MONOLITHIC POWER SYSTEMS INC
Form 4
August 05, 2008

FORM 4

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Neely Rick

(Last) (First) (Middle)

6409 GUADALUPE MINES ROAD

(Street)

SAN JOSE, CA 95120

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
MONOLITHIC POWER SYSTEMS INC [MPWR]

3. Date of Earliest Transaction (Month/Day/Year)
08/04/2008

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Sr. VP and CFO

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

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/04/2008		M(1)		4,000	A	$ 8.41	23,500	D	
Common Stock	08/04/2008		S(1)		4,000	D	$ 25.5	19,500	D	
Common Stock	08/04/2008		F(1)		1,699 (2)	D	$ 25.14	17,801	D	
Common Stock	08/05/2008		M(1)		3,000	A	$ 8.41	20,801	D	
Common Stock	08/05/2008		S(1)		3,000	D	$ 25.12	17,801	D	

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

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amou Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Shar
Non-Qualified Stock Option (right to buy)	$ 8.41	08/04/2008		M(1)			4,000	09/06/2006	09/22/2015	Common Stock	4,0
Non-Qualified Stock Option (right to buy)	$ 8.41	08/05/2008		M(1)			3,000	09/06/2006	09/22/2015	Common Stock	3,0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Neely Rick 6409 GUADALUPE MINES ROAD SAN JOSE, CA 95120			Sr. VP and CFO	

Signatures

By: Adriana Chiocchi For: Rick Neely	08/05/2008
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) In accordance with the reporting person's 10b5-1 trading plan.

(2) Shares withheld to pay tax obligations resulting from the vesting of restricted stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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