PECO II INC
Form 3
April 07, 2006

FORM 3

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

OMB APPROVAL	
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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 *
Â Delta Electronics, Inc.
(Last) (First) (Middle)

SCOTIA CENTER, 4TH FLOOR,Â P.O. BOX 2804, GEORGE TOWN
(Street)

GRAND CAYMAN,Â E9Â
(City) (State) (Zip)

2. Date of Event Requiring Statement (Month/Day/Year)
03/28/2006

3. Issuer Name **and** Ticker or Trading Symbol
PECO II INC [PIII]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director __X__ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

5. 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 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)

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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

	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.
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