

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

IN RE AMERICAN APPAREL, INC.
SHAREHOLDER LITIGATION

This Document Relates To: All Actions

Case No. CV-10-6352 MMM (JCG)
(Consolidated)

PROOF OF CLAIM AND RELEASE FORM

I. GENERAL INSTRUCTIONS

1. To be potentially eligible to recover as a member of the Class based on your claim in the action entitled *In re American Apparel, Inc. Shareholder Litigation*, Case No. CV-10-6352 MMM (JCG) (the "Action"), you must complete this Proof of Claim and Release Form ("Claim Form"). If you fail to timely submit a properly addressed Claim Form, your Claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed Settlement of the Action, as set forth in the Stipulation and Agreement of Settlement ("Stipulation") dated January 17, 2014.

2. Submission of this Claim Form, however, does not assure that you will share in the proceeds of the settlement of the Action.

3. **YOU MUST COMPLETE AND SUBMIT YOUR CLAIM FORM VIA MAIL POSTMARKED ON OR BEFORE SEPTEMBER 2, 2014, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:**

American Apparel, Inc. Shareholder Litigation
c/o Gilardi & Co, LLC
P.O. Box 8040
San Rafael, CA 94912-8040

If you are NOT a member of the Class (as defined below and in the Notice of Pendency and Proposed Settlement of Class Action, Motion for Attorneys' Fees and Litigation Expenses, and Settlement Fairness Hearing (the "Notice")), **DO NOT** submit a Claim Form.

4. If you are a Member of the Class and you do not timely request exclusion in connection with the proposed Settlement, you are bound by the terms of any judgment entered in the Action, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A CLAIM FORM.**

II. CLAIMANT IDENTIFICATION

If you purchased or otherwise acquired the publicly traded common stock of American Apparel, Inc. ("American Apparel") between November 28, 2007 and August 17, 2010, inclusive, and held documents evidencing these transactions in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased or otherwise acquired the common stock and the transactional document(s) was/were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

Use Part I of the Claim Form – entitled "Claimant Identification" – to identify each purchaser of record ("nominee"), if different from the purchaser or acquirer of the American Apparel common stock which form the basis of this claim. **THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL PURCHASER OR PURCHASERS, OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER OR PURCHASERS, OF THE AMERICAN APPAREL COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

All joint purchasers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The last four digits of the Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. CLAIM FORM

Use Part II of this Claim Form – entitled "Transactions in American Apparel Common Stock" – to supply all required details of your transaction(s) in American Apparel common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, please provide all of the requested information with respect to **all** of your purchases, acquisitions, and sales of American Apparel common stock whether such transactions resulted in a profit or loss. **Failure to report all requested information may result in the rejection of your claim. Please note:** Only American Apparel common stock purchased or otherwise acquired during the Class Period (*i.e.*, November 28, 2007 through August 17, 2010, inclusive) is

eligible to potentially recover under the Settlement. However, because information regarding your sales of American Apparel common stock during the period from August 18, 2010 through November 15, 2010, inclusive, will be used for purposes of calculating your Recognized Claim under the Plan of Allocation contained in the Notice, information with respect to your purchases and acquisitions of American Apparel common stock during that period is needed in order to balance your claim. While these purchases and acquisitions will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation, the information is necessary in order to process your claim.

List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

Copies of broker confirmations or other documentation of your transactions in American Apparel common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

NOTE: Separate Claim Forms should be submitted for each separate legal entity (e.g., a claim from Joint Owners should not include separate transactions of just one of the Joint Owners, an Individual should not combine his or her IRA transactions with transactions made solely in the Individual's name).

NOTICE REGARDING ELECTRONIC FILES: Certain Claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Claim Form, whether or not they also submit electronic copies, either listing all their transactions or including a notation to see corresponding electronic file for all transactions. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-877-263-8642, or visit the website www.americanapparelshareholdersettlement.com, to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

Official
Office
Use
Only

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

Must Be Postmarked
No Later Than
September 2, 2014

IN RE AMERICAN APPAREL, INC.
SHAREHOLDER LITIGATION

AMERAPRL

Case No. CV-10-6352 MMM (JCG)

PROOF OF CLAIM AND RELEASE

Please Type or Print in the Boxes Below
Do NOT use Red Ink, Pencil, or Staples



PART I: CLAIMANT IDENTIFICATION

Last Name

[Grid for Last Name]

M.I.

[Grid for M.I.]

First Name

[Grid for First Name]

Last Name (Co-Beneficial Owner)

[Grid for Last Name (Co-Beneficial Owner)]

M.I.

[Grid for M.I.]

First Name (Co-Beneficial Owner)

[Grid for First Name (Co-Beneficial Owner)]

IRA Joint Tenancy Employee Individual Other _____ (specify)

Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA

[Grid for Company Name]

Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)

[Grid for Trustee/Asset Manager/Nominee/Record Owner's Name]

Account#/Fund# (Not Necessary for Individual Filers)

[Grid for Account#/Fund#]

Social Security Number (last 4 digits)

[Grid for Social Security Number]

or

Taxpayer Identification Number

[Grid for Taxpayer Identification Number]

Telephone Number (Primary Daytime)

[Grid for Telephone Number (Primary Daytime)]

Telephone Number (Alternate)

[Grid for Telephone Number (Alternate)]

Email Address

[Grid for Email Address]

MAILING INFORMATION

Address

[Grid for Address]

Address

[Grid for Address]

City

[Grid for City]

State

[Grid for State]

Zip Code

[Grid for Zip Code]

Foreign Province

[Grid for Foreign Province]

Foreign Postal Code

[Grid for Foreign Postal Code]

Foreign Country Name/Abbreviation

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FOR CLAIMS
PROCESSING
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FOR CLAIMS
PROCESSING
ONLY



PART II. TRANSACTIONS IN AMERICAN APPAREL COMMON STOCK

A. INITIAL HOLDINGS OF AMERICAN APPAREL COMMON STOCK:

Proof Enclosed?

Provide the total number of shares of American Apparel common stock held as of the close of trading on November 27, 2007:

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Y
 N

B. PURCHASES AND ACQUISITIONS OF AMERICAN APPAREL COMMON STOCK: List all purchases and acquisitions of American Apparel common stock between November 28, 2007 and November 15, 2010, inclusive (which includes the 90-day look back period)¹. Be sure to attach the required documentation.

PURCHASES

Trade Date(s) of Shares (List Chronologically)	Number of Shares Purchased/Acquired	Total Purchase/ Acquisition Price (Excluding Commissions, Taxes and Fees) Please round off to the nearest whole dollar	Proof of Purchase/ Acquisition Enclosed?
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C. SALES OR DISPOSITIONS OF AMERICAN APPAREL COMMON STOCK: List all sales or dispositions of American Apparel common stock between November 28, 2007 and November 15, 2010, inclusive (which includes the 90-day look back period). Be sure to attach the required documentation.

SALES

Trade Date(s) of Shares (List Chronologically)	Number of Shares Sold	Total Sales Price (Excluding Commissions, Taxes and Fees) Please round off to the nearest whole dollar	Proof of Sales Enclosed?
M M / D D / Y Y Y Y		\$	<input type="radio"/> Y <input type="radio"/> N
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D. UNSOLD HOLDINGS OF AMERICAN APPAREL COMMON STOCK:

Proof Enclosed?

Provide the total number of shares of American Apparel common stock held as of the close of trading on November 15, 2010:

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Y
 N

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS PLEASE PHOTOCOPY THIS PAGE,

WRITE YOUR NAME ON THE COPY AND FILL THIS CIRCLE:

IF YOU DO NOT FILL THE CIRCLE THESE ADDITIONAL PAGES MAY NOT BE REVIEWED.

¹Please note: As set forth above, information requested with respect to your purchases and acquisitions of American Apparel common stock between August 18, 2010 and November 15, 2010, inclusive, is needed in order to balance your claim; purchases and acquisitions of American Apparel common stock during this period, however, are not eligible to participate in the Settlement as these purchases and acquisitions are outside the Class Period (i.e., November 28, 2007 through August 17, 2010, inclusive) and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.



PART III: RELEASE OF CLAIMS AND SIGNATURE

Definitions

“Class” means all persons and entities who purchased or otherwise acquired the publicly traded common stock of American Apparel, Inc. between November 28, 2007 and August 17, 2010, inclusive. Excluded from the Class are Defendants, the directors and officers of American Apparel and their families and affiliates. Also excluded from the Class are all persons and entities who exclude themselves from the Class by timely requesting exclusion in accordance with the requirements set forth in the Notice.

“Defendants” means American Apparel, Inc., Dov Charney, Adrian Kowalewski, Lion Capital LLP and Lion Capital (Americas) Inc.

“Effective Date” means, as set forth in ¶134 of the Stipulation, the date on which: (i) all conditions to the Settlement have been satisfied; (ii) the Court grants final approval to the Settlement; and (iii) the expiration of the time allowed for appeal, motion or petition for reconsideration or review, or after all such appeals, motions or petitions have been exhausted and the Settlement has been affirmed.

“Judgment” or “Order and Final Judgement” means the final judgment approving the Settlement.

“Released Parties” means the Defendants and their respective past or present officers, directors, partners, members, parents, subsidiaries, controlling persons, affiliates, employees, agents, attorneys, auditors, underwriters, insurers, representatives, spouses, immediate family members, heirs, predecessors, successors in interest and assigns of the Defendants.

“Released Parties’ Claims” means, to the extent allowed by law, all claims and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against the Defendants, except for claims relating to the enforcement of the Settlement.

“Settled Claims” means, to the extent allowed by law, all claims and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common or foreign law, that Lead Plaintiff or any other member of the Class (a) asserted in the Complaint, or (b) could have asserted in any forum that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omission involved, set forth, or referred to in the Complaint and that relate to the purchase or other acquisition of the publicly-traded common stock of American Apparel during the Class Period. Notwithstanding the foregoing, “Settled Claims” does not include claims asserted in any derivative action or ERISA action based on similar allegations or any claims relating to the enforcement of the Settlement.

“Unknown Claims” means any and all Settled Claims that Lead Plaintiff and/or any Class Member does not know or suspect to exist in his, her or its favor as of the Effective Date and any Released Parties’ Claims that Defendants or any Released Party does not know or suspect to exist in his, her or its favor as of the Effective Date, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims and Released Parties’ Claims, the Parties stipulate and agree that upon the Effective Date, Lead Plaintiff and Defendants shall expressly waive, and each Class Member and Released Party shall be deemed to have waived, and by operation of the Judgment shall expressly have waived, any and all provisions, rights and benefits conferred by any law of any state of the United States, or principle of common law or otherwise, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties acknowledge, and Class Members and Released Parties by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Released Parties’ Claims was separately bargained for and was a key element of the Settlement.

The Release

I (We) understand and acknowledge that without further action by anyone, upon the Effective Date, each of the Class Members, for themselves and for each of their heirs, executors, administrators, successors or assigns, in their respective capacities as such, shall be deemed to have, and by operation of law and of the Judgment shall have fully, finally, and forever released, relinquished, waived, discharged and dismissed each and every Settled Claim (including Unknown Claims) against each and all of the Released Parties, and shall have covenanted not to sue any Released Parties with respect to all such Settled Claims, except to enforce the releases and other terms and conditions contained in the Stipulation or the Judgment entered pursuant thereto.

SIGNATURE AND CERTIFICATIONS

By signing and submitting this Claim Form, the Claimant(s) or the person(s) who represents the Claimant(s) certifies, as follows:

I (We) submit this Claim Form under the terms of the Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Central District of California, with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I (we) am (are) bound by and subject to the terms of any judgment that may be entered in the Action. I (We) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so. I (We) have not submitted any other claim covering the same purchases or acquisitions of American Apparel common stock and alleging the Settled Claims (including Unknown Claims) and know of no other person having done so on my (our) behalf.

I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever release, relinquish, waive, discharge and dismiss each and every Settled Claim (including Unknown Claims) against each and all the “Released Parties” as defined above,



1. that the Claimant(s) is a (are) Class Member(s), as defined herein and in the Notice;
2. that I (we) have not submitted a request for exclusion from the Class and that I (we) do not know of any request for exclusion from the Class submitted on my (our) behalf with respect to my (our) transactions in the American Apparel common stock at issue herein;
3. that I (we) own(ed) the American Apparel common stock identified in the Claim Form, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
4. that Claimant(s) may be eligible to receive a distribution from the Net Settlement Fund;
5. that I (we) agree to furnish such additional information with respect to this Claim Form as the Parties, the Claims Administrator or the Court may require;
6. that I (we) waive trial by jury, to the extent it exists, and agree to the Court's summary disposition of the determination of the validity or amount of the claim made by this Claim Form;
7. that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof;
8. that I (we) have included information requested above about all of my (our) transactions in American Apparel common stock during the period November 28, 2007 through November 15, 2010, inclusive; and
9. that I (we) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(c) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike the language that you are not subject to backup withholding in the certification above and fill the circle.

The Internal Revenue Service does not require your consent to any provision other than the certification required to avoid backup withholding.

I (We) declare, under penalty of perjury under the laws of the United States of America, that the statements made and answers given in this Claim Form are true and correct and that the documents submitted herewith are true and genuine.

Executed this _____ day of _____ in _____
(Month/Year) (City/State/Country)

 (Sign your name here)

 (Sign your name here)

 (Type or print your name here)

 (Type or print your name here)

 (Capacity of person(s) signing, e.g.,
 Beneficial Purchaser, Executor or Administrator)

 (Capacity of person(s) signing, e.g.,
 Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.
 THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

- | | |
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| <ol style="list-style-type: none"> 1. Please sign the above release and declaration. 2. If this Claim is being made on behalf of Joint Claimants, then both must sign. 3. Please remember to attach copies of supporting documentation, if available. 4. Do not send originals of any supporting documents. 5. Keep a copy of your Claim Form and all supporting documentation submitted for your records. | <ol style="list-style-type: none"> 6. If you desire an acknowledgment of receipt of your Claim Form please send it Certified Mail, Return Receipt Requested. 7. If you move, please send your new address to:
 <div style="text-align: center; margin-left: 100px;"> <i>American Apparel, Inc. Shareholder Litigation</i>
 c/o Gilardi & Co, LLC
 P.O. Box 8040
 San Rafael, CA 94912-8040 </div> 8. Do not use red pen or highlighter on the Claim Form or supporting documentation. |
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**THIS PROOF OF CLAIM AND RELEASE MUST BE POSTMARKED NO LATER THAN SEPTEMBER 2, 2014
 AND MUST BE MAILED TO:**

American Apparel, Inc. Shareholder Litigation
c/o Gilardi & Co, LLC
P.O. Box 8040
San Rafael, CA 94912-8040

