

AMPAL-AMERICAN ISRAEL CORP

FORM 8-K (Current report filing)

Filed 08/31/12 for the Period Ending 08/30/12

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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 30, 2012 (August 29, 2012)

Ampal-American Israel Corporation

(Exact name of registrant as specified in its charter)

New York (State or other jurisdiction of incorporation)	0-538 (Commission File Number)	13-0435685 (IRS Employer Identification No.)
555 Madison Avenue New York, NY, USA (Address of principal executive offices)	10022 (Zip Code)	
(866) 447-8636 (Registrant's telephone number, including area code)		

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.03. Bankruptcy or Receivership.

On August 29, 2012, Ampal-American Israel Corporation (the “Company”) filed a voluntary petition for relief (the “Filing”) under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Court”), Case No. 12-13689. The Company will continue to operate its business as a “debtor-in-possession” under the jurisdiction of the Court and in accordance with applicable provisions of the Bankruptcy Code and the orders of the Court. As a result of the Filing, an “automatic stay” was imposed, prohibiting the continuation or commencement of any actions against the Company and its assets, wherever located.

On August 29, 2012, the Company issued a press release regarding the Filing, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The Filing and other filings and materials relating to the case may also be accessed at the website, <http://dm.epiq11.com/AMP/Project>. The information on the website shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

As part of the Filing, the Company also filed a variety of customary motions with the Court (the “First Day Motions”) to approve, among other things, the Company’s access to its bank accounts, business forms and cash management system to allow the Company to continue operating its business and managing its payments and deposits efficiently and effectively.

The Court considered and took action on the First Day Motions on August 30, 2012. One of the First Day Motions that the Court granted was an Order Enforcing the Automatic Stay. A copy of the Order is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

On August 30, 2012, the Company received notice from the Listing Qualifications Staff (the “Staff”) of The NASDAQ Stock Market LLC (“NASDAQ”) indicating that the Staff had determined that the Company’s filing for protection under Chapter 11 of the Bankruptcy Code served as an additional basis for delisting the Company’s Class A Stock (the “Stock”) from The NASDAQ Capital Market (the “NASDAQ Capital Market”). As previously disclosed, the Company had been notified by NASDAQ that the Staff had determined to delist the Stock based upon the Company’s non-compliance with the minimum \$2.5 million stockholders’ equity requirement, as set forth in NASDAQ Listing Rule 5550(b), for continued listing on the NASDAQ Capital Market (the “Staff Determination”).

On August 28, 2012, the Company requested a hearing before the NASDAQ Hearings Panel (the “Panel”), which will stay any action arising from the Staff Determination until the Panel renders a decision subsequent to the hearing. While the Company is diligently working to regain compliance with the applicable listing standards, there can be no assurance that the Panel will grant the Company’s request for continued listing on the NASDAQ Capital Market.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
99.1	Press Release of Ampal-American Israel Corporation, dated August 29, 2012.
99.2	Order Enforcing the Automatic Stay, dated August 30, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMPAL-AMERICAN ISRAEL CORPORATION

Date: August 30, 2012

By: /s/ Yoram Firon

Name: Yoram Firon

Title: *Vice President - Investments and
Corporate Affairs and Secretary*

EXHIBIT INDEX

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AMPAL-AMERICAN ISRAEL CORPORATION FILES CHAPTER 11 PETITION

Seeks to Restructure Public Debentures

TEL AVIV, Israel, August 29, 2012 – Ampal-American Israel Corporation (Nasdaq: AMPL), a holding company with experience in acquiring interests in various businesses with emphasis in recent years on energy, chemical and related fields, announced today that it has filed a voluntary petition for Chapter 11 reorganization in the U.S. Bankruptcy Court for the Southern District of New York. The Company’s Board of Directors determined that such a filing is in the best interests of the Company’s stakeholders and the best and most efficient method for the Company to pursue a plan to restructure the Company’s Series A, Series B and Series C debentures (the "Debentures").

As a result of the filing and pursuant to Section 362(a) of the United States Bankruptcy Code, immediately upon the filing of the petition an injunction referred to as the “automatic stay” was imposed staying the continuation or commencement of any actions against the Company and its assets, wherever located. Therefore, all of the Company’s creditors are prohibited from enforcing any of their rights and bringing any claims against the Company or any of its assets, wherever located.

The Company has been seeking to negotiate agreements with the holders of the Debentures for eight months. The Company offered the Debenture holders a number of proposals to restructure the Debentures, including the proposed outline for arrangement that the Company published on July 17, 2012, as amended on July 30, 2012. At this time, the Company has determined that the best forum to continue negotiations and to seek approval of a restructure plan is through the Chapter 11 process.

The Company expects to work closely with its Debenture holders, creditors and other stakeholders to implement a restructuring plan through the Chapter 11 case, and to emerge as a financially stronger company.

In conjunction with the filing, the Company intends to file a variety of first day motions that will allow it to continue to manage operations in the ordinary course. Those motions include:

1. Request to maintain and use existing bank accounts, checks and business forms;
2. Request a waiver of the requirements to file an equity list and provide notice to equity security holders;
3. Request a motion for an order prohibiting utilities from altering, refusing or discontinuing service and deeming utilities adequately assured of future performance; and
4. Request an order authorizing the employment and retention of Bryan Cave LLP as Attorneys for the Company.

Bryan Cave LLP, New York, New York, is the Company's counsel in connection with the filing.

About Ampal:

Ampal and its subsidiaries acquire interests primarily in businesses located in the State of Israel or that are Israel-related. Ampal is seeking opportunistic situations in a variety of industries, with a focus on energy, chemicals and related sectors. Ampal's goal is to develop or acquire majority interests in businesses that are profitable and generate significant free cash flow that Ampal can control. For more information about Ampal please visit our web site at www.ampal.com.

Safe Harbor Statement

Certain information in this press release includes forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934) and information relating to Ampal that are based on the beliefs of management of Ampal as well as assumptions made by and information currently available to the management of Ampal. When used in this press release, the words "anticipate," "believe," "estimate," "expect," "intend," "plan," and similar expressions as they relate to Ampal or Ampal's management, identify forward-looking statements. Such statements reflect the current views of Ampal with respect to future events or future financial performance of Ampal, the outcome of which is subject to certain risks and other factors which could cause actual results to differ materially from those anticipated by the forward-looking statements, including among others, the economic and political conditions in Israel, the Middle East, including the situation in Iraq and Egypt, and the global business and economic conditions in the different sectors and markets where Ampal's portfolio companies operate. Should any of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcome may vary from those described herein as anticipated, believed, estimated, expected, intended or planned. Subsequent written and oral forward-looking statements attributable to Ampal or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements in this paragraph. Please refer to the Ampal's annual, quarterly and periodic reports on file with the SEC for a more detailed discussion of these and other risks that could cause results to differ materially. Ampal assumes no obligation to update or revise any forward-looking statements.

UNITED STATES BANKRUPTCY
COURT
SOUTHERN DISTRICT OF NEW
YORK

	X	
	:	
In re:	:	Chapter 11
	:	
Ampal-American Israel Corporation,	:	Case No. 12-13689(SMB)
	:	
Debtor.	:	
	:	
	X	

**ORDER GRANTING DEBTOR’S MOTION FOR AN ORDER ENFORCING THE
AUTOMATIC STAY**

Upon consideration of the motion (the “Motion”) ¹ of Ampal-American Israel Corporation (the “Debtor”) seeking entry of an order enforcing the automatic stay, and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and due notice of the Motion having been provided to (i) the Debtor’s unsecured creditors and (ii) the United States Trustee for this District; and it appearing that no other or further notice of the Motion need be provided; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtor, its estate, and all parties in interest; and upon the Motion, and the First Day Declaration; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that, automatic stay, as set forth in Section 362(a) of the Bankruptcy Code, is applicable to the Debtor, and the property of the estate wherever located, and all parties are stayed from bringing actions against the Debtor or property of estate in this or any other jurisdiction; and it is further

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

ORDERED that each and every provision of Section 362(a) of the Bankruptcy Code, as stated below, is currently in effect:

Except as provided in subsection (b) of this section, a petition filed under section 301, 302, or 303 of this title, or an application filed under section 5(a)(3) of the Securities Investor Protection Act of 1970, operates as a stay, applicable to all entities, of—

- (1) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title;
- (2) the enforcement, against the debtor or against property of the estate, of a judgment obtained before the commencement of the case under this title;
- (3) any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate;
- (4) any act to create, perfect, or enforce any lien against property of the estate;
- (5) any act to create, perfect, or enforce against property of the debtor any lien to the extent that such lien secures a claim that arose before the commencement of the case under this title;
- (6) any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under this title;
- (7) the setoff of any debt owing to the debtor that arose before the commencement of the case under this title against any claim against the debtor; and
- (8) the commencement or continuation of a proceeding before the United States Tax Court concerning a tax liability of a debtor that is a corporation for a taxable period the bankruptcy court may determine or concerning the tax liability of a debtor who is an individual for a taxable period ending before the date of the order for relief under this title.

and it is further

ORDERED that no party other than the Debtor (or any trustee appointed herein or other person expressly authorized by this Court) may take action with respect to claims that may be asserted by the Debtor under Sections 544-550 of the Bankruptcy Code, or that are property of the Debtor's estate under Section 541 of the Bankruptcy Code; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion; and it is further

ORDERED that this Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order, notwithstanding any provision to the contrary in the Motion.

Dated: August 30, 2012
New York, New York

/s/ Stuart M. Bernstein
UNITED STATES BANKRUPTCY JUDGE
