

HIG GP II INC  
Form 3  
March 22, 2011

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

OMB APPROVAL

OMB Number: 3235-0104  
Expires: January 31, 2015  
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)

|  |   |  |   |
|--|---|--|---|
| <p>1. Name and Address of Reporting Person *</p> <p>Â H.I.G. AERT, LLC</p> <p>(Last) (First) (Middle)</p> <p>C/O H.I.G. CAPITAL, LLC,Â 1450 BRICKELL AVENUE, 31ST FLOOR</p> <p>(Street)</p> <p>MIAMI,Â FLÂ 33131</p> <p>(City) (State) (Zip)</p> | <p>2. Date of Event Requiring Statement</p> <p>(Month/Day/Year)</p> <p>03/18/2011</p> | <p>3. Issuer Name and Ticker or Trading Symbol</p> <p>ADVANCED ENVIRONMENTAL RECYCLING TECHNOLOGIES INC [AERT]</p> <p>4. Relationship of Reporting Person(s) to Issuer</p> <p>(Check all applicable)</p> <p><input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br/><input type="checkbox"/> Officer <input type="checkbox"/> Other<br/>(give title below) (specify below)</p> | <p>5. If Amendment, Date Original Filed(Month/Day/Year)</p> <p>6. Individual or Joint/Group Filing(Check Applicable Line)</p> <p><input type="checkbox"/> Form filed by One Reporting Person<br/><input checked="" type="checkbox"/> Form filed by More than One Reporting Person</p> |
|--|---|--|---|

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security<br>(Instr. 4) | 2. Amount of Securities Beneficially Owned<br>(Instr. 4) | 3. Ownership Form:<br>Direct (D)<br>or Indirect (I)<br>(Instr. 5) | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|------------------------------------|--|---|--|
| Class A Common Stock               | 15,289,890 <sup>(1)</sup>                                | D <sup>(2) (3) (4)</sup><br><u>(5)</u>                            | 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<br>(Instr. 4) | 2. Date Exercisable and Expiration Date<br>(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<br>(Instr. 5) |
|---|---|--|---------------------------|----------------------|--|
|---|---|--|---------------------------|----------------------|--|

Edgar Filing: HIG GP II INC - Form 3

| Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Price of Derivative Security | Derivative Security: Direct (D) or Indirect (I) |
|------------------|-----------------|-------|----------------------------|------------------------------|---|
|                  |                 |       |                            |                              |   |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| H.I.G. AERT, LLC<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131                   | ^             | ^ X       | ^       | ^     |
| H.I.G. Capital Partners IV, L.P.<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131   | ^             | ^ X       | ^       | ^     |
| HIG BAYSIDE DEBT & LBO FUND II LP<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131  | ^             | ^ X       | ^       | ^     |
| H.I.G. Advisors IV, L.L.C.<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131         | ^             | ^ X       | ^       | ^     |
| H.I.G. Bayside Advisors II, L.L.C.<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131 | ^             | ^ X       | ^       | ^     |
| HIG GP II INC<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131                      | ^             | ^ X       | ^       | ^     |
| MNAYMNEH SAMI<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131                      | ^             | ^ X       | ^       | ^     |
| TAMER ANTHONY<br>C/O H.I.G. CAPITAL, LLC<br>1450 BRICKELL AVENUE, 31ST FLOOR<br>MIAMI, FL 33131                      | ^             | ^ X       | ^       | ^     |

## Signatures

|   |            |
|---|------------|
| H.I.G. AERT, LLC, By: H.I.G. Capital Partners IV, L.P., Title: Member, By: H.I.G. Advisors IV, LLC, Title: General Partner, By: H.I.G.- GPII, Inc., Title: Manager, /s/ Richard Siegel, Title: Vice President and General Counsel | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| H.I.G. Capital Partners IV, L.P., By: H.I.G. Advisors IV, LLC, Title: General Partner, By: H.I.G.- GPII, Inc., Title: Manager, /s/ Richard Siegel, Title: Vice President and General Counsel                                      | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| H.I.G. Bayside Debt & LBO Fund II, L.P., By: H.I.G. Bayside Advisors II, LLC, Title: General Partner, By: H.I.G.- GPII, Inc., Title: Manager, /s/ Richard Siegel, Title: Vice President and General Counsel                       | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| H.I.G. Advisors IV, LLC, By: H.I.G.- GPII, Inc., Title: Manager, /s/ Richard Siegel, Title: Vice President and General Counsel  | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| H.I.G. Bayside Advisors II, LLC, By: H.I.G.- GPII, Inc., Title: Manager, /s/ Richard Siegel, Title: Vice President and General Counsel  | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| H.I.G.- GPII, Inc., /s/ Richard Siegel, Title: Vice President and General Counsel   | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| /s/ Sami W. Mnaymneh  | 03/22/2011 |
| __Signature of Reporting Person   | Date       |
| /s/ Anthony A. Tamer  | 03/22/2011 |
| __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).
- On March 18, 2011, pursuant to a reclassification exempt under Rule 16b-7 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and that certain Series D Preferred Stock Exchange Agreement, dated as of March 18, 2011, by and between the Issuer and H.I.G. AERT, LLC, 15,289,890 shares of Class A Common Stock were issued to H.I.G. AERT, LLC in exchange for (i) the transfer to and cancellation by the Issuer of an aggregate of 315,273.4 shares of Series D Convertible Preferred Stock of the Issuer, and (ii) the surrender to and cancellation by the Issuer of certain warrants to purchase an aggregate of 1,515,155 shares of Class A Common Stock of the Issuer that were previously held by H.I.G. AERT, LLC.
- (2) This Form 3 is being filed by H.I.G. AERT, LLC as the direct beneficial owner of the shares of Class A Common Stock.
- Each of the other Reporting Persons may be deemed to be indirect beneficial owners of the shares of Class A Common Stock, as follows:
- (1) H.I.G. Capital Partners IV, L.P. and H.I.G. Bayside Debt & LBO Fund II, L.P., each in their capacity as the holders of 45.5% and 33.3%, respectively, of the equity interests of H.I.G. AERT, LLC; (ii) H.I.G. Advisors IV, LLC, in its capacity as the general partner of H.I.G. Capital Partners IV, L.P.; (iii) H.I.G. Bayside Advisors II, LLC, in its capacity as the general partner of H.I.G. Bayside Debt & LBO Fund II, L.P.; (iv) H.I.G.- GPII, Inc., in its capacity as the manager of each of H.I.G. Advisors IV, LLC and H.I.G. Bayside Advisors II, LLC; and (v) Sami W. Mnaymneh and Anthony A. Tamer, each in their capacity as co-presidents and directors of H.I.G.- GPII, Inc.
  - (4) Information with respect to each Reporting Person is given solely by such Reporting Person, and no such Reporting Person assumes responsibility for the accuracy or completeness of information supplied by any other Reporting Person.

## Edgar Filing: HIG GP II INC - Form 3

- Pursuant to Rule 16a-1(a)(4) of the Exchange Act, each of the Reporting Persons, other than H.I.G. AERT, LLC, herein states that this filing shall not be deemed to be an admission that it or he is a beneficial owner of any shares of Class A Common Stock covered by this
- (5) Initial Statement of Beneficial Ownership of Securities on Form 3. Each of the Reporting Persons, other than H.I.G. AERT, LLC, disclaims beneficial ownership of the shares, except to the extent of its or his pecuniary interest in the shares.

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.