

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION

IN RE AMERICAN APPAREL, INC.  
SHAREHOLDER LITIGATION

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

This Document Relates To: All Actions

**SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS  
ACTION, MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES,  
AND SETTLEMENT FAIRNESS HEARING**

**TO: 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 (THE "CLASS").**

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and Order of the Court, that the above-captioned action has been certified as a class action for purposes of settlement only and that a settlement for Four Million Eight Hundred Thousand Dollars (\$4,800,000) has been proposed. A hearing will be held before the Honorable Margaret M. Morrow in the United States District Court for the Central District of California, U.S. Courthouse, 255 East Temple Street, Los Angeles, California 90012, Courtroom 780, at 10:00 a.m., on July 28, 2014 to determine whether: (1) the proposed Settlement should be approved as fair, reasonable and adequate; (2) the proposed Plan of Allocation should be approved as fair and reasonable; (3) Lead Counsel's application for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved; (4) Lead Plaintiff's application for reimbursement of reasonable costs and expenses (including lost wages) in connection with representing the Class should be approved; and (5) the Action should be dismissed with prejudice against Defendants, and the releases specified and described in the Stipulation and Agreement of Settlement dated January 17, 2014 should be granted.

**IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS  
WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT  
FUND.** If you have not yet received the full printed Notice of Pendency and Proposed Settlement of Class Action, Motion for Attorneys' Fees and Litigation Expenses, and Settlement Fairness Hearing (the "Notice") and Proof of Claim and Release form ("Claim Form"), you may obtain copies of these documents by contacting the Claims Administrator: *American Apparel, Inc. Shareholder Litigation*, c/o Gilardi & Co, LLC, P.O. Box 8040, San Rafael, CA 94912-8040, (877) 263-8642. Copies of the Notice and Claim Form can also be downloaded from the website, [www.americanapparelshareholdersettlement.com](http://www.americanapparelshareholdersettlement.com).

If you are a Class Member, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form *postmarked* no later than September 2, 2014. If you are a Class Member and do not submit a proper Claim Form, you will not be eligible to share in the distribution of the net proceeds of the Settlement but you will nevertheless be bound by any judgments entered by the Court in this Action.

If you are a Class Member, you have the right to object to the proposed Settlement, the proposed Plan of Allocation, the request by Lead Counsel for an award of attorneys' fees and Litigation Expenses and/or Lead Plaintiff's request for reimbursement of costs and expenses. Any objections must be filed with the Court and delivered to Lead Counsel and Defendants' Counsel such that they are *received* no later than July 7, 2014, in accordance with the instructions set forth in the Notice. If you are a Class Member, you also have the right to exclude yourself from the Class. Requests for exclusion must be submitted to the Claims Administrator such that they are *received* no later than July 7, 2014, in accordance with the instructions set forth in the Notice. If you are a Class Member and do not exclude yourself from the Class, you will be bound by any judgments entered by the Court in this Action.

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING  
THIS NOTICE.** Inquiries, other than requests for the forms of the Notice and Claim Form, may be made to Lead Counsel:

Eli R. Greenstein, Esq.  
Stacey M. Kaplan, Esq.  
Kessler Topaz Meltzer & Check, LLP  
One Sansome Street, Suite 1850  
San Francisco, CA 94104

Jennifer L. Enck, Esq.  
Kessler Topaz Meltzer & Check, LLP  
280 King of Prussia Road  
Radnor, PA 19087

Further information may also be obtained by directing your inquiry in writing to the Claims Administrator, Gilardi & Co, LLC, at the address listed above, or by visiting the website, [www.americanapparelshareholdersettlement.com](http://www.americanapparelshareholdersettlement.com).

DATED: April 16, 2014

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA