

Advanced Emissions Solutions, Inc.
Form S-4
March 16, 2012

As filed with the Securities and Exchange Commission on March 16, 2012

Registration Statement No. 333-

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

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Advanced Emissions Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

2890
(Primary Standard Industrial
Classification Code Number)

27-5472457
(I.R.S. Employer
Identification No.)

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9135 South Ridgeline Boulevard,

Suite 200,

Highlands Ranch, Colorado 80129

(303) 734-1727

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Mark H. McKinnies

9135 South Ridgeline Boulevard,

Suite 200,

Highlands Ranch, Colorado 80129

(303) 734-1727

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Julie A. Herzog, Esq.

SCHUCHAT, HERZOG & BRENNAN, LLC

1900 Wazee Street, Suite 300

Denver, CO 80202

(303) 295-9700

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit ⁽¹⁾	Proposed maximum aggregate offering price ⁽¹⁾	Amount of registration fee ⁽²⁾
Common Stock, par value \$0.001 per share	11,000,000	\$26.23	\$288,530,000	\$21,006

⁽¹⁾ Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(f)(1) and 457(c) of the Securities Act of 1933, as amended, based on the average high and low prices of ADA-ES, Inc. common stock on the NASDAQ Capital Market on March 15, 2012.

⁽²⁾ The amount of the Registration Fee reflects the total filing fee of \$33,066 offset by the filing fee of \$12,060 paid in connection with the Registration Statement on Form S-4 filed by Advanced Emissions Solutions, Inc. on March 14, 2011 (File No. 333-172809) and withdrawn on April 19, 2011.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

The proxy statement/prospectus that forms a part of this Registration Statement consists of (i) a proxy statement relating to the Annual Meeting of Shareholders of ADA-ES, Inc. (ADA-ES or the Company) and (ii) a prospectus relating to the common stock of Advanced Emissions Solutions, Inc. (AES).

Reference is made to the No-Action Letter issued to the Company by the Staff of the Office of Chief Counsel of the Division of Corporation Finance (the Staff) of the Securities and Exchange Commission (available March 15, 2012) and the Staff's concurrence with the Company's conclusion, among other things, that (i) the Reorganization (as defined herein) constitutes a succession for purposes of Rule 12g-3(a) under the Securities Exchange Act of 1934, as amended (the Exchange Act), (ii) actions taken by AES with respect to its assumption of obligations of the Company under certain stock-based benefit plans do not constitute actions that require disclosure of information under Item 10 of Schedule 14A of Regulation A promulgated under the Exchange Act and (iii) certain financial information required by Form S-4 may be omitted from this proxy statement/prospectus to the extent such information may be omitted pursuant to Instruction 4 of Item 14 of Schedule 14A under the Exchange Act.

The information in this proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 16, 2012

PROXY STATEMENT/PROSPECTUS

A REORGANIZATION IS PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Fellow Shareholder:

On behalf of the board of directors, we are pleased to invite you to the 2012 Annual Meeting of Shareholders of ADA-ES, Inc. (the Annual Meeting). The Annual Meeting will be held at 9:00 a.m. (local time) on June 6, 2012 at the Company's offices located at 9135 South Ridgeline Boulevard, Suite 200, Highlands Ranch, Colorado 80129.

At the Annual Meeting, in addition to electing nine directors, you will be asked to consider and vote on a proposal to reorganize our company into a holding company pursuant to which our present company will become a subsidiary of a Delaware corporation named Advanced Emissions Solutions, Inc., which we refer to in this proxy statement/prospectus as AES and you will become a stockholder of this Delaware holding company. We refer to this proposal in the proxy statement/prospectus as the reorganization proposal. You will also be asked to approve three additional proposals. The first is to ratify the Audit Committee's selection of Ehrhardt Keefe Steiner & Hottman PC as our independent registered public accounting firm for the fiscal year ending December 31, 2012. The second is to approve Amendment No. 1 to the Amended and Restated 2007 Equity Incentive Plan (the 2007 Plan) to increase the number of authorized shares under the 2007 Plan. The third is to approve the Amended and Restated 2010 Non-Management Compensation and Incentive Plan (the 2010 Plan) including approval of shares of common stock reserved for issuance under the 2010 Plan.

Upon completion of the reorganization, Advanced Emissions Solutions, Inc. will, in effect, replace our present company as the publicly held corporation. Advanced Emissions Solutions, Inc. and its subsidiaries will conduct all of the operations we currently conduct. Implementing the holding company structure will provide us with strategic, operational and financing flexibility and incorporating the holding company in Delaware will allow us to take advantage of the flexibility, predictability and responsiveness that Delaware corporate law provides.

In the reorganization, your existing shares of ADA-ES common stock will be converted automatically into shares of AES common stock. You will own the same number of shares of AES common stock as you own of ADA-ES common stock, and your shares will represent the same ownership percentage of AES as you have of ADA-ES. In addition, the reorganization generally will be tax-free for ADA-ES shareholders. Your rights as a stockholder of AES will be similar to your rights as a shareholder of ADA-ES, including rights as to voting and dividends, except as described herein.

We expect the shares of AES common stock to trade under the ticker symbol ADES on the NASDAQ Capital Market, which is the same symbol that ADA-ES is currently traded under. On March 15, 2012, the last trading day before the announcement of the reorganization proposal, the closing price per ADA-ES share was \$26.07. On April [19], the most recent trading day for which prices were available, the closing price per ADA-ES share was \$.

In order to implement the reorganization proposal, we need shareholders to adopt and approve the related reorganization agreement. Our board of directors has carefully considered the merger agreement, which provides for the merger of ADA-ES and a subsidiary of AES called ADA MergerCo and the related transactions described in this proxy statement/prospectus, and believes that it is advisable, fair to and in the best interest of our shareholders, and recommends that you vote **FOR** the reorganization proposal and **FOR** the other proposals described in this proxy statement/prospectus. Because adoption of the reorganization proposal requires the affirmative vote of holders of a majority of the outstanding shares entitled to vote at the Annual Meeting, your vote is important, no matter how many or how few shares you may own. Whether or not you plan to attend the Annual Meeting, please take the time to vote by completing, signing and mailing the enclosed proxy card in the postage- paid envelope provided or by voting by telephone or over the internet.

Your board of directors and management look forward to greeting those of you who are able to attend the Annual Meeting. The accompanying notice of meeting and this proxy statement/prospectus provide specific information about the Annual Meeting and explain the various proposals. Please read these materials carefully. **In particular, you should consider the discussion of risk factors beginning on page 8 before voting on the reorganization proposal.**

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Thank you for your continued support of and interest in ADA-ES.

Dr. Michael Durham

President and Chief Executive Officer

Neither the SEC nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated April [16], 2012 and is being first mailed to ADA-ES shareholders on or about April [20], 2012.

ADA-ES, INC.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

(888) 822-8617

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD JUNE 6, 2012

To Our Shareholders:

The Annual Meeting of Shareholders of ADA-ES, Inc. (ADA-ES or the Company), a Colorado corporation, will be held at 9:00 a.m. (local time) on June 6, 2012 at the Company's offices located at 9135 South Ridgeline Boulevard, Suite 200, Highlands Ranch, Colorado 80129, or at any postponement or adjournment thereof, for the following purposes:

1. To consider and vote upon a proposal (the reorganization proposal or the reorganization) approving the Agreement and Plan of Merger, dated as of March 15, 2012 (the Reorganization Agreement), by and among ADA-ES, Advanced Emissions Solutions Inc., a Delaware corporation and a wholly-owned subsidiary of ADA-ES (AES or the Delaware Company) and ADA Merger Corp., a Colorado corporation (MergerCo) and a wholly-owned subsidiary of the Delaware Company;
2. To elect nine directors of the Company;
3. To ratify the Audit Committee's selection of Ehrhardt Keefe Steiner & Hottman PC as our independent registered public accounting firm for the fiscal year ending December 31, 2012;
4. To approve Amendment No. 1 to the Amended and Restated 2007 Equity Incentive Plan (the 2007 Plan) to increase the number of authorized shares under the 2007 Plan, including approval of the shares of common stock for issuance under the 2007 Plan;
5. To approve the Amended and Restated 2010 Non-Management Compensation and Incentive Plan (the 2010 Plan) including approval of shares of common stock reserved for issuance under the 2010 Plan; and
6. To consider and vote upon such other matters as may properly come before the Annual Meeting or any postponement or adjournment thereof.

Shareholders of record at the close of business on March 29, 2012 are entitled to notice of and to vote at the Annual Meeting.

Our shareholders are cordially invited to attend the Annual Meeting in person. Whether or not you plan to attend the Annual Meeting, we urge you to vote your shares by telephone or Internet, or by completing, signing and dating the enclosed proxy card and returning it promptly in the accompanying postage prepaid (if mailed in the U.S.) return envelope.

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Please call on our toll-free number (888-822-8617) if you require directions or have other questions concerning the meeting.

By Order of the Board of Directors,

Mark H. McKinnies

Secretary

April [16], 2012

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about ADA-ES from our Annual Report on Form 10-K for the year ended December 31, 2011 and from other documents that are not included in or being delivered with this proxy statement/prospectus. The incorporated information that is not included in or being delivered with this proxy statement/prospectus is available to you without charge upon your written or oral request. You can obtain any document that is incorporated by reference in this proxy statement/prospectus, excluding all exhibits that have not been specifically incorporated by reference, on the investor relations page of our website at www.adaes.com or by requesting it in writing or by telephone from us at the following address or telephone number:

ADA-ES, Inc.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

Telephone: 888-822-8617

If you would like to request any documents, please do so no later than five business days before the date you must make your investment decision or by May 29, 2012 in order to receive them before the annual meeting.

In addition, if you have any questions about the proposals, you may contact:

Georgeson Inc.

199 Water Street, 26th floor

New York, NY 10038

Shareholders call toll-free: 866-203-9401

Banks and brokers call collect: 212-440-9800

You should rely only on the information contained or incorporated by reference in this proxy statement/prospectus and the registration statement of which this proxy statement/prospectus is a part to vote on the proposals being presented at the Annual Meeting. No person has been authorized to provide you with information that is different from what is contained in this document or in the incorporated documents.

This proxy statement/prospectus is dated April [16], 2012. You should not assume the information contained in this proxy statement/prospectus is accurate as of any date other than this date, and neither the mailing of this proxy statement/prospectus to shareholders nor the issuance of the AES common stock in the reorganization implies that information is accurate as of any other date.

PROXY STATEMENT/PROSPECTUS

ADA-ES, INC.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

Telephone: (888) 822-8617

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD JUNE 6, 2012

This Proxy Statement/prospectus is furnished to the shareholders of ADA-ES, Inc. (ADA-ES or the Company), a Colorado corporation, in connection with the solicitation of proxies by the Company s Board of Directors (the Board), to be voted at our ANNUAL MEETING OF

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SHAREHOLDERS to be held on Wednesday, June 6, 2012, at the Company's offices located at 9135 South Ridgeline Boulevard, Suite 200, Highlands Ranch, Colorado 80129, and any postponements or adjournments thereof. This Proxy Statement and accompanying form of proxy is first being mailed or given to our shareholders on or about April [20], 2012. The shares represented by all proxies that are properly executed and submitted will be voted at the Meeting in accordance with the instructions indicated thereon, and if no instructions are given, then to the extent permitted by law, in the discretion of the proxy holder. Throughout this Proxy Statement/prospectus, the terms we, us, our and our Company refer to ADA-ES, Inc., and unless the context indicates otherwise, our consolidated subsidiaries.

VOTING RIGHTS AND VOTE REQUIRED

Our Board has fixed the close of business on March 29, 2012, as the record date (the Record Date) for determination of shareholders entitled to notice of and to vote at the meeting. On the Record Date, _____ shares of our Common Stock were issued and outstanding, each of which entitles the holder thereof to one vote on all matters that may come before the Annual Meeting. We do not have any class of voting securities outstanding other than our Common Stock. An abstention or withholding authority to vote will be counted as present for determining whether the quorum requirement is satisfied. If a quorum exists, actions or matters other than the election of the Board and the reorganization proposal are approved if the votes cast in favor of the action exceed the votes cast opposing the action unless a greater number is required by the Colorado Business Corporation Act or our Articles of Incorporation.

The required vote for the reorganization proposal is the affirmative vote of holders of at least a majority of the outstanding shares entitled to vote at the Annual Meeting. The nine nominees receiving the highest number of votes cast will be elected as directors. Abstentions will not affect the election of directors or the vote on the reorganization proposal.

If as of the Record Date your shares were held in an account at a brokerage firm, bank, dealer, or other similar organization, then that firm or organization is the shareholder of record for purposes of voting at the Annual Meeting and you are considered the beneficial owner of shares held in street name. If you are a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares held in your account. If you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, may vote your shares on routine matters or they may elect not to vote your shares. The proposal to ratify the appointment of our independent registered public accounting firm for the current fiscal year is considered a routine matter, but the other proposals being voted on at the Annual Meeting are not considered routine matters and brokers will not be entitled to vote on those proposals absent specific instructions and authorization from the beneficial owners of the shares. If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute broker non-votes. A broker non-vote occurs when a nominee holding shares for a beneficial holder does not have discretionary voting power and does not receive voting instructions from the beneficial owner. Broker non-votes on a particular proposal are considered present for purposes of determining a quorum, but will not be treated as shares present and entitled to vote on any proposal other than the ratification of our public accounting firm and accordingly will have no effect on such vote.

We invite beneficial owners to attend the Annual Meeting. If you are a beneficial owner and not a shareholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid proxy from your broker or other agent and bring such proxy to the Annual Meeting. If you want to attend the meeting, but not vote, you must provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to March 29, 2012, a copy of the voting instruction card provided by your broker or other agent or other similar evidence of ownership.

A minimum of one-third of the shares of Common Stock issued and outstanding must be represented at the meeting in person or by proxy in order to constitute a quorum. Cumulative voting is not allowed for any purpose.

Unless instructions to the contrary are marked, or if no instructions are specified, shares represented by proxies will be voted:

FOR the approval of the reorganization proposal and to approve the Reorganization Agreement;
FOR the persons nominated by the Board for directors, being Robert N. Caruso, Michael D. Durham, Derek C. Johnson, Ronald B. Johnson, W. Phillip Marcum, Mark H. McKinnies, Robert E. Shanklin, Jeffrey C. Smith and Richard J. Swanson;
FOR the ratification of the Audit Committee's selection of Ehrhardt Keefe Steiner & Hottman PC as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012;
FOR the approval of Amendment No. 1 to the Amended and Restated 2007 Equity Incentive Plan (the 2007 Plan) including approval of shares of common stock reserved for issuance under the 2007 Plan; and
FOR the approval of the Amended and Restated 2010 Non-Management Compensation and Incentive Plan (the 2010 Plan), including approval of shares of common stock reserved for issuance under the 2010 Plan

We do not know of any other matter or motion to be presented at the meeting. If any other matter or motion should be presented at the meeting upon which a vote must be properly taken, to the extent permitted by law, the persons named in the accompanying form of proxy intend to vote such proxy in accordance with that person's judgment, including any matter or motion dealing with the conduct of the meeting.

Voting by Mail, via the Internet or by Telephone

Shareholders whose shares are registered in their own names may vote by mailing a completed proxy card, via the Internet or by telephone. Instructions for voting via the Internet or by telephone are set forth on the enclosed proxy card. To vote by mailing a proxy card, sign and return the enclosed proxy card in the enclosed prepaid and addressed envelope and your shares will be voted at the Annual Meeting in the manner you direct. If no directions are specified, such proxies will be voted as described above.

If your shares are registered in the name of a bank or brokerage firm, you may be eligible to vote your shares over the Internet or by telephone rather than by mailing a completed voting instruction card provided by the bank or brokerage firm. Please check the voting instructions card provided by your bank or brokerage house for availability and instructions. If Internet or telephone voting is unavailable from your bank or brokerage house, please complete and return the enclosed voting instruction card in the self-addressed postage paid envelope provided.

Any shareholder who completes a proxy or votes via the Internet or by telephone may revoke the action at any time before it is exercised at the Annual Meeting by delivering written notice of such revocation to the Company (c/o Mark H. McKinnies, Secretary), 9135 South Ridgeline Boulevard, Suite 200, Highlands Ranch, Colorado, 80129, by submitting a new proxy executed at a later date, or by attending the Annual Meeting and voting in person.

EXPENSES OF SOLICITATION

The accompanying proxy is solicited by and on behalf of the Board, and the cost of such solicitation will be borne by the Company. Georgeson Inc. will distribute proxy materials to beneficial owners, may solicit proxies by personal interview, mail, telephone, and electronic communications, and will request brokerage houses and other custodians, nominees, and fiduciaries to forward soliciting material to the beneficial owners of the Company's common stock held on the record date by such persons. The Company will pay Georgeson Inc. \$7,500 for its proxy solicitation services plus related fees for any additional services and will reimburse Georgeson Inc. for payments made to brokers and other nominees for their expenses in forwarding solicitation materials. Solicitations may also be made by personal interview, telephone, and electronic communications by directors, officers and other employees of the Company without additional compensation.

QUESTIONS AND ANSWERS

ABOUT THE REORGANIZATION PROPOSAL

What is the reorganization proposal?

We are asking you to approve an agreement and plan of merger (the Reorganization Agreement) that would result in your owning shares in a Delaware holding company. Under the Reorganization Agreement, ADA-ES, Inc., a Colorado corporation, will merge with ADA Merger Corp., a Colorado corporation, with ADA-ES surviving the merger as a wholly owned subsidiary of Advanced Emissions Solutions, Inc., a Delaware corporation (AES).

Upon completion of the reorganization, AES will, in effect, replace our present company as the publicly held corporation. AES and its subsidiaries will conduct all of the operations we currently conduct. As a result of the reorganization, the current shareholders of ADA-ES will become stockholders of AES with the same number and percentage of shares of AES as they hold of ADA-ES shares immediately prior to the reorganization. The Reorganization Agreement, which sets forth the plan of reorganization and is the primary legal document that governs the reorganization, is attached as Annex I to this proxy statement/prospectus. You are encouraged to read the Reorganization Agreement carefully.

Why have you formed a holding company?

We formed a holding company in Delaware to:

better align our corporate structure with our business operations;

provide us with greater strategic, business and administrative flexibility, which may allow us to acquire or form other businesses, if and when appropriate and feasible, that may be owned and operated by us, but which could be separate from our current businesses; and

take advantage of the benefits of Delaware corporate law.

To review the reasons for our reorganization in greater detail, see Reasons for the Reorganization; Recommendation of our Board.

What will happen to my stock?

In the reorganization, your shares of common stock will automatically be converted into the same number of shares of common stock of AES. As a result, you will become a stockholder of AES and will own the same number and percentage of shares of AES common stock that you own of ADA-ES common stock. We expect that AES common stock will be listed on the NASDAQ Capital Market under the same symbol as ADA-ES's current symbol, which is ADES.

How will being an AES stockholder be different from being an ADA-ES shareholder?

After the reorganization, you will own the same number and percentage of shares of AES common stock that you owned of ADA-ES common stock immediately prior to the reorganization. You will own shares of a Delaware holding company that owns our operating businesses. In addition, as a stockholder of AES, your rights will be governed by Delaware corporate law and the charter documents of the Delaware corporation. Your rights as a stockholder of AES will be similar to your rights as a shareholder of ADA-ES, including rights as to voting and dividends, except as described in [Description of AES Capital Stock](#), [Description of ADA-ES Capital Stock](#) and [Comparative Rights of Holders of AES Capital Stock and ADA-ES Capital Stock](#) below.

Will the management or the business of the company change as a result of the reorganization?

The management of the operating company ADA-ES will stay the same. The new holding company AES expects that its executive officers following the reorganization will be the following executive officers of ADA-ES immediately prior to the reorganization: President and Chief Executive Officer, Senior Vice President, Chief Financial Officer and Secretary, Chief Operating Officer, Chief Technology Officer, and Vice President and Corporate Counsel. We believe that this simplified top-level management structure will best serve the holding company and allow for continued growth. Management and business operations of the operating company will remain substantially the same.

What will the name of the public company be following the reorganization?

The name of the public company following the reorganization will be Advanced Emissions Solutions, Inc.

Will the public company's CUSIP number change as a result of the reorganization?

Yes. Following the reorganization the public company's CUSIP number will be 00770C 101.

Will I have to turn in my stock certificates?

No. Do not turn in your stock certificates. We will not require you to exchange your stock certificates as a result of the reorganization. After the reorganization, your ADA-ES common stock certificates will represent the same number of shares of AES common stock.

Will the reorganization affect my U.S. federal income taxes?

The proposed reorganization is intended to be a tax-free transaction under U.S. federal income tax laws. We expect that you will not recognize any gain or loss for U.S. federal income tax purposes upon your receipt of AES common stock in exchange for your shares of ADA-ES common stock in the reorganization; however, the tax consequences to you will depend on your own situation. You should consult your own tax advisors concerning the specific tax consequences of the reorganization to you, including any state, local or foreign tax consequences of the reorganization. For further information, see Material U.S. Federal Income Tax Consequences under Proposal One below.

How will the reorganization be treated for accounting purposes?

For accounting purposes, our reorganization into a holding company structure will be treated as a merger of entities under common control. Accordingly, the consolidated financial position and results of operations of ADA-ES will be included in the consolidated financial statements of AES on the same basis as currently presented.

What vote is required to approve the reorganization proposal?

The required vote is the affirmative vote of holders of at least a majority of the outstanding shares entitled to vote at the Annual Meeting.

What percentage of the outstanding shares do directors and executive officers hold?

On the Record Date, directors, executive officers and their affiliates beneficially owned approximately % of our outstanding shares of common stock.

If the shareholders approve the reorganization, when will it occur?

We plan to complete the reorganization on or about July 1, 2012, provided that our shareholders approve the reorganization and all other conditions to completion of the reorganization are satisfied.

Do I have dissenters (or appraisal) rights?

No, holders of ADA-ES common stock do not have dissenters rights under Colorado law as a result of the reorganization proposal.

What is the authorized capital of AES and ADA-ES?

ADA-ES's amended and restated articles of incorporation currently authorizes the issuance of 50,000,000 shares of common stock and 50,000,000 shares of preferred stock. AES's second amended and restated certificate of incorporation (Certificate of Incorporation), which would govern the rights of the Company's stockholders as a result of the reorganization, to be filed prior to the effective date of the reorganization, authorizes the issuance of 100,000,000 shares of common stock and 50,000,000 shares of preferred stock. Additional authorized shares of common stock would enable us to issue common stock to raise capital expeditiously and economically for the Company's ongoing operational needs and could be used for stock splits or distributions, equity incentive plans, acquisitions, strategic alliances or other corporate purposes without the delay and expense involved in obtaining shareholder approval, when the Board of Directors and management believes that such issuance is appropriate. Upon completion of the reorganization, the number of shares of AES common stock that will be outstanding will be equal to the number of shares of ADA-ES common stock outstanding immediately prior to the reorganization.

Whom do I contact if I have questions about the reorganization proposal?

You may contact our proxy solicitor:

Georgeson Inc.

199 Water Street, 26th floor

New York, NY 10038

Shareholders call toll-free: 866-203-9401

Banks and brokers call collect: 212-440-9800

or us:

ADA-ES, Inc.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

Telephone: 888-822-8617

Attn: Secretary

SUMMARY OF THE REORGANIZATION PROPOSAL

*This section highlights key aspects of the reorganization proposal, including the Reorganization Agreement, that are described in greater detail elsewhere in this proxy statement/prospectus. It does not contain all of the information that may be important to you. To better understand the reorganization proposal, and for a more complete description of the legal terms of the Reorganization Agreement, you should read this entire document carefully, including the Annexes, and the additional documents to which we refer you. You can find information with respect to these additional documents in *Where You Can Find More Information*.*

The Principal Parties

ADA-ES, Inc.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

Telephone: 888-822-8617

ADA-ES is a leader in clean coal technology and the associated specialty chemicals, serving the coal-fueled power plant industry. Our proprietary environmental technologies and specialty chemicals enable power plants to enhance existing air pollution control equipment, minimize mercury, CO₂ and other emissions, maximize capacity, and improve operating efficiencies, to meet the challenges of existing and pending emission control regulations.

With respect to mercury emissions:

Through our consolidated subsidiary, Clean Coal Solutions, LLC (CCS), we provide our patented Refined Coal (RC) CyClean technology to enhance combustion of and reduce emissions from burning Powder River Basin (PRB) coals in cyclone boilers and our patent pending M-45 technology for other types of coal and boilers. Both technologies reduce emissions of NOx and mercury in coal fired boilers.

We supply Activated Carbon Injection (ACI) and Dry Sorbent Injection (DSI) systems, mercury measurement instrumentation, and related services.

Under an exclusive development and licensing agreement with Arch Coal, we are developing and commercializing an enhanced PRB coal with reduced emissions of mercury and other metals.

In addition, we are developing CO₂ emissions technologies under projects funded by the U.S. Department of Energy (DOE) and industry participants.

In connection with the reorganization, ADA-ES will merge with ADA MergerCo, with ADA-ES surviving the merger as a wholly-owned subsidiary of AES. After the reorganization, ADA-ES will continue to engage in the business currently conducted by ADA-ES, and all of ADA-ES' s contractual, employment and other business relationships will generally continue unaffected by the reorganization.

We are a Colorado corporation. Our headquarters are located at 9135 South Ridgeline Boulevard, Suite 200, Highlands Ranch, Colorado 80129, and the telephone number at this location is (888) 822-8617. Information about us is available on our website at www.adaes.com. The contents of our website is not incorporated by reference herein and is not deemed to be part of this proxy statement/prospectus.

Advanced Emissions Solutions, Inc.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

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Telephone: 888-822-8617

Advanced Emissions Solutions, Inc., or AES, a Delaware corporation, was formed as a wholly owned subsidiary of ADA-ES in order to effect the reorganization. Prior to the reorganization, AES will have no assets or operations other than those incident to its formation.

ADA Merger Corp.

9135 South Ridgeline Boulevard, Suite 200

Highlands Ranch, Colorado 80129

Telephone: 888-822-8617

ADA Merger Corp., or MergerCo, a Colorado corporation, was formed as a wholly-owned subsidiary of AES in order to effect the reorganization. Prior to the reorganization, MergerCo will have no assets or operations other than those incident to its formation.

What You Will Receive in the Reorganization

In the reorganization, each outstanding share of common stock of ADA-ES will be converted automatically into one share of common stock of AES. In addition, each outstanding option to purchase shares of ADA-ES common stock, if not exercised before the completion of the reorganization, will become an option to acquire, at the same exercise price, an identical number of shares of AES common stock. Each outstanding restricted stock award (or any performance award payable in restricted stock) will become an award of restricted stock (or a performance award payable in restricted stock) in an identical number of shares of AES common stock. Finally, participants in the Company's equity incentive plans and 401(k) plan will be entitled to receive shares of AES common stock in accordance with the terms of the plans, and shares of common stock of ADA-ES currently held in the plans will be converted into shares of common stock of AES.

On the Record Date, there were outstanding _____ shares of ADA-ES common stock and _____ unvested shares of ADA-ES restricted stock, as well as options representing _____ shares of ADA-ES common stock.

Conditions to Completion of the Reorganization

The completion of the reorganization depends on the satisfaction or waiver of a number of conditions, including, but not limited to, the following:

absence of any stop order suspending the effectiveness of the registration statement, of which this proxy statement/prospectus forms a part, relating to the shares of AES common stock to be issued in the reorganization;

approval of the Reorganization Agreement by ADA-ES's shareholders;

receipt of approval for listing on the NASDAQ Capital Market of shares of AES common stock to be issued in the reorganization;

absence of any order or proceeding that would prohibit or make illegal completion of the reorganization; and

receipt by ADA-ES and AES of a legal opinion with respect to the material U.S. federal income tax consequences of the reorganization.

Termination of the Reorganization Agreement

We may terminate the Reorganization Agreement, even after approval by our shareholders, if our Board determines to do so for any reason.

Board of Directors and Executive Officers of AES Following the Reorganization

The board of directors of AES presently consists of Dr. Michael Durham and Mr. Mark McKinnies. Upon consummation of the Reorganization, the AES board of directors will be the same as the directors elected by the shareholders of ADA-ES at the Annual Meeting. AES expects that its executive officers following the reorganization will be the following executive officers of ADA-ES immediately prior to the reorganization: President and Chief Executive Officer, Senior Vice President, Chief Financial Officer and Secretary, Chief Operating Officer, Chief Technology Officer, and Vice President and Corporate Counsel. We believe that this simplified top-level management structure will best serve the holding company and allow for continued growth. Management and business operations of the operating company will remain substantially the same.

Markets and Market Prices

AES common stock is not currently traded or listed on any stock exchange or market. ADA-ES common stock is traded under the symbol ADES on the NASDAQ Capital Market, and we expect AES common stock to trade on the NASDAQ Capital Market under the same symbol ADES following the reorganization. On March 15, 2012, the last trading day before the announcement of the reorganization proposal, the closing price per ADA-ES share was \$26.07. On April [19], 2012, the most recent trading day for which prices were available, the closing price per ADA-ES share was \$ _____.

Certain Financial Information

We have not included pro forma financial comparative per share information concerning ADA-ES that gives effect to the reorganization because, immediately after the completion of the reorganization, the consolidated financial statements of AES will be the same as ADA-ES's consolidated financial statements immediately prior to the reorganization, and the reorganization will result in the conversion of each share of ADA-ES common stock into one share of AES common stock. In addition, we have not provided financial statements of AES because, prior to the reorganization, it will have no assets, liabilities or operations other than those incident to its formation.

RISK FACTORS

In considering whether to vote in favor of the reorganization proposal, you should consider all of the information we have included in this proxy statement/prospectus, including its Annexes, and all of the information included in the documents we have incorporated by reference, including our Annual Report on Form 10-K for the year ended December 31, 2011 and the risk factors described in the other documents incorporated by reference. In addition, you should pay particular attention to the risks described below.

Our Board may choose to defer or abandon the reorganization.

Completion of the reorganization may be deferred or abandoned, at any time, by action of our Board, whether before or after the Annual Meeting. While we currently expect the reorganization to take place on or about July 1, 2012, assuming that the reorganization proposal is approved at the Annual Meeting, the Board may defer completion or may abandon the reorganization because of any determination by our Board that the reorganization would not be in the best interests of ADA-ES or its shareholders or that the reorganization would have material adverse consequences to ADA-ES or its shareholders.

We may not obtain the expected benefits of our reorganization into a holding company.

We believe our reorganization into a holding company will provide us with benefits in the future. These expected benefits may not be obtained if market conditions or other circumstances prevent us from taking advantage of the strategic, business and financing flexibility that we believe it will afford us. As a result, we may incur the costs of creating the holding company without realizing the possible benefits.

As a holding company, AES will depend in large part on dividends from its operating subsidiaries to satisfy its obligations.

After the completion of the reorganization, AES will be a holding company with no business operations of its own. Its only significant assets will be the outstanding capital stock of its subsidiaries, which will initially be ADA-ES and its subsidiaries. As a result, AES will rely on funds from ADA-ES and any subsidiaries that it may form in the future to meet its obligations.

The market for AES shares may differ from the market for ADA-ES shares.

Although it is anticipated that the AES common shares will be authorized for listing on the NASDAQ Capital Market, the market prices, trading volume and volatility of the AES shares could be different from those of the ADA-ES shares.

Anti-takeover provisions in AES's Certificate of Incorporation and bylaws may delay or prevent a third party acquisition of AES, which could decrease the value of AES's common stock.

The Certificate of Incorporation and bylaws of AES contain provisions that could make it more difficult for a third party to acquire it without the consent of its board of directors. These provisions, the first three of which are currently in effect with respect to ADA-ES, will:

- limit the business at special meetings to the purpose stated in the notice of the meeting;
- authorize the issuance of blank check preferred stock, which is preferred stock with voting or other rights or preferences that could impede a takeover attempt and that the board of directors can create and issue without prior stockholder approval;
- establish advance notice requirements for submitting nominations for election to the board of directors and for proposing matters that can be acted upon by stockholders at a meeting; and
- require the affirmative vote of the disinterested holders of a majority of our common stock to approve certain business combinations involving an interested stockholder or its affiliates, unless either minimum price criteria and procedural requirements are met, or the transaction is approved by a majority of our continuing directors (known as fair price provisions).

Although we believe all of these provisions will make a higher third-party bid more likely by requiring potential acquirers to negotiate with the board of directors, these provisions will apply even if an initial offer may be considered beneficial by some stockholders and therefore could delay and/or prevent a deemed beneficial offer from being considered. For more information, see [Description of AES Capital Stock](#) and [Comparative Rights of Holders of AES Capital Stock and ADA-ES Capital Stock](#) below.

As a stockholder of a Delaware corporation, your rights after the reorganization will be different from, and may be less favorable than, your current rights as a shareholder of a Colorado corporation.

After the completion of the reorganization, you will become a stockholder of a public company incorporated in Delaware instead of Colorado. As a result, your rights as a stockholder will be governed by Delaware corporate law as opposed to Colorado corporate law. Because they are separate bodies of law, Delaware corporate law will be different from Colorado corporate law. Although many of these differences will not have a significant impact on the rights of stockholders, some of these differences may be more or less favorable to stockholders. Some of the differences between Delaware and Colorado corporate law that may be less favorable to stockholders after the completion of the reorganization include the following:

under Delaware corporate law, fewer corporate transactions give rise to dissenters' rights than under Colorado corporate law; and

under Delaware corporate law and AES's bylaws, holders of 20% of the voting shares of AES will have the right to call a special meeting of stockholders, as opposed to Colorado corporate law, which gives holders of 10% of the voting shares the right to call a special meeting.

These differences may limit the significance of your rights as a stockholder in these contexts. For a discussion of these and other differences between Delaware and Colorado corporate law, see [Description of AES Capital Stock](#), [Description of ADA-ES Capital Stock](#) and [Comparative Rights of Holders of AES Capital Stock and ADA-ES Capital Stock](#) below.

The proposed reorganization into a holding company may result in substantial direct and indirect costs whether or not completed.

The reorganization may result in substantial direct costs. These costs and expenses are expected to consist primarily of attorneys' fees, accountants' fees, filing fees and financial printing expenses and will be substantially incurred prior to the vote of our shareholders. The reorganization may also result in certain indirect costs by diverting the attention of our management and employees from our business and by increasing our administrative costs and expenses. These administrative costs and expenses will include keeping separate records and in some cases making separate regulatory filings for each of AES and ADA-ES. The reorganization may also result in certain state sales taxes and other transfer taxes.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this proxy statement/prospectus and in documents incorporated by reference in this proxy statement/prospectus contain various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the [Securities Act](#)), and Section 21E of the Exchange Act, which represent our management's beliefs and assumptions concerning future events. When used in this proxy statement/prospectus and in documents incorporated herein by reference, forward-looking statements include, without limitation, statements regarding financial forecasts or projections, and our expectations, beliefs, intentions or future strategies that are signified by the words [expects](#), [anticipates](#), [intends](#), [plans](#), [believes](#), [estimates](#), [predicts](#), [potential](#), [may](#), [will](#), [should](#) or the negative of these terms or other common terminology. These forward-looking statements include statements regarding the costs, benefits and results related to the reorganization including the holding company structure and the impact of Delaware law; timing and completion of the reorganization; the trading symbol of AES's stock and on what exchange it will trade after the reorganization; who the directors and executive officers of AES will be after the reorganization; the transfer agent of AES's stock after the reorganization; the tax implications of the reorganization; the impact, cost, structure and use of the ADA-ES Plans (as defined below) and ADA-ES's compensation policies both after the reorganization or if the reorganization is not consummated; ADA-ES's reporting requirements after the reorganization, and the Annual Meeting, including whether a director nominee will accept nomination or election to the Board. These statements are subject to risks, uncertainties and assumptions that could cause our actual results and the timing of certain events to differ materially from those expressed in the forward-looking statements.

You should understand that many important factors, in addition to those discussed or incorporated by reference in this proxy statement/prospectus, could cause our results to differ materially from those expressed in the forward-looking statements. Potential factors that could affect our results include those described in this proxy statement/prospectus under [Risk Factors](#), and those identified in our Annual Report on Form 10-K for the year ended December 31, 2011 and in the other documents incorporated by reference. In light of these risks and uncertainties, the forward-looking results discussed or incorporated by reference in this proxy statement/prospectus may not occur.

PROPOSAL ONE

THE REORGANIZATION PROPOSAL

This section of the proxy statement/prospectus describes the reorganization proposal. Although we believe that the description in this section covers the material terms of the reorganization proposal, this summary may not contain all of the information that is important to you. The summary of the material provisions of the Reorganization Agreement provided below is qualified in its entirety by reference to the Reorganization Agreement, which we have attached as Annex I to this proxy statement/prospectus and which we incorporate by reference into this proxy statement/prospectus. You should carefully read the entire proxy statement/prospectus and the Reorganization Agreement for a more complete understanding of the reorganization proposal. Your approval of the reorganization proposal will constitute your approval and adoption of the Reorganization Agreement, the reorganization, the Certificate of Incorporation of AES and the bylaws of AES.

Reasons for the Reorganization; Recommendation of our Board

At a meeting of the Board held on January 25, 2011 and in an action by written consent dated March 11, 2011, the Board concluded that the reorganization is advisable, determined that the terms of the Reorganization Agreement are fair to and in the best interest of ADA-ES and its shareholders, adopted the Reorganization Agreement and recommended that the Reorganization Agreement be approved by our shareholders. The Reorganization Proposal was later tabled by the Board in April 2011 due to the arbitration award to Norit Americas Inc. At a meeting of the Board held on February 2, 2012, the Board made the above findings and re-authorized the officers of ADA-ES to take the necessary steps to now continue with the Reorganization Proposal.

During the course of its deliberations, our Board consulted with management and outside legal counsel and considered a number of positive factors, including the following:

Possible Future Strategic and Business Flexibility of the Holding Company Structure. We believe the holding company structure could facilitate future expansion of our business by providing a more flexible structure for acquiring other businesses or entering into joint ventures while continuing to keep the operations and risks of our other businesses separate. Although we have no present plans or any arrangements, understandings or agreements to make any acquisitions or enter into any joint ventures, we may do so in the future. In addition, if the cash generated over time by our businesses was determined by our Board to be greater than the amount necessary for the operation or capital needs of those businesses, this cash could be transferred to a separate corporate entity owned by the holding company and invested as our Board believes to be appropriate. Furthermore, implementing the holding company structure may reduce the risk that liabilities of our core businesses and other businesses, if any, that may be operated in the future by separate subsidiaries would be attributed to each other.

Possible Future Financing Flexibility of the Holding Company Structure. We believe that a holding company structure may be beneficial to stockholders in the future because it would permit the use of financing techniques that are more readily available to companies that hold a variety of diversified businesses under one corporate umbrella, without any impact on our capital structure. For example, AES, in addition to receiving dividends, as and when permitted, from ADA-ES and future subsidiaries, if any, would be able to obtain funds through its own debt or equity financings, and AES's direct and indirect subsidiaries and other entities in which it holds an ownership interest would be able to obtain funds from AES or other affiliates or through their own third party financings, which may include the issuance of debt or equity securities. However, we have no current plans to seek additional financing at this time.

Predictability, Flexibility and Responsiveness of Delaware Law to Corporate Needs. For many years, Delaware has followed a policy of encouraging incorporation in that state and has adopted comprehensive, modern and flexible corporate laws, which are updated regularly to meet changing business needs. As a result of this deliberate policy to provide a hospitable climate for corporate development, many major public corporations have chosen Delaware for their domicile. In addition, the Delaware courts have developed considerable expertise in dealing with corporate issues relating to public companies. Thus, a substantial body of case law has developed construing Delaware corporate law and establishing legal principles and policies regarding publicly held Delaware corporations. We believe that, for these reasons, Delaware law will provide greater legal predictability with respect to our corporate legal matters than we have under Colorado law. We further believe that Delaware law will provide greater efficiency, predictability and flexibility in our public Company's legal affairs than is presently available under Colorado law.

Attractiveness of Delaware Law to Directors and Officers. We believe that organizing under Delaware law will enhance our ability to attract and retain qualified directors and officers. The corporate law of Delaware, including its extensive body of case law, offers directors and officers of public companies more certainty and stability. Under Delaware law, the parameters of director and officer liability are more clearly defined and better understood than under Colorado law. To date, we have not experienced difficulty in retaining directors or officers, but directors of public companies are exposed to significant potential liability. We therefore believe that providing the benefits afforded directors by Delaware law will enable us to compete more effectively with other public companies in the recruitment of talented and experienced directors and officers. At the same time, we believe that Delaware law regarding corporate fiduciary duties provides appropriate protection for our stockholders from possible abuses by directors and officers. In addition, under Delaware law, directors' personal liability cannot be eliminated for:

any breach of the director's duty of loyalty to the corporation or its stockholders,

acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law,

unlawful payment of dividends or unlawful repurchases or redemptions of stock, or

any transactions from which the director derived an improper personal benefit. .

In addition to the positive factors described above, our Board also considered the following potential negative factor associated with the reorganization proposal:

Increased Costs and Expenses Associated with Implementing the Reorganization Proposal and Administering a Holding Company Structure. The reorganization may result in substantial direct costs. These costs and expenses are expected to consist primarily of attorneys' fees, accountants' fees, filing fees and financial printing expenses and will be substantially incurred prior to the vote of our shareholders. The reorganization may also result in certain indirect costs by diverting the attention of our management and employees from our business and increasing our administrative costs and expenses. These administrative costs and expenses will include keeping separate records and in some cases making separate regulatory filings for each of AES and ADA-ES and future subsidiaries. The reorganization may also result in certain state sales taxes and other transfer taxes.

After careful consideration, our Board has determined that creation of a holding company offers a substantial net benefit to our shareholders. The Board has approved the reorganization proposal, determined that the terms of the Reorganization Agreement and the reorganization are advisable and in the best interest of our shareholders, and has adopted the Reorganization Agreement. Our Board recommends that our shareholders vote FOR adoption of the reorganization proposal at the Annual Meeting.

Reorganization Procedure

ADA-ES currently owns all of the issued and outstanding common stock of AES and AES currently owns all of the issued and outstanding common stock of MergerCo, the subsidiary formed for purposes of completing the proposed reorganization. Following the approval of the Reorganization Agreement by the ADA-ES shareholders and the satisfaction or waiver of the other conditions specified in the Reorganization Agreement (which are described below), ADA-ES will merge with MergerCo, the subsidiary of AES. As a result of this merger:

ADA-ES will be the surviving corporation, and the separate corporate existence of MergerCo will cease.

Each outstanding share of ADA-ES common stock will automatically convert into one share of AES common stock, as described below, and the shareholders of ADA-ES will become the stockholders of AES.

AES will own all of ADA-ES's common stock and each share of AES common stock now held by ADA-ES will be cancelled.

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The result of the reorganization will be that your current company, ADA-ES, will be merged with MergerCo and ADA-ES will become a subsidiary of AES. AES's Certificate of Incorporation is included as Annex II to this proxy statement/prospectus, and a copy of AES's bylaws is included as Annex III to this proxy statement/prospectus. For more information regarding your rights as a shareholder before and after the reorganization, see Description of AES Capital Stock, Description of ADA-ES Capital Stock and Comparative Rights of AES Capital Stock and ADA-ES Capital Stock below.

In all other respects, your company will remain the same. Upon consummation of the reorganization, the AES board of directors will be the same as the directors elected by the shareholders of ADA-ES at the Annual Meeting. AES expects that its executive officers following the reorganization will be the following executive officers of ADA-ES immediately prior to the reorganization: President and Chief Executive Officer, Senior Vice President, Chief Financial Officer and Secretary, Chief Operating Officer, Chief Technology Officer, and Vice President and Corporate Counsel. We believe that this simplified top-level management structure will best serve the holding company and allow for continued growth. Management and business operations of the operating company will remain substantially the same.

What ADA-ES Shareholders Will Receive in the Reorganization

Each share of ADA-ES common stock will convert into one share of AES common stock. After the completion of the reorganization, you will own the same number and percentage of shares of AES common stock as you own of ADA-ES common stock.

ADA-ES Stock Options and Other Rights to Receive ADA-ES Stock

Each of the outstanding options to acquire shares of ADA-ES common stock in the aggregate will become options to acquire, on the same terms and conditions as before the reorganization, an identical number of shares of AES common stock. Each outstanding restricted stock award (or any performance award payable in restricted stock) will become an award of restricted stock (or a performance award payable in restricted stock) in an identical number of shares of AES common stock. There were outstanding options representing an aggregate of _____ shares of ADA-ES common stock and outstanding restricted stock (including the number of shares of restricted stock payable under performance awards) representing an aggregate of _____ shares of ADA-ES common stock on the Record Date. ADA-ES's existing stock-based compensation plans, which include the 2007 Plan and 2010 Plan, under the 2002 ADA-ES Stock Option Plan, the 2004 Executive Stock Option Plan, the 2005 Directors' Compensation Plan, the ADA-ES, Inc. Profit Sharing Retirement Plan (collectively the ADA-ES Plans), plan participants will be entitled to receive shares of AES common stock rather than shares of ADA-ES common stock, on the same terms otherwise provided for in the respective plans.

Corporate Name Following the Reorganization

The name of the public company following the reorganization will be Advanced Emissions Solutions, Inc.

No Exchange of Stock Certificates

In the reorganization, your shares of ADA-ES common stock will automatically convert into shares of AES common stock. Your certificates of ADA-ES common stock, if any, will represent, from and after the reorganization, an equal number of shares of AES common stock, and no action with regard to stock certificates will be required on your part.

Conditions to Reorganization

We will complete the reorganization only if each of the following conditions is satisfied or waived:

absence of any stop order suspending the effectiveness of the registration statement, of which this proxy statement/prospectus forms a part, relating to the shares of AES common stock to be issued in the reorganization;