

Ascent Solar Technologies, Inc.
Form PRE 14A
May 05, 2008

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

SCHEDULE 14A
(RULE 14a-101)
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

ASCENT SOLAR TECHNOLOGIES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

 - (2) Aggregate number of securities to which transaction applies:

 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

May 15, 2008

Dear Stockholders:

You are cordially invited to attend Ascent Solar's Annual Meeting of Stockholders to be held on July 1, 2008. The meeting will be held at the Denver Marriott West, 1717 Denver West Blvd., Golden, Colorado 80401 beginning at 9:00 a.m. local time. The formal meeting notice and proxy statement for the meeting are attached.

Whether or not you plan to attend the annual meeting, it is important that your shares be represented and voted at the meeting. This year, for the first time, we are voluntarily furnishing proxy materials to our stockholders on the Internet rather than mailing printed copies to all stockholders. This serves our environmental goals and also saves us significant postage, printing and processing costs. Whether or not you plan to attend the annual meeting, please cast your vote as promptly as possible by returning a paper proxy card, following the instructions in the Notice of Internet Availability of Proxy Materials, via the Internet or by telephone. Casting your vote using any one of these methods will ensure your representation at the annual meeting. If you attend the annual meeting in person, you may vote your shares in person even though you have previously given your proxy.

Sincerely,

Matthew Foster
President and Chief Executive Officer

ASCENT SOLAR TECHNOLOGIES, INC.

8120 Shaffer Parkway
Littleton, Colorado 80127
(303) 285-9885

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JULY 1, 2008**

TO OUR STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Ascent Solar Technologies, Inc., a Delaware corporation (the "Company"), will be held on July 1, 2008, at 9:00 a.m. local time at the Denver Marriott West, 1717 Denver West Blvd., Golden, Colorado 80401, for the following purposes, as more fully described in the proxy statement accompanying this notice:

1. **ELECTION OF CLASS 1 DIRECTORS.** To elect two Class 1 directors to serve until the 2009 annual meeting of stockholders and until their successors have been elected and qualified.
2. **ELECTION OF CLASS 3 DIRECTORS.** To elect two Class 3 directors to serve until the 2011 annual meeting of stockholders and until their successors have been elected and qualified.
3. **APPROVAL OF RESTRICTED STOCK PLAN.** To approve the Company's 2008 Restricted Stock Plan for issuance of incentive restricted stock awards to employees, consultants and directors.
4. **APPROVAL OF AMENDED AND RESTATED STOCK OPTION PLAN.** To approve an amendment and restatement of the Company's 2005 Stock Option Plan that, among other things, increases the number of shares authorized for issuance under that plan by 500,000 shares.
5. **ANY OTHER BUSINESS** that may properly come before the annual meeting or any adjournments or postponements thereof.

Our stockholders of record at the close of business on May 2, 2008 are entitled to receive notice of and to vote at the annual meeting and any adjournment or postponement thereof.

Our stockholders are cordially invited to attend our annual meeting in person.

Sincerely,

Matthew Foster
President and Chief Executive Officer
Littleton, Colorado
May 15, 2008

Your vote is very important to us.

We urge you to vote via the Internet or by telephone, or by marking, signing, dating and returning a proxy card as soon as possible. You may vote in person at the meeting whether or not you previously have returned your proxy.

For those stockholders receiving proxy materials via the Internet, our proxy materials, including this proxy statement and our annual report on Form 10-K for the year ended December 31, 2007, are available at www.proxyvote.com.

ASCENT SOLAR TECHNOLOGIES, INC.

8120 Shaffer Parkway
Littleton, Colorado 80127
(303) 285-9885

PROXY STATEMENT

The enclosed proxy is solicited on behalf of Ascent Solar Technologies, a Delaware corporation, by its Board of Directors (the "Board") for use at its Annual Meeting of Stockholders to be held at 9:00 a.m. local time on July 1, 2008, or at any adjournment thereof, for the purposes set forth in this proxy statement and in the accompanying notice. The meeting will be held at the Denver Marriott West, 1717 Denver West Blvd., Golden, Colorado 80401.

These proxy solicitation materials were first sent or given on or about May 15, 2008 to stockholders entitled to vote at the meeting. Only one copy of this proxy statement, notice and annual report on Form 10-K is being delivered to stockholders who share an address, unless we have received contrary instructions from those stockholders. Upon written or oral request, we will deliver a separate copy of this proxy statement, notice and annual report on Form 10-K. Requests for such additional copies this year or in future years should be directed to our Corporate Secretary at the address or telephone number above. If two or more stockholders sharing an address are receiving multiple copies and wish to receive only a single copy, they can submit a request to the same address and telephone number above.

This proxy statement is being furnished to you with a copy of our annual report on Form 10-K for our fiscal year ended December 31, 2007 (the "Annual Report"), which was filed with the Securities and Exchange Commission (the "SEC") on March 14, 2008. We will provide, without charge, additional copies of our Annual Report. Any exhibits listed in the Annual Report also will be furnished upon request at the actual expense we incur in furnishing such exhibit. Any such requests should be directed to the Company's Corporate Secretary at our executive offices set forth above.

References to the "Company," "Ascent Solar," "our," "us" or "we" mean Ascent Solar Technologies, Inc.

VOTING AND RELATED MATTERS

Voting Securities and Voting Rights

Stockholders of record at the close of business on May 2, 2008 are entitled to receive notice and vote at the meeting. On the record date, there were 14,050,102 issued and outstanding shares of our common stock. Each holder of common stock voting at the meeting, either in person or by proxy, may cast one vote per share of common stock held on all matters to be voted on at the meeting.

The presence, in person or by proxy, of the holders of a majority of the total number of shares of common stock entitled to vote constitutes a quorum for the transaction of business at the meeting. Assuming that a quorum is present:

- (1) the affirmative vote of a majority of the shares entitled to vote at the meeting and present in person or by proxy will be required to elect each Class 1 director nominee;
- (2) the affirmative vote of a majority of the shares entitled to vote at the meeting and present in person or by proxy will be required to elect each Class 3 director nominee;
- (3) the affirmative vote of a majority of the shares for which votes are properly cast in person or by proxy on the proposal will be required to approve the Company's 2008 Restricted Stock Plan (the "Restricted Stock Plan");
- (4) the affirmative vote of a majority of the shares for which votes are properly cast in person or by proxy on the proposal will be required to approve the amendment and restatement of our 2005 Stock Option Plan (the "Option Plan") that, among other things, increases the number of shares authorized for issuance under the Option Plan by 500,000 shares; and
- (5) unless otherwise required by our Bylaws or by applicable law, the affirmative vote of a majority of the shares entitled to vote at the meeting and present in person or by proxy will be required to approve any other matter properly presented for a vote at the meeting; provided that if any stockholders are entitled to vote thereon as a class, such approval will require the affirmative vote of a majority of the shares entitled to vote as a class who are present in person or by proxy.

Votes cast in person or by proxy at the meeting will be tabulated by the election inspectors appointed for the meeting, who will determine whether a quorum is present. The election inspectors will treat abstentions as shares that are present and entitled to vote for purposes of determining the presence of a quorum, but as unvoted for purposes of determining the approval of any matter submitted to the stockholders for a vote. If a broker indicates on the proxy that it does not have discretionary authority as to certain shares to vote on a particular matter, those shares will be treated as present and entitled to vote for purposes of determining the presence of a quorum but not entitled to vote with respect to that matter.

Voting of Proxies

When a proxy is properly executed and returned, the shares it represents will be voted at the meeting as directed. If no specification is indicated, the shares will be voted:

- (1) "for" the election of each Class 1 director nominee set forth in this proxy statement;
- (2) "for" the election of each Class 3 director nominee set forth in this proxy statement;
- (3) "for" the approval of the Restricted Stock Plan;
- (4) "for" the approval of the amendment and restatement of the Option Plan that, among other things, increases the number of shares authorized for issuance under the Option Plan by 500,000 shares; and

(5)

at the discretion of your proxies on any other matter that may be properly brought before the meeting.

Revocability of Proxies

Any person giving a proxy may revoke the proxy at any time before its use by: (1) delivering to us either a written notice of revocation or a duly executed proxy bearing a later date; or (2) attending the meeting and voting in person.

Voting via the Internet and by Telephone

Stockholders whose shares are registered in the name of a bank or brokerage firm may be eligible to vote electronically via the Internet or by telephone. Many banks and brokerage firms participate in the Broadridge Financial Solutions, Inc. ("Broadridge") online and telephone program. This program provides eligible stockholders the opportunity to vote via the Internet or by telephone. Voting forms will provide instructions for stockholders whose banks or brokerage firms participate in Broadridge's online and telephone program.

Registered stockholders may vote electronically via the Internet or by telephone by following the instructions included with their proxy card. A stockholder not wishing to vote electronically via the Internet or by telephone or whose form does not reference Internet or telephone voting information should complete and return the enclosed paper proxy card. Signing and returning the proxy card or submitting the proxy via the Internet or by telephone does not affect the right to vote in person at the annual meeting.

Internet and Electronic Availability of Proxy Materials

As permitted by the SEC, the Company is sending a Notice of Internet Availability of Proxy Materials (the "Notice") to stockholders who hold shares in "street name" through a bank, broker or other holder of record. All such shareholders will have the ability to access this proxy statement and the Company's Annual Report on a website referenced in the Notice or to request a printed set of these materials at no charge. Instructions on how to access these materials over the Internet or to request a printed copy may be found in the Notice.

In addition, any stockholder may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. Choosing to receive future proxy materials by email will save the Company the cost of printing and mailing documents to stockholders and will reduce the impact of annual meetings on the environment. A stockholder's election to receive proxy materials by email will remain in effect until the stockholder terminates it.

Solicitation

We will bear the cost of this solicitation. In addition, we may reimburse brokerage firms and other persons representing beneficial owners of shares for reasonable expenses incurred in forwarding solicitation materials to such beneficial owners. Proxies also may be solicited by our directors, officers or employees, personally, by telephone or by facsimile, without additional compensation.

EXECUTIVE OFFICERS AND DIRECTORS

Our executive officers and directors and their ages and positions with the Company as of March 31, 2008, are as follows:

Name	Age	Position
Matthew Foster	50	President and Chief Executive Officer
Gary Gatchell	50	Chief Financial Officer
Janet Casteel	47	Chief Accounting Officer and Treasurer
Prem Nath, Ph.D.	59	Senior Vice President of Manufacturing
Ashutosh Misra	42	Senior Vice President of Operations and Corporate Affairs
Joseph Armstrong, Ph.D.	50	Vice President and Chief Technology Officer
Joseph C. McCabe	47	Vice President of Business Development
Mohan S. Misra, Ph.D.(1)	63	Chief Strategy Officer and Chairman of the Board
Stanley A. Gallery	50	Director
Einar Glomnes(1)	38	Director
Amit Kumar, Ph.D.(2)	43	Director
Joel S. Porter(2)	60	Director
T.W. Fraser Russell, Ph.D.	73	Director
Richard J. Swanson	72	Director

(1) Nominee for election as Class 3 director.

(2) Nominee for election as Class 1 director.

Matthew Foster has served as our President and Chief Executive Officer since October 2005. From March 2004 until Ascent's formation in October 2005, Mr. Foster served as Executive Vice President of ITN Energy Systems, Inc., where he developed and implemented plans to commercialize other ITN technologies such as thin-film battery systems and microsatellites, which developed into companies Infinite Power Solutions, Inc. and MicroSat Systems, Inc., respectively. From January 2001 until March 2004, he served as President and Chief Executive Officer of Infinite Power Solutions. Mr. Foster has over 25 years of experience in the aerospace industry and previously served as Vice President of Business Development and Advanced Programs at the Lockheed Martin Corporation. Mr. Foster holds a B.S. degree from Rensselaer Polytechnic Institute.

Gary Gatchell has served as our Chief Financial Officer since March 2008. From June 2005 until February 2008, Mr. Gatchell served as the chief financial officer of Carrier Access Corporation ("Carrier Access"), a telecommunications equipment provider. Mr. Gatchell had joined Carrier Access, a Nasdaq listed company, in June 2005, to reorganize that company's finance and administration infrastructure. Prior to joining Carrier Access, from 1999 until 2004, Mr. Gatchell served as the chief financial officer of Voyant Technologies, Inc. ("Voyant"), a provider of audio conferencing equipment. Voyant, a private venture backed company, was acquired by Polycom, Inc. in 2004. Mr. Gatchell also has served as an audit manager at KPMG. Mr. Gatchell is a registered Certified Public Accountant and has a Master's degree in Accountancy from the University of Denver.

Janet Casteel has served as our Chief Accounting Officer and Treasurer since February 2006. She served on a part-time basis as our Treasurer and Controller between October 2005 and February 2006, during which time she also served as the part-time business manager of ITN. From 1996 until February 2006, Ms. Casteel served in the capacity of controller and business manager of ITN. At ITN, she supervised the financial and accounting staffs and was responsible for negotiation and administration of ITN's government and commercial contracts, as well as its agreements with subcontractors. She is a member of the American Institute of Certified Public Accountants and is a Certified Public Accountant

(inactive) in Colorado. Ms. Casteel holds an Associate Degree in Business Administration from Nebraska College of Business and a B.S. degree in Accounting from Metropolitan State College in Denver.

Prem Nath, Ph.D. has served as our Senior Vice President of Manufacturing since July 2006. From 1998 until July 2006, he served as Vice President of Product Manufacturing and Development at United Solar Ovonic ("Uni-Solar") and as Chief Operating Officer of Uni-Solar's Mexican subsidiary. Dr. Nath has over 25 years of professional experience in the development, testing and manufacture of thin-film PV technology and is a named inventor on over 50 U.S. patents covering processes, products and materials. Dr. Nath holds a M.S. degree in Physics from Punjab University in India, a Master of Technology degree in Solid State Physics from the Indian Institute of Technology (IIT) and a Ph.D. in Materials Science from IIT. Dr. Nath also worked as a post-doctoral fellow at the University of California at Los Angeles.

Ashutosh Misra has served as our Senior Vice President of Operations and Corporate Affairs since April 2007. Until that time, Mr. Misra served as a member of our Board of Directors from our inception in October 2005 and participated actively as corporate advisor in guiding the management team with day-to-day operations. Mr. Misra also served as Executive Vice President at ITN, where he was responsible for day to day business operations. From November 2002 until March 2005, Mr. Misra served as the president and chief executive officer of Data Access America, a wholly owned subsidiary of Data Access India, Limited, a telecommunications carrier based in India. Prior to joining ITN in 1998, Mr. Misra worked for MTI International for over 8 years as Operations Manager and was responsible for setting up electronic manufacturing and related facilities in the United States, Mexico, Singapore, Indonesia, and India. Mr. Misra holds a Bachelor of Engineering Degree in Electronics and Telecommunications from Bangalore University in India, and a M.S. degree in Electrical Engineering from the University of Wisconsin, Milwaukee. Mr. Misra is the nephew of Dr. Mohan Misra, our Chairman.

Joseph Armstrong, Ph.D. has served as our Vice President and Chief Technology Officer since October 2005. Dr. Armstrong worked at ITN beginning in 1995, and served as the Manager of ITN's Advanced PV Division from 1995 until joining Ascent in October 2005. While at ITN, Dr. Armstrong led its advancement into thin-film flexible PV products for space and near-space applications and started its development of thin-film battery technologies, a complement to Ascent's thin-film PV technology. Prior to joining ITN, Dr. Armstrong was employed for 10 years by Martin Marietta Corporation, where he managed PV research projects. He is a named inventor on four U.S. patents in areas including shape memory alloys, thin-film PV technology and electronic circuit assembly. Dr. Armstrong holds a B.S. degree in Physics from Lewis University in Illinois and a M.S. degree and Ph.D. in Solid State Physics from the University of Denver.

Joseph C. McCabe has served as our Vice President of Business Development since January 2007. From 1985 until November 2006, Mr. McCabe was the owner and principal of an energy technology consulting firm. In that capacity, he served as a consultant or contractor on projects for the California Energy Commission, the Sacramento Municipal Utility District, Shell Oil and various architecture and engineering firms, and he possesses experience in the area of BIPV products and technologies. Mr. McCabe is a licensed professional engineer and holds a B.S. degree in Mechanical Engineering degree from the University of Dayton, an M.S. degree in Nuclear and Energy Engineering from the University of Arizona, and an M.B.A. from Regis University in Denver, Colorado.

Mohan S. Misra, Ph.D. has served as Chairman of our Board of Directors since October 2005, and as our Chief Strategy Officer since April 2007. He founded and has served as chief executive officer of ITN since 1994. Before founding ITN, Dr. Misra spent 19 years with Martin Marietta Corporation (now Lockheed Martin Corporation) in the areas of material research, development and manufacturing. While at Martin Marietta, Dr. Misra worked first as manager of Research and Technology, and then

led the company's development of long term technology strategies. Dr. Misra has helped develop and implement several key technologies for aerospace applications including thin-film PV products, smart materials, advanced composites and lightweight structures. Dr. Misra holds a B.S. degree in Metallurgical Engineering from Benaras Hindu University in India, an M.S. degree in Metallurgical Engineering from the University of Washington and a Ph.D. in Metallurgical Engineering from the Colorado School of Mines. Dr. Misra is the uncle of Ashutosh Misra, our Senior Vice President of Operations and Corporate Affairs.

Stanley A. Gallery has served on our Board of Directors since October 2005. Since 1984, Mr. Gallery has been the chief executive officer of Carts of Colorado, Inc., a provider of mobile merchandising for the food service industry. He also has served as the managing partner of G3 Holdings LLC since 1997, which makes real estate and other investments. He also is a co-founder of Bluegate Creek JV and Bluegate Creek II, which are oil and gas ventures in Wyoming. Prior to joining Ascent, Mr. Gallery served on the board of directors of ITN from 2001 until joining our Board in October 2005.

Einar Glomnes has served on our Board of Directors since March 2007. Since April 2007, Mr. Glomnes has served as the head of Hydro Solar, a division of Norsk Hydro ASA. Norsk Hydro Produksjon AS, a subsidiary of Norsk Hydro ASA, is our largest shareholder. Prior to heading Hydro Solar, Mr. Glomnes served as a Vice President in the business development arm of Norsk Hydro Oil & Energy from 2006 until 2007, and as a lawyer in the legal department of Norsk Hydro ASA from 2004 to 2006. From 2001 until 2004, Mr. Glomnes served as a lawyer with the Schjødt Law Firm in Norway. Since 2004, Mr. Glomnes also has served as a member of the board of directors of Norson AS, a PV ingot and wafer company based in Norway, and as the chairman of Verdane Capital, a private equity investment firm. Mr. Glomnes holds a law degree from the University of Oslo, and an L.L.M. degree from Columbia University School of Law.

Amit Kumar, Ph.D. has served on our Board of Directors since June 2007. Dr. Kumar has served as the President and Chief Executive Officer of CombiMatrix Corporation, a developer of DNA microarrays, since September 2001. He also serves on the board of directors of Aeolus Pharmaceuticals, Inc. Dr. Kumar holds a B.S. degree in Chemistry from Occidental College. After joint studies at Stanford University and the California Institute of Technology ("Caltech"), he received his Ph.D. from Caltech before completing a post-doctoral fellowship at Harvard University.

Joel S. Porter has served on our Board of Directors since June 2007. Mr. Porter is the President of Centennial Consulting Services, Inc., a consulting firm created after Mr. Porter's retirement from Lockheed Martin in the spring of 2004 as Vice President for International Program Development and Systems Analysis. Mr. Porter had served for approximately 28 years at Lockheed Martin in a variety of management roles. He holds a Bachelor of Aerospace Engineering degree and an M.S. degree in Industrial Management from the Georgia Institute of Technology. He also is a graduate of the Program for Management Development at the Harvard Business School.

T.W. Fraser Russell, Ph.D. has served on our Board of Directors since October 2005. Dr. Russell has served as the Allan P. Colburn Professor in the Department of Chemical Engineering at the University of Delaware since 1981. Dr. Russell is a member of the National Academy of Engineering, a fellow of the American Institute of Chemical Engineers and a registered professional engineer in the State of Delaware. He is the co-inventor of four U.S. patents for the continuous deposition of PV material on moving substrates and is the author of over 100 engineering and scientific papers. He has an industrial background in process design, and he has served as a consultant to a number of firms in the chemical processing industries. Dr. Russell holds a B.Sc. degree and an M.Sc. degree from the University of Alberta in Canada and a Ph.D. from the University of Delaware.

Richard J. Swanson has served on our Board of Directors since January 2007. Since 1991, Mr. Swanson has been a consultant with Vistage International, Inc. (formerly TEC), which focuses on

strategic coaching for chief executive officers of public and private companies. Since 1980, he has served as the founder and president of Investment Partners, Inc., which engages in the restructuring and recapitalization of troubled companies, and of Real Estate Associates, Inc., which focuses on real estate acquisition and development. He served as a director and chair of the audit committee of AHPC Holdings, Inc., a publicly-traded Illinois-based company in the health care supply field from 1998 until 2007, and serves as a director and chair of the audit committee of ADA-ES, LLC, a publicly-traded industrial technology company in Colorado. Mr. Swanson holds a B.A. in History from the University of Colorado and an M.B.A. from the Harvard Business School.

BOARD OF DIRECTORS

Overview

Our bylaws, as amended ("Bylaws"), provide that the size of our Board is to be determined from time to time by resolution of the Board, but shall consist of at least two and no more than eight members. Our Board currently consists of seven members, five of whom are independent under the rules of the Nasdaq Stock Market. Our certificate of incorporation, as amended ("Certificate of Incorporation"), provides that the Board will be divided into three classes as nearly equal in number of directors as possible. Our Class 1 directors are Dr. Amit Kumar, Joel S. Porter and Richard J. Swanson. Our Class 2 directors are Stanley A. Gallery and Dr. T.W. Fraser Russell. Our Class 3 directors are Einar Glomnes and Dr. Mohan S. Misra. The term of our Class 3 directors expires at our 2008 annual meeting of stockholders, and our Board has nominated Mr. Glomnes and Dr. Misra for re-election by our stockholders. Furthermore, Dr. Kumar and Mr. Porter were appointed by our Board to fill two vacancies in June 2007; consequently, pursuant to our Bylaws, Dr. Kumar and Mr. Porter are standing for election by our stockholders to serve the remainder of the scheduled term of Class 1 directors (i.e., until the 2009 annual meeting).

The Board has determined that the following directors are "independent" as required by applicable laws and regulations, by the listing standards of The Nasdaq Stock Market and by our corporate governance guidelines: Mr. Gallery, Dr. Kumar, Mr. Porter, Dr. Russell and Mr. Swanson.

Committees of the Board of Directors

Our Board has three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. Each committee operates pursuant to a charter that can be found at our website www.ascentsolar.com.

Audit Committee. Our Audit Committee oversees our accounting and financial reporting processes, internal systems of accounting and financial controls, relationships with independent auditors, and audits of financial statements. Specific responsibilities include the following:

selecting, hiring and terminating our independent auditors;

evaluating the qualifications, independence and performance of our independent auditors;

approving the audit and non-audit services to be performed by our independent auditors;

reviewing the design, implementation, adequacy and effectiveness of our internal controls and critical accounting policies;

overseeing and monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters;

reviewing, with management and our independent auditors, any earnings announcements and other public announcements regarding our results of operations;

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review all transactions between the Company and any of its directors, officers or members of their immediate families; and

preparing the report that the SEC requires in our annual proxy statement.

Our Audit Committee is comprised of Mr. Gallery, Dr. Kumar and Mr. Swanson. Mr. Swanson serves as Chairman of the Audit Committee. The Board has determined that all members of the Audit Committee are independent under the rules of the Nasdaq Stock Market, and that Mr. Swanson qualifies as an "audit committee financial expert," as defined by the rules of the Securities and Exchange Commission.

Compensation Committee. Our Compensation Committee assists our Board in determining the development plans and compensation of our officers, directors and employees. Specific responsibilities include the following:

- approving the compensation and benefits of our executive officers;
- reviewing the performance objectives and actual performance of our officers; and
- administering our stock option and other equity compensation plans.

Our Compensation Committee is comprised of Mr. Gallery, Dr. Russell and Mr. Swanson. Mr. Gallery serves as Chairman of the Compensation Committee. Our Board has determined that all members of the Compensation Committee are independent under the rules of the Nasdaq Stock Market.

Nominating and Governance Committee. Our Nominating and Governance Committee assists our Board by identifying and recommending individuals qualified to become members of our Board, reviewing correspondence from our stockholders, and establishing, evaluating and overseeing our corporate governance guidelines. Specific responsibilities include the following:

- evaluating the composition, size and governance of our Board and its committees and making recommendations regarding future planning and the appointment of directors to our committees;
- establishing a policy for considering stockholder nominees for election to our Board; and
- evaluating and recommending candidates for election to our Board.

Our Nominating and Governance Committee is comprised of Mr. Gallery, Dr. Kumar and Dr. Russell. Dr. Kumar serves as Chairman of our Nominating and Governance Committee. Our Board has determined that all members of the Nominating and Governance Committee are independent under the rules of the Nasdaq Stock Market.

When considering potential director candidates for nomination or election, the following characteristics are considered:

- high standard of personal and professional ethics, integrity and values;
- training, experience and ability at making and overseeing policy in business, government and/or education sectors;
- willingness and ability to keep an open mind when considering matters affecting interests of the Company and its constituents;
- willingness and ability to devote the time and effort required to effectively fulfill the duties and responsibilities related to Board and its committees;

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willingness and ability to serve on the Board for multiple terms, if nominated and elected, to enable development of a deeper understanding of the Company's business affairs;

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willingness not to engage in activities or interests that may create a conflict of interest with a director's responsibilities and duties to the Company and its constituents; and

willingness to act in the best interests of the Company and its constituents, and objectively assess Board, committee and management performances.

In addition, in order to maintain an effective mix of skills and backgrounds among the members of our Board, the following characteristics also may be considered when filling vacancies or identifying candidates:

independence;

diversity (e.g., age, geography, professional, other);

professional experience;

industry knowledge (e.g., relevant industry or trade association participation);

skills and expertise (e.g., accounting or financial);

leadership qualities;

public company board and committee experience;

non-business-related activities and experience (e.g., academic, civic, public interest);

continuity (including succession planning);

size of the Board;

number and type of committees, and committee sizes; and

legal and other applicable requirements and recommendations, and other corporate governance-related guidance regarding Board and committee composition.

The Nominating and Governance Committee will consider candidates recommended by stockholders. To recommend director candidates, stockholders should submit their suggestions in writing to the Chairperson of the Nominating and Governance Committee, c/o the Corporate Secretary of the Company, providing the candidate's name, biographical data and other relevant information together with a consent from the suggested candidate to serve on the Company's Board if nominated and elected. Since our annual report for the fiscal year ended December 31, 2006, there have been no material changes to the procedures by which stockholders may recommend nominees to our Board.

Compensation Committee Interlocks and Insider Participation

None of the members of our Compensation Committee is an officer or employee of the Company. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our Board or Compensation Committee.

Number of Meetings

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The Board held a total of 11 meetings during our fiscal year ended December 31, 2007. Our Audit Committee held 4 meetings, our Compensation Committee held 5 meetings, and our Nominating and Governance Committee held 2 meetings during our fiscal year ended December 31, 2007. Each incumbent director attended at least 75% of the aggregate of the total number of meetings of the Board and the Board committees on which he served (during the periods that he served).

Board Member Attendance at Annual Stockholder Meetings

Although the Company does not have a formal policy regarding director attendance at annual stockholder meetings, directors are encouraged to attend these annual meetings absent extenuating circumstances.

Director Compensation

In 2007, each of our directors received an annual fee of \$5,000 for his service on our Board, plus \$1,000 for each meeting of our Board that the director attended in person and \$250 for each meeting attended by telephone or videoconference. In addition, directors serving on a Committee of the Board received \$500 for each meeting that the director attended in person and \$250 for each meeting attended by telephone or videoconference. Each non-employee director also received reimbursement of travel and other expenses incurred to attend a meeting in person. In November 2005, each of our directors serving at the time was granted an option to purchase 20,000 shares of our common stock as compensation for service on our Board, and each of our non-employee directors received an additional option to purchase 12,000 shares for service on the committees of our Board. Each option vests annually in four equal parts beginning December 31, 2005. Board of Directors members appointed or elected after November 2005 generally received options to purchase a lesser and proportionate number of shares.

The following Director Compensation Table summarizes the compensation of our directors for services rendered to us during the year ended December 31, 2007:

Director Compensation Table
(for the fiscal year ended December 31, 2007)

Name	Fees Earned or Paid in Cash	Option Awards(1)	Total	Options Outstanding
Mohan S. Misra	\$ 16,500		\$ 16,500	50,000
Stanley A. Gallery	\$ 20,500		\$ 20,500	32,000
Ashutosh Misra	\$ 13,500		\$ 13,500	
T.W. Fraser Russell	\$ 18,750		\$ 18,750	16,000
Richard J. Swanson	\$ 13,750	\$ 35,237	\$ 48,987	16,000
Amit Kumar	\$ 6,250	\$ 48,666	\$ 54,916	8,000
Joel S. Porter	\$ 5,000	\$ 33,959	\$ 38,959	5,000
Einar Glomnes	\$ 4,750		\$ 4,750	

(1)

Represents fair market value of options granted during the year ended December 31, 2007, calculated using the Black-Scholes option pricing model and related assumptions as disclosed in Note 9, "Stock Based Compensation," of our financial statements in our Annual Report.

In addition to the fees listed above, we reimburse the directors for their travel expenses incurred in attending meetings of the Board or its committees. The directors did not receive any other compensation or personal benefits.

Code of Ethics

We have adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer and other senior finance and accounting staff. The code is designed to, among other things, deter wrongdoing and to promote the honest and ethical conduct of our officers and employees. The text of our code of ethics can be found on our Internet website at www.ascentsolar.com. If we effect an amendment to, or waiver from, a provision of our code of ethics,

we intend to satisfy our disclosure requirements by posting a description of such amendment or waiver on that Internet website or via a Form 8-K current report.

Communication with the Board of Directors

Stockholders may communicate with the Board by sending correspondence to our Chairman, c/o the Corporate Secretary of the Company, at our corporate address above. It is our practice to forward all such correspondence to our Chairman, who is responsible for determining whether to relay the correspondence to the other members of the Board.

EXECUTIVE COMPENSATION

Compensation Philosophy and Processes

We seek to provide a level of compensation for our executive officers that is competitive with publicly-traded companies similar in both size and industry. We hope to attract, retain, and reward executive officers who contribute to our success, to align executive officer compensation with our performance, and to motivate executive officers to achieve our business objectives. We compensate our senior management through a mix of base salary, bonus and equity compensation.

Our Compensation Committee determines and recommends to our Board the compensation of our executive officers. The Compensation Committee also administers our stock option plan. The Compensation Committee reviews base salary levels for our executive officers at the end of each fiscal year and recommends raises and bonuses based upon our achievements, individual performance, and competitive and market conditions. The Compensation Committee may delegate certain of its responsibilities, as it deems appropriate, to other committees or to our officers, but it has not elected to do so. The Compensation Committee has engaged management consultants to provide a market analysis of cash, equity and short term incentives for comparisons to our current compensation package and based on that analysis provide recommendations of compensation adjustments and overall compensation philosophy to the Compensation Committee.

Executive Officer Compensation

The following Summary Compensation Table sets forth certain information regarding the compensation of our principal executive officer and our two other most highly compensated executive officers (together, the "named executive officers") at the end of our last fiscal year for services rendered in all capacities to us during the fiscal years ended December 31, 2007 and 2006.

Summary Compensation Table
(for the fiscal years ended December 31, 2007 and 2006)

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards \$(1)	All Other Comp. \$(2)	Total (\$)
Matthew Foster President & CEO	2007	180,891	67,922	118,170		366,983
	2006	175,238	21,000	213,000		409,238
Ashutosh Misra Senior VP Operations(3)	2007	104,611	28,800	128,289	34,750	296,450
	2006					
Prem Nath Senior VP Manufacturing	2007	162,274	48,710	157,560	51,408	419,952
	2006	64,741	20,160	210,000	24,489	319,390

- (1) Represents fair market value of options granted during the years ended December 31, 2007 and 2006, calculated using the Black-Scholes option pricing model and related assumptions as disclosed in Note 9, "*Stock Based Compensation*," of our financial statements in our Annual Report.
- (2) All other compensation for 2007 and 2006 consists of relocation costs for Prem Nath and consulting fees of \$21,250 and director fees of \$13,500 for Ashutosh Misra prior to his employment by us.
- (3) Ashutosh Misra began employment with us on April 30, 2007. Salary represents eight months of annual salary for 2007. All other compensation represents approximately \$21,250 in consulting fees.

Executive Employment Agreements

We have executive employment agreements with Matthew Foster, our Chief Executive Officer, Gary Gatchell, our Chief Financial Officer and Secretary, Janet Casteel, our Chief Accounting Officer and Treasurer, Prem Nath, our Senior Vice President of Manufacturing, Joseph Armstrong, our Vice President and Chief Technology Officer, Joseph McCabe, our Vice President of Business Development, Mohan Misra, our Chief Strategy Officer, and Ashutosh Misra, our Senior Vice President of Operations and Corporate Affairs.

Except for Mr. Gatchell, each executive employment agreement has a term of three years and expires: in December 2008 in the cases of Mr. Foster and Dr. Armstrong; in February 2009 in the case of Ms. Casteel; in July 2009 in the case of Dr. Nath; in January 2010 in the case of Mr. McCabe; and in April 2010 in the cases of Dr. Misra and Mr. Misra. Our executive employment agreement with Mr. Gatchell has a term of four years and expires in March 2012. Under the terms of each agreement, in addition to each of their base salaries: Mr. Foster may receive a discretionary bonus of up to 50% of his base salary based upon his individual performance and our performance as a company; Mr. Gatchell may receive a discretionary bonus of up to 30% of his base salary based upon his individual performance and our overall performance as a company; Ms. Casteel may receive a discretionary bonus of up to 15% of her base salary based upon her individual performance and our performance as a company; Dr. Armstrong may receive a discretionary bonus of up to 15% of his base salary based upon his individual performance and our performance as a company; Dr. Nath may receive a discretionary bonus of up to 50% of his base salary based upon his individual performance;

Mr. McCabe may receive a discretionary bonus of up to 15% of his base salary based upon his individual performance; Dr. Misra who works on a part-time basis may receive a discretionary bonus of up to 50% of his base salary based upon his individual performance and our overall performance as a company; and Mr. Misra may receive a discretionary bonus of up to 30% of his base salary based upon his individual performance and our overall performance as a company. Base salary is subject to increase from time to time in the normal course of business. Bonuses are not ensured and are awarded at the discretion of the Board. Each agreement may be terminated without notice if for cause, but 30 days' advance notice is required for termination without cause. Further, if either Mr. Foster, Dr. Nath, Dr. Misra or Mr. Misra is terminated without cause during the term of his employment agreement, he will be entitled to receive his base salary for a period of twelve months after termination. If either Dr. Armstrong, Mr. McCabe or Ms. Casteel is terminated without cause during the term of his or her agreement, he or she will be entitled to receive his or her base salary for a period of six months after termination. If Mr. Gatchell is terminated without cause on or before March 31, 2009, he will be entitled to receive his base salary for a period of six months after termination; and if he is terminated without cause after March 31, 2009, then he will be entitled to receive his base salary for a period of twelve months after termination. In the event of a merger of the Company with or into another corporation, or the sale of substantially all of the assets of the Company, all outstanding unvested stock options granted to these executive officers under our Amended and Restated 2005 Stock Option Plan shall become exercisable in full, unless assumed or substituted for by the successor corporation or a parent or subsidiary of the Company, and all unvested shares of restricted stock awarded to Mr. Gatchell in connection with his employment package shall become immediately vested.

Consulting Agreement

On February 19, 2007, we entered into a consulting agreement with Mr. Misra. Pursuant to the terms of the agreement, Mr. Misra was to expend a minimum of twenty hours per week assisting us with financial matters, financial and business strategies and investor and investment banking relations. In consideration for these services, we had agreed to pay Mr. Misra a monthly consulting fee of \$8,500. The agreement terminated on April 30, 2007, when Mr. Misra become an employee of the Company.

Option Awards

Option awards are granted pursuant to our Amended and Restated 2005 Stock Option Plan, as amended (the "Option Plan"). The term of incentive stock options granted under the Option Plan may not exceed ten years, or five years for options granted to an optionee owning more than 10% of our voting stock. Generally speaking, options granted vest in equal amounts over a three to four year period. The exercise price of an option granted under the Option Plan must be equal to or greater than the fair market value of the shares of our common stock on the date the option is granted. An incentive stock option granted to an optionee owning more than 10% of our voting stock must have an exercise price equal to or greater than 110% of the fair market value of our common stock on the date the option is granted.

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The following table sets forth information concerning the outstanding equity awards granted to the named executive officers as of December 31, 2007.

Outstanding Equity Awards at Fiscal Year-End 2007

Name	Option Awards			
	Number of Securities Underlying Unexercised Options(#)		Option Exercise Price(\$/sh)	Option Expiration Date
	Exercisable	Unexercisable		
Matthew Foster(1)	10,000	10,000	\$ 0.10	11/18/2015
	42,144	42,856	\$ 4.25	02/27/2016
		9,000	\$ 17.75	12/03/2017
	52,144	61,856		
Ashutosh Misra(2)	5,000	5,000	\$ 0.10	11/18/2015
	20,000		\$ 8.33	07/30/2017
		9,000	\$ 17.75	12/03/2017
	25,000	14,000		
Prem Nath(3)	3,333	66,667	\$ 2.73	07/31/2016
		12,000	\$ 17.75	12/03/2017
	3,333	78,667		

Vesting dates of securities underlying unexercised options as of December 31, 2007:

- (1) \$0.10 options 10,000 vest 12/31/08; \$4.25 options 14,286 vest 3/31/08, 14,286 vest 9/30/08, 14,284 vest 3/31/09; \$17.75 options 4,500 vest 12/03/08, 4,500 vest 12/03/09
- (2) \$0.10 options 5,000 vest 12/31/08; \$17.75 options 4,500 vest 12/03/08, 4,500 vest 12/03/09
- (3) \$2.73 options 33,333 vest 7/31/08, 33,334 vest 7/31/09; \$17.75 options 6,000 vest 12/03/08, 6,000 vest 12/03/09

2005 Stock Option Plan

Our Option Plan approved by our Board and stockholders provides for the grant of incentive or non-statutory stock options to our employees, directors and consultants. A total of 1,000,000 shares of common stock are authorized for issuance under the Option Plan. Our Board has approved an amendment and restatement of the Option Plan that, among other things, would increase the number of shares authorized for issuance under the Option Plan by 500,000 shares.

The Option Plan is administered by the Compensation Committee of our Board. Subject to the provisions of the Option Plan, the Committee determines who will receive the options, the number of options granted, the manner of exercise and the exercise price of the options. The term of incentive stock options granted under the Option Plan may not exceed ten years, or five years for options granted to an optionee owning more than 10% of our voting stock. The exercise price of an option granted under the Option Plan must be equal to or greater than the fair market value of the shares of our common stock on the date the option is granted. An incentive stock option granted to an optionee owning more than 10% of our voting stock must have an exercise price equal to or greater than 110% of the fair market value of our common stock on the date the option is granted.

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As of December 31, 2007, there were outstanding options to purchase 686,837 shares of common stock under the Option Plan. The following table sets forth information as of December 31, 2007 relating to all of our equity compensation plans:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights		Weighted-average exercise price of outstanding options, warrants and rights		Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plan approved by security holders	686,837	\$	5.07		112,000
Equity compensation plans not approved by security holders					
TOTAL	686,837	\$	5.07		112,000

Compliance with Internal Revenue Code Section 162(m)

Section 162(m) of the Internal Revenue Code of 1986, as amended, generally disallows a tax deduction to a publicly traded company for compensation in excess of \$1 million paid to each of that company's chief executive officer and the three other most highly compensated officers (other than the principal executive officer or the principal financial officer). Qualifying performance-based compensation is not subject to the deduction limit if certain requirements are met. In the fiscal year ended December 31, 2007, none of our executive officers received compensation in excess of \$1 million.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows information regarding the beneficial ownership of our common stock as of March 31, 2008.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes any shares over which a person exercises sole or shared voting or investment power. Shares of common stock subject to options or warrants that are currently exercisable or exercisable within 60 days of the March 31, 2008 are considered outstanding and beneficially owned by the person holding the options for the purpose of computing the percentage ownership of that person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, each of the stockholders listed below has sole voting and investment power with respect to the shares beneficially owned. The address for each director or named executive officer is c/o Ascent Solar Technologies, Inc., 8120 Shaffer Parkway, Littleton, Colorado 80127.

This table assumes 14,049,352 shares of common stock outstanding as of March 31, 2008.

Name of Beneficial Owner	No. of Shares Beneficially Owned	Percentage
Officers and Directors		
Matthew Foster(1)	162,090	1.2%
Gary Gatchell(2)	40,000	*
Janet Casteel(3)	31,002	*
Prem Nath, Ph.D	0	*
Ashutosh Misra(4)	60,000	*
Joseph Armstrong, Ph.D.(5)	60,691	*
Joseph C. McCabe(6)		