03/28/2006	
SCOTIA CENTER, 4TH FLOOR, P.O. BOX 2804, GEORGE TOWN			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
GRAND CAYMAN, E9			<input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	3,470,235	D ⁽¹⁾	Â
Common Stock	1,270,140	D ⁽²⁾ ⁽³⁾	Â

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

SEC 1473 (7-02)

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.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security	4. Conversion or Exercise	5. Ownership Form of	6. Nature of Indirect Beneficial Ownership
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	Date Exercisable	Expiration Date	(Instr. 4) Title	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	(Instr. 5)
Common Stock warrants (right to buy)	03/28/2006	09/28/2008	Common Stock	9,463,513 ⁽⁴⁾	\$ 2	D	Â
Common Stock warrants (right to buy)	03/28/2006	09/28/2008	Common Stock	3,464,784 ^{(5) (6)}	\$ 2	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Delta Electronics, Inc. SCOTIA CENTER, 4TH FLOOR P.O. BOX 2804, GEORGE TOWN GRAND CAYMAN, Â E9Â	Â	Â X	Â	Â

Signatures

/s/ Albert Chang 04/06/2006

 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(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) Shares issued to Delta Products Corporation ("DPC") pursuant to an asset purchase agreement between the Issuer and DPC, dated October 13, 2005 (the "Asset Purchase Agreement"). On March 28, 2006 (the "Closing"), shares were transferred from DPC to Delta International Holding Ltd. ("DIH"), the Reporting Person.
 - (2) Shares issued to Delta Electronics, Inc. ("DEI") pursuant to the Asset Purchase Agreement. At Closing, shares were transferred from DEI to DIH.
 - (3) Upon Closing, DIH was the beneficial owner of 4,740,375 shares of Common Stock.
 - (4) Warrant to purchase shares of Common Stock issued to DPC pursuant to the Asset Purchase Agreement. At Closing, the warrant was transferred from DPC to DIH.
 - (5) Warrant to purchase shares of Common Stock issued to DEI pursuant to the Asset Purchase Agreement. At Closing, the warrant was transferred from DEI to DIH.
 - (6) Upon Closing, DIH was the beneficial owner of a warrant to purchase approximately 12,928,297 shares of Common Stock. The final number of shares of Common Stock to be issued to DIH upon exercise of the warrant will be the number of shares that, when aggregated with the 4,740,375 shares already held by DIH, will represent 45% of the issued and outstanding shares of PECO II, Inc. capital stock, measured as of the date five business days prior to the exercise of the warrant.

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.