

PECO II INC  
Form 4  
April 11, 2008

# 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 \*  
MARXE AUSTIN W &  
GREENHOUSE DAVID M  
(Last) (First) (Middle)

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

C/O SPECIAL SITUATIONS  
FUNDS, 527 MADISON AVENUE,  
SUITE 2600  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/09/2008

6. Individual or Joint/Group Filing (Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

NEW YORK, NY 10022  
(City) (State) (Zip)

4. If Amendment, Date Original Filed (Month/Day/Year)

**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 Indirect Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	04/09/2008		S	965 <sup>(1)</sup> D \$ 0.4876	3,208,318 <sup>(1)</sup>	I <sup>(1)</sup>	By Limited Partnerships <sup>(1)</sup>

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

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

