

AMERICAN APPAREL, INC  
Form SC 13D/A  
June 27, 2013

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

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**SCHEDULE 13D**  
[Rule 13d-101]

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO § 240.13D-1(A) AND AMENDMENTS THERETO  
FILED PURSUANT TO § 240.13D-2(A)**

(Amendment No. 9)

**American Apparel, Inc.**

(Name of Issuer)

**Common Stock, \$0.0001 par value per share**

(Title of Class of Securities)

**023850 100**

(CUSIP Number)

**Dov Charney**

**American Apparel, Inc.**

**747 Warehouse Street**

**Los Angeles, California 90021**

**(213) 488-0226**

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

**Copies to:**

**John Laco, Esq.**

**O Melveny & Myers LLP**

**400 South Hope Street**

**Los Angeles, California 90071**

**(213) 430-6000**

**June 25, 2013**

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box o.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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CUSIP No. 023850 100

1. Names of Reporting Persons.  
Dov Charney
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)  o  
(b)  x
3. SEC Use Only
4. Source of Funds (See Instructions)  
PF
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)  o
6. Citizenship or Place of Organization  
Canada
- |   |     |                                      |
|---|-----|--------------------------------------|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 7.  | Sole Voting Power<br>48,305,866      |
|   | 8.  | Shared Voting Power<br>0             |
|   | 9.  | Sole Dispositive Power<br>48,305,866 |
|   | 10. | Shared Dispositive Power<br>0        |
11. Aggregate Amount Beneficially Owned by Each Reporting Person  
48,305,866
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)  x  
(see Item 5)
13. Percent of Class Represented by Amount in Row 11  
44.8%
14. Type of Reporting Person (See Instructions)  
IN

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This Amendment No. 9 ( Amendment No. 9 ) amends and supplements the Schedule 13D, dated December 12, 2007 and filed by Dov Charney (the reporting person ) with the Securities and Exchange Commission (the SEC ) on December 26, 2007 (the Original Schedule 13D ), as amended by Amendment No. 1 thereto, dated March 13, 2009 and filed by the reporting person with the SEC on March 23, 2009 ( Amendment No. 1 ), Amendment No. 2 thereto, dated April 14, 2009 and filed by the reporting person with the SEC on April 16, 2009 ( Amendment No. 2 ), Amendment No. 3 thereto, dated December 7, 2010 and filed by the reporting person with the SEC on December 7, 2010 ( Amendment No. 3 ), Amendment No. 4 thereto, dated February 18, 2011 and filed by the reporting person with the SEC on March 1, 2011 ( Amendment No. 4 ), Amendment No. 5 thereto, dated March 24, 2011 and filed by the reporting person with the SEC on March 28, 2011 ( Amendment No. 5 ), Amendment No. 6 thereto, dated April 27, 2011 and filed by the reporting person with the SEC on April 29, 2011 ( Amendment No. 6 ), Amendment No. 7 thereto, dated July 7, 2011 and filed by the reporting person with the SEC on July 11, 2011 and Amendment No. 8 thereto, dated October 16, 2012 and filed by the reporting person with the SEC on April 1, 2013 ( Amendment No. 8 and the Original Schedule 13D, Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5, Amendment No. 6, Amendment No. 7, Amendment No. 8 and Amendment No. 9 are collectively referred to herein as the Schedule 13D ), with respect to the common stock, par value \$0.0001 per share (the Common Stock ), of American Apparel, Inc., a Delaware corporation (the Issuer ). Capitalized terms used but not defined herein shall have the respective meanings set forth in the Schedule 13D.

### **Item 3. Source and Amount of Funds or Other Consideration.**

The response to Item 3 of the Schedule 13D is hereby amended and supplemented by adding the following paragraph at the end of such Item 3:

On June 25, 2013, the reporting person was awarded 2,500,000 shares of Common Stock in connection with the achievement of certain performance goals in accordance with the terms set forth in the reporting person's employment agreement dated March 22, 2012 with the Issuer (the Charney Employment Agreement).

The foregoing description of the Charney Employment Agreement is qualified in its entirety by reference to the description contained in the Current Report on Form 8-K filed by the Issuer with the SEC on March 27, 2012 and the Charney Employment Agreement filed as an exhibit to such Current Report.

### **Item 4. Purpose of Transaction.**

The response to Item 4 of the Schedule 13D is hereby amended and supplemented by adding the following paragraph at the end of such Item 4:

The information under Items 3 and Item 6 of the Schedule 13D is incorporated by reference into this Item 4.

### **Item 5. Interest in Securities of the Issuer.**

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(a) and (b) The response to Item 5 of the Schedule 13D is hereby amended and supplemented by replacing subsections (a) and (b) in their entirety with the following:

The reporting person directly beneficially owns 48,305,866 shares of Common Stock, representing approximately 44.8% of the outstanding shares of Common Stock based on the Issuer having 107,763,103 shares of Common Stock outstanding as of May 1, 2013, based on information set forth in the Issuer's Quarterly Report on Form 10-Q for the quarter ended March 31, 2013. The reporting person has the sole power to vote or direct the vote of, and the sole power to dispose or to direct the disposition of, all of the shares beneficially owned by the reporting person.

As a result of the Investment Voting Agreement (as defined in Item 6), the reporting person and Lion Capital (Guernsey) II Limited, a Guernsey limited company (Lion), may be deemed to constitute a group under Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended (the Exchange Act), that collectively beneficially owns approximately 69,911,891 shares of Common Stock, or 54.0% of the Issuer's total number of shares of Common Stock outstanding as of May 1, 2013, calculated in accordance with Rule 13d-3 of the Exchange Act (after giving effect to the full issuance of the 21,606,025 shares of Common Stock issuable upon exercise of warrants held by Lion, based on the information regarding Lion's beneficial ownership of shares of Common Stock set forth in Amendment No. 5 to Schedule 13D filed by Lion on April 8, 2013). Neither the filing of this Schedule 13D nor any of its contents shall be deemed to constitute an admission that the reporting person is a member of a group with Lion for purposes of Section 13(d) of the Exchange Act or for any other purpose, and such membership is expressly disclaimed. In addition, neither the filing of this Schedule 13D nor any of its contents shall be deemed to constitute an admission that the reporting person is the beneficial owner of any Common Stock beneficially owned by Lion for purposes of Section 13(d) of the Exchange Act or for any other purpose, and such beneficial ownership is expressly disclaimed.

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.**

The response to Item 6 of the Schedule 13D is hereby amended and supplemented by adding the following paragraphs at the end of such Item 6:

*Stockholder Approval of Amendment to Charney Purchase Agreement and Charney Anti-Dilution Provision*

Pursuant to a Purchase Agreement dated as of April 27, 2011 between the Issuer and the reporting person (the Charney Purchase Agreement), the reporting person had received certain anti-dilution rights (the Charney Anti-Dilution Provision). In accordance with such Anti-Dilution Provision, and prior to the amendment to the Charney Purchase Agreement discussed below, the reporting person had the right to receive a total of 20,415,800 shares of Common Stock, issuable in three equal installments, one per each measurement period set forth below, subject to meeting the applicable average volume weighted closing price (VWAP) targets for 60 consecutive trading days, calculated as set forth in the Charney Purchase Agreement as follows:

- (i) for the measurement period from April 16, 2012 to and including April 15, 2013, if the VWAP of the Common Stock during a period of 60 consecutive trading days exceeds \$3.25 per share;
- (ii) for the measurement period from but not including April 16, 2013 to and including April 15, 2014, if the VWAP of the Common Stock during a period of 60 consecutive trading days exceeds \$4.25 per share; and

- (iii) for the measurement period from but not including April 16, 2014 to and including April 15, 2015, the VWAP of the Common Stock during a period of 60 consecutive trading days exceeds \$5.25 per share.

On October 16, 2012, the reporting person and the Issuer had entered into an amendment to the Charney Purchase Agreement (the Charney Purchase Agreement Amendment ) for the purpose of further incentivizing the reporting person in his continued service to the Issuer, which, subject to stockholder approval, (i) extends by one year the measurement periods under the Charney Anti-Dilution Provision and (ii) reduces the length of the corresponding stock price target periods from 60 days to 30 days.

The amendment gives effect to the extensions of the measurement periods on a retroactive basis if stockholder approval is received so that the reporting person has the right to receive shares as described above under the following circumstances:

- (i) for the first measurement period from April 16, 2012 to and including April 15, 2014, if the VWAP of the Common Stock during a period of 30 consecutive trading days exceeds \$3.25 per share;
- (ii) for the measurement period from but not including April 16, 2014 to and including April 15, 2015, if the VWAP of the Common Stock during a period of 30 consecutive trading days exceeds \$4.25 per share; and
- (iii) for the measurement period from but not including April 16, 2015 to and including April 15, 2016, the VWAP of the Common Stock during a period of 30 consecutive trading days exceeds \$5.25 per share.

As of the date of this Schedule 13D, the reporting person is not entitled to any shares pursuant to the Charney Anti-Dilution Provision, as amended.

On June 25, 2013, the Issuer received stockholder approval for the Charney Purchase Agreement Amendment and therefore the reporting person has the right to receive a total of 20,415,800 shares of Common Stock in accordance with the terms set forth in the Charney Purchase Agreement Amendment.

The foregoing description of the Charney Purchase Agreement and Charney Purchase Agreement Amendment is qualified in its entirety by reference to the descriptions contained in the Current Reports on Forms 8-K filed by the Issuer with the SEC on March 28, 2011, April 28, 2011 and October 22, 2012, and the documents filed as exhibits to such Current Reports.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: June 27, 2013

/s/ Dov Charney  
Dov Charney

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