CREE INC Form 4 September 03, 2009

# FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB APPROVAL

Number: 3235-0287

January 31,

Expires: 2005
Estimated average

burden hours per response... 0.5

Check this box if no longer subject to Section 16.

Section 16.
Form 4 or
Form 5

obligations

Section 17(a) of the I

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

See Instruction 1(b).

(Print or Type Responses)

may continue.

| 1. Name and Add<br>KURTZWEIL |              | (First) (Middle) ., 4600 SILICON | 2. Issuer Name and Ticker or Trading Symbol CREE INC [CREE] | 5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)                             |  |  |
|------------------------------|--------------|----------------------------------|---|--|--|--|
| (Last)                       | (First)      | (Middle)                         | 3. Date of Earliest Transaction                             | (Check an applicable)  |  |  |
| C/O CREE, IN<br>DRIVE        | IC., 4600 SI | ILICON                           | (Month/Day/Year)<br>09/01/2009                              | Director 10% Owner _X Officer (give title Other (specify below)  EXECUTIVE VP, CFO, TREASURER        |  |  |
|                              | (Street)     |                                  | 4. If Amendment, Date Original                              | 6. Individual or Joint/Group Filing(Check  |  |  |
| DURHAM, No                   | C 27703      |                                  | Filed(Month/Day/Year)                                       | Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person |  |  |

| (City)                               | (State) (Zi                          | Table 1   | I - Non-De                              | rivative S                      | ecurit | ies Acqui   | ired, Disposed of,   | or Beneficiall   | y Owned   |
|--------------------------------------|--------------------------------------|---|---|---------------------------------|--------|-------------|--|--|---|
| 1.Title of<br>Security<br>(Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4. Securi or(A) or D (Instr. 3, | ispose | d of (D)    | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
| COMMON<br>STOCK                      | 09/01/2009                           |   | F(1)                                    | 2,076                           | D      | \$<br>36.84 | 33,768   | D  |   |
| COMMON<br>STOCK                      | 09/01/2009                           |   | A(2)                                    | 6,000                           | A      | \$0         | 39,768 <u>(3)</u>  | D  |   |

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

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.

SEC 1474

(9-02)

#### Edgar Filing: CREE INC - Form 4

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

| 1. Title of Derivative    | 2.          | 3. Transaction Date |                    | 4.         | 5. Number of   | 6. Date Exercisab | le and          | 7. Title ar |
|---------------------------|-------------|---------------------|--------------------|------------|----------------|-------------------|-----------------|-------------|
| Security                  | Conversion  | (Month/Day/Year)    | Execution Date, if | Transacti  | orDerivative   | Expiration Date   |                 | Underlyir   |
| (Instr. 3)                | or Exercise |                     | any                | Code       | Securities     | (Month/Day/Year   | r)              | (Instr. 3 a |
|                           | Price of    |                     | (Month/Day/Year)   | (Instr. 8) | Acquired (A)   |                   |                 |             |
|                           | Derivative  |                     |                    |            | or Disposed of |                   |                 |             |
|                           | Security    |                     |                    |            | (D)            |                   |                 |             |
|                           |             |                     |                    |            | (Instr. 3, 4,  |                   |                 |             |
|                           |             |                     |                    |            | and 5)         |                   |                 |             |
|                           |             |                     |                    |            |                |                   |                 |             |
|                           |             |                     |                    |            |                | Date Exercisable  | Expiration Date | Title       |
|                           |             |                     |                    | Code V     | (A) (D)        |                   |                 |             |
| NONOLLA LEVED             |             |                     |                    |            |                |                   |                 |             |
| NONQUALIFIED STOCK OPTION | \$ 35.89    | 09/01/2009          |                    | A          | 30,000         | 09/01/2010(4)     | 09/01/2016      | COMM        |

## **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

KURTZWEIL JOHN T C/O CREE, INC. 4600 SILICON DRIVE DURHAM, NC 27703

EXECUTIVE VP, CFO, TREASURER

### **Signatures**

(RIGHT TO BUY)

Tamara Cappelson, Attorney-In-Fact

\*\*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) Disposition of shares back to the company to satisfy withholding obligations related to restricted stock vesting September 1, 2009.
- (2) Restricted stock award vesting in five equal annual installments commencing September 1, 2010.
- (3) Number of shares reported includes 450 shares purchased on April 30, 2009 under the Cree, Inc. 2005 Employee Stock Purchase Plan.
- (4) Option vests in three equal annual installments commencing September 1, 2010.

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.

Reporting Owners 2