

Lam Thomas S.
Form 4
December 12, 2017

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Lam Thomas S.

2. Issuer Name **and** Ticker or Trading
Symbol
Apollo Medical Holdings, Inc.
[AMEH]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
1668 S. GARFIELD AVENUE, 2ND
FLOOR

3. Date of Earliest Transaction
(Month/Day/Year)
12/08/2017

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
Co-Chief Executive Officer

(Street)
ALHAMBRA, CA 91801

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

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

(City) (State) (Zip)

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 ⁽¹⁾	12/08/2017		J ⁽¹⁾		1,546,026	A	<u>11</u> 1,546,026

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

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information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
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SEC 1474
(9-02)

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

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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 Underlying (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Warrants to purchase Common Stock <u>(2)</u>	\$ 9	12/08/2017		J <u>(2)</u>		63,510.9		<u>(2)</u>	<u>(2)</u>	Common Stock
Warrants to purchase Common Stock <u>(2)</u>	\$ 10	12/08/2017		J <u>(2)</u>		31,755.42		<u>(2)</u>	<u>(2)</u>	Common Stock
Warrants to purchase Common Stock <u>(1)</u>	\$ 10	12/08/2017		J <u>(1)</u>		51,443.83		12/08/2017	12/08/2022	Common Stock
Warrants to purchase Common Stock <u>(1)</u>	\$ 11	12/08/2017		J <u>(1)</u>		48,585.84		12/08/2017	12/08/2022	Common Stock
Series A Preferred Stock <u>(9)</u>	<u>(3)</u> <u>(4)</u> <u>(5)</u>	12/08/2017		J <u>(9)</u>		1,111,111		10/14/2015	<u>(3)(4)(5)(9)</u>	Common Stock
Series B Preferred Stock <u>(9)</u>	<u>(7)</u>	12/08/2017		J <u>(9)</u>		555,555		03/30/2016	<u>(7)(9)</u>	Common Stock
Warrants to purchase Common Stock <u>(9)</u>	\$ 9	12/08/2017		J <u>(9)</u>		1,111,111		10/14/2015	10/14/2020	Common Stock
Warrants to purchase Common Stock <u>(9)</u>	\$ 10	12/08/2017		J <u>(9)</u>		555,555		03/30/2016	03/30/2021	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Lam Thomas S. 1668 S. GARFIELD AVENUE 2ND FLOOR ALHAMBRA, CA 91801	X		Co-Chief Executive Officer	

Signatures

/s/ Thomas S. Lam,
M.D. 12/12/2017

**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).

On December 8, 2017, a reverse merger transaction between the Issuer and Network Medical Management, Inc. ("NMM") was consummated such that NMM became a wholly-owned subsidiary of the Issuer (the "Merger"). The Reporting Person was a shareholder of NMM. Pursuant to the Merger, the shares of NMM common stock previously held by Reporting Person were converted into (i) 1,546,026 shares of common stock of the Issuer, (ii) a warrant to purchase 48,585.84 shares of common stock of the Issuer at an exercise price of \$11.00 per share, (iii) a warrant to purchase 51,443.83 shares of common stock of the Issuer at an exercise price of \$10.00 per share, (iv) cash in lieu of fractional shares, and (v) the Reporting Person's pro rata portion, if any, of the holdback shares of common stock of the Issuer (such pro rata portion of the holdback shares would, without offset, initially be equal to 171,781 shares of common stock of the Issuer).

Immediately prior to the closing of the Merger (the "Closing"), NMM made an in-kind distribution on a pro rata basis to its shareholders (including the Reporting Person) of the following warrants, which warrants were previously held by NMM: (i) 1,111,111 Series A warrants (of which the Reporting Person will receive 63,510.90 Series A warrants) to purchase common stock of the Issuer, exercisable at any time prior to October 14, 2020 at an exercise price of \$9.00 per share, and (ii) 555,555 Series B warrants (of which the Reporting Person will receive 31,755.42 Series B warrants) to purchase common stock of the Issuer, exercisable at any time prior to March 30, 2021 at an exercise price of \$10.00 per share.

The Series A Preferred Stock was convertible into Common Stock, at the option of NMM, at any time after issuance at an initial conversion rate of one-for-one, subject to adjustment in the event of stock dividends, stock splits and certain other similar transactions. The Series A Preferred Stock was mandatorily convertible not sooner than the earlier to occur of (i) the later of (x) January 31, 2017 or (y) 60 days after the date on which the Issuer files its quarterly report on Form 10Q for the period ending September 30, 2016; or (ii) the date on which the Issuer received the written, irrevocable decision of NMM not to require a redemption of the Series A Preferred Stock, in the event that the Issuer engages in one or more transactions resulting in gross proceeds of not less than \$5,000,000, not including the proceeds of the transaction with NMM.

On March 28, 2016, the Issuer filed an Amended and Restated Certificate of Designation (the "Amended Certificate of Designation") which amended a provision of the Certification of Designation dated October 15, 2015 (the "Original Certificate of Designation") that created the Issuer's Series A Preferred Stock (the "Series A Preferred Stock"), which was sold to NMM on October 15, 2015. The Amended Certificate of Designation changed a triggering event for the mandatory conversion of the Series A Preferred Stock. The Series A Preferred Stock had been mandatorily convertible if the Issuer receives aggregate gross proceeds of not less than \$5,000,000 in one or more transactions for the sale of its equity securities or securities convertible into, or exchangeable for, equity securities (other than the transaction pursuant to which the Series A Preferred Stock was issued).

The Amended Certificate of Designation now provides that the Series A Preferred Stock is mandatorily convertible if the Issuer receives aggregate gross proceeds of not less than \$5,000,000 in one or more transactions for the sale of its equity securities or securities convertible into, or exchangeable for, equity securities (other than any transactions with the holder of the Series A Preferred Stock). Furthermore, the Amended Certificate of Designation provides that the Series A Preferred Stock and the Series B Preferred Stock will participate pro rata and pari passu in distributions upon the liquidation, winding up or dissolution of the company.

(6)

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NMM purchased 1,111,111 investment units at \$9.00 per unit. Each investment unit was comprised of (a) one (1) share of Series A Preferred Stock that may be converted into one (1) share of common stock of the Issuer, and (b) one (1) warrant to purchase one (1) share of common stock of the Issuer at an exercise price of \$9.00 per share.

- (7) The Series B Preferred Stock was convertible into common stock, (a) at the option of the holder thereof at any time after issuance, and (b) mandatorily at any time prior to and including March 31, 2017, if the Issuer receives aggregate gross proceeds of not less than \$5,000,000 in one or more transactions for the sale of its equity securities or securities convertible into, or exchangeable for, equity securities (other than any transactions with the holder of the Series B Preferred Stock). The Series B Preferred Stock was convertible into common stock at an initial conversion rate of one-for-one, subject to adjustment in the event of stock dividends, stock splits and certain other similar transactions.

- (8) NMM purchased 555,555 investment units at \$9.00 per unit. Each investment unit is comprised of (a) one (1) share of Series B Preferred Stock that may be converted into one (1) share of common stock of the Issuer, and (b) one (1) warrant to purchase one (1) share of common stock of the Issuer at an exercise price of \$10.00 per share.

These shares and warrants were previously owned directly by NMM, of which Reporting Person is a director and officer. Pursuant to the Merger, and as of December 8, 2017, the Reporting Person no longer indirectly owns any beneficial interest in the Issuer. The following is a description of the disposition of the derivative securities previously disclosed in Table II as indirectly owned by Reporting Person:

- (9) (A) upon Closing, NMM relinquished the value of the 1,111,111 shares of Series A preferred stock and 555,555 shares of Series B preferred stock of the Issuer previously held by NMM; and (B) immediately prior to Closing NMM made an in-kind distribution on a pro rata basis to its shareholders (including the Reporting Person) of 1,666,666 warrants to purchase common stock of the Issuer (comprised of 1,111,111 Series A warrants and 555,555 Series B warrants), which warrants were previously held by NMM.

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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