

AMERICAN APPAREL, INC
 Form 4
 March 15, 2012

FORM 4

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

OMB APPROVAL

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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 *
 Lion/Hollywood L.L.C.

(Last) (First) (Middle)

C/O LION CAPITAL (AMERICAS) INC., 888 SEVENTH AVENUE

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

AMERICAN APPAREL, INC [APP]

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

03/13/2012

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
 ___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

___ Form filed by One Reporting Person
 ___X___ 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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

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

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title of Underlying Security (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Code | (Instr. 3, 4, and 5) V (A) (D) | Date Exercisable | Expiration Date | Title |
|--|------------------------------------|------------------|--------------------|-----------------------------------|---------------------|--------------------|-------------------------------|
| Warrant to purchase shares of Common Stock (right to buy) <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | | 16,000,000 | <u>(7)</u> | 02/18/2018 Common Stock |
| Warrant to purchase shares of Common Stock (right to buy) <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 16,000,000 | | <u>(7)</u> | 02/18/2022 Common Stock |
| Warrant to purchase shares of Common Stock (right to buy) <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | | 759,809 | <u>(7)</u> | 02/18/2018 Common Stock |
| Warrant to purchase shares of Common Stock (right to buy) <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 759,809 | | <u>(7)</u> | 02/18/2022 Common Stock |
| Warrant to purchase shares of Common Stock (right to | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | | 3,063,101 | <u>(7)</u> | 02/18/2018 Common Stock |

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buy) (1) (2)
(3) (4) (5)

| | | | | | | | |
|---|-----------------|------------|--------------|-----------|------------|------------|-----------------|
| Warrant to purchase shares of Common Stock | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 3,063,101 | <u>(7)</u> | 02/18/2022 | Common Stock |
|---|-----------------|------------|--------------|-----------|------------|------------|-----------------|

(right to
buy) (1) (2)
(3) (4) (5)

| | | | | | | | |
|---|-----------------|------------|--------------|-----------|------------|------------|-----------------|
| Warrant to purchase shares of Common Stock | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 1,445,382 | <u>(7)</u> | 02/18/2018 | Common Stock |
|---|-----------------|------------|--------------|-----------|------------|------------|-----------------|

(right to
buy) (1) (2)
(3) (4) (5)

| | | | | | | | |
|---|-----------------|------------|--------------|-----------|------------|------------|-----------------|
| Warrant to purchase shares of Common Stock | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 1,445,382 | <u>(7)</u> | 02/18/2022 | Common Stock |
|---|-----------------|------------|--------------|-----------|------------|------------|-----------------|

(right to
buy) (1) (2)
(3) (4) (5)

| | | | | | | | |
|---|-----------------|------------|--------------|---------|------------|------------|-----------------|
| Warrant to purchase shares of Common Stock | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 337,733 | <u>(7)</u> | 02/18/2018 | Common Stock |
|---|-----------------|------------|--------------|---------|------------|------------|-----------------|

(right to
buy)

| | | | | | | | |
|---|-----------------|------------|--------------|---------|------------|------------|-----------------|
| Warrant to purchase shares of Common Stock | \$ 1 <u>(6)</u> | 03/13/2012 | J <u>(6)</u> | 337,733 | <u>(7)</u> | 02/18/2022 | Common Stock |
|---|-----------------|------------|--------------|---------|------------|------------|-----------------|

(right to
buy) (1) (2)
(3) (4) (5)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Lion/Hollywood L.L.C. C/O LION CAPITAL (AMERICAS) INC. 888 SEVENTH AVENUE NEW YORK, NY 10019 | | X | | |
| Lion Capital LLP 21 GROSVENOR PLACE LONDON, X0 SW1X 7HF | | X | | |
| Lion Capital General Partner II LLP 21 GROSVENOR PLACE LONDON, X0 SW1X 7HF | | X | | |
| LION CAPITAL FUND II L P 21 GROSVENOR PLACE LONDON SW1X 7HF, X0 SW1X 7HF | | X | | |
| LION CAPITAL FUND II B L P 21 GROSVENOR PLACE LONDON SW1X 7HF, X0 SW1X 7HF | | X | | |

Signatures

| | |
|--|------------|
| Lion/Hollywood L.L.C., /s/ Jacob Capps, President | 03/15/2012 |
| **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) This Form 4 is filed on behalf of Lion/Hollywood L.L.C. ("Lion/Hollywood"), Lion Capital Fund II, L.P. ("LCFII"), Lion Capital Fund II B, L.P. ("LCFIIB"), Lion Capital Fund II SBS, L.P. ("LCFIISBS"), Lion Capital General Partner II LLP ("Lion Capital GPII"), Lion Capital LLP ("Lion Capital"), Mr. Lyndon Lea, Mr. Neil Richardson and Mr. Robert Darwent. LCFII, LCFIIB and LCFIISBS are the sole members of Lion/Hollywood. Lion Capital GPII is the sole general partner of LCFII, LCFIIB and LCFIISBS. Lion Capital is the manager of each of Lion Capital GPII, LCFII, LCFIIB and LCFIISBS. Messrs. Lea, Richardson and Darwent are founding and designated members of Lion Capital.

(2) As the sole members of Lion/Hollywood, LCFII, LCFIIB and LCFIISBS may be deemed to be the indirect beneficial owners of any securities beneficially owned or deemed to be beneficially owned by Lion/Hollywood. However, pursuant to Rule 16a-1(a)(4) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), each of LCFII, LCFIIB and LCFIISBS disclaims beneficial ownership of such securities, except to the extent of its pecuniary interest therein.

(3) As the sole general partner of each of LCFII, LCFIIB and LCFIISBS, Lion Capital GPII may be deemed to be the indirect beneficial owner of any securities deemed to be beneficially owned by LCFII, LCFIIB and LCFIISBS. However, pursuant to Rule 16a-1(a)(4) promulgated under the Exchange Act, Lion Capital GPII disclaims beneficial ownership of such securities, except to the extent of its pecuniary interest therein.

(4) As the manager of each of Lion Capital GPII, LCFII, LCFIIB and LCFIISBS, Lion Capital may be deemed to be the indirect beneficial owner of any securities deemed to be beneficially owned by Lion Capital GPII, LCFII, LCFIIB and LCFIISBS. However, pursuant to Rule 16a-1(a)(4) promulgated under the Exchange Act, Lion Capital disclaims beneficial ownership of such securities, except to the extent of its pecuniary interest therein.

(5)

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As the founding and designated members of Lion Capital, Messrs. Lea, Richardson and Darwent, may be deemed to beneficially own any securities deemed to be beneficially owned by Lion Capital. However, pursuant to Rule 16a-1(a)(4) promulgated under the Exchange Act, each of Messrs. Lea, Richardson and Darwent disclaims beneficial ownership of such securities, except to the extent of his pecuniary interest therein.

On March 13, 2012, the Issuer amended five warrants previously issued to Lion/Hollywood: (i) a warrant to purchase at an initial exercise price of \$1.00, 16,000,000 shares of Common Stock, par value \$.0001 per share of the Issuer ("Common Stock"); (ii) a warrant to purchase at an initial exercise price of \$1.00, 759,809 shares of Common Stock; (iii) a warrant to purchase at an initial exercise price of \$1.00, 3,063,101 shares of Common Stock; (iv) a warrant to purchase at an initial exercise price of \$1.00, 1,445,382 shares of

(6) Common Stock; and (v) a warrant to purchase at an initial exercise price of \$1.00, 337,733 shares of Common Stock (collectively, the "Lion Warrants"). The March 13, 2012 amendments to the Lion Warrants (collectively, the "Lion Warrant Amendments") are subject to anti-dilution adjustment pursuant to the terms of the Lion Warrants and the Lion Warrant Amendments and certain other adjustments as described therein. The Lion Warrant Amendments extend the expiration d

(7) Immediately exercisable.

Number of shares of Common Stock issuable upon exercise of the applicable Lion Warrant as of the date of this filing. The number of

(8) shares of Common Stock issuable upon exercise of the applicable Lion Warrant is subject to anti-dilution adjustment pursuant to the terms of the Lion Warrants and certain other adjustments as described therein.

The Warrants are directly owned by Lion/Hollywood. LCFII, LCFIIB and LCFIISBS are the sole members of Lion/Hollywood. Lion Capital GPII is the sole general partner of LCFII, LCFIIB and LCFIISBS. Lion Capital is the manager of each of Lion Capital GPII, LCFII, LCFIIB and LCFIISBS. Messrs. Lea, Richardson and Darwent are founding and designated members of Lion Capital. As noted in footnotes (1) through (5), LCFII, LCFIIB, LCFIISBS, Lion Capital GPII, Lion Capital and Messrs. Lea, Richardson and Darwent may each be deemed to have indirect beneficial ownership of any securities beneficially owned or deemed to be beneficially owned by Lion/Hollywood.

(9)

This Form 4 shall not be deemed an admission that any Reporting Person or any other person referred to herein is a beneficial owner of

(10) any shares of Common Stock for purposes of Section 16 of the Exchange Act or for any other purpose or that any Reporting Person or other person (other than Lion/Hollywood) has an obligation to file this Form 4.

Remarks:

Exhibit 99.1 - Joint Filer Information

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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