

AMC Networks Inc.
Form 4
January 08, 2018

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
AMC Networks Inc.

2. Issuer Name and Ticker or Trading Symbol
RLJ ENTERTAINMENT, INC.
[RLJE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/05/2018

____ Director 10% Owner
____ Officer (give title below) ____ Other (specify below)

11 PENN PLAZA

(Street)

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

NEW YORK, NY 10001

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 01/05/2018 | | J ⁽¹⁾ | 678,095 | A \$ 4.25 | 3,821,588 | I |
| | | | | | | | By Subsidiary ⁽²⁾ |

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

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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 Amount of Underlying Security (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|--------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount |
| Common Stock Warrant (Right to Buy) | \$ 1.5 ⁽³⁾ | 01/05/2018 | | J ⁽¹⁾ | 747,945 | 05/20/2015 | 05/20/2020 | Common Stock | 7 |
| Series D-1 Convertible Preferred Stock | \$ 3 | 01/05/2018 | | J ⁽¹⁾ | 7,479,432 ⁽⁶⁾ | 10/14/2016 | 05/20/2020 | Common Stock | 2, |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| AMC Networks Inc. 11 PENN PLAZA NEW YORK, NY 10001 | | | X | |

Signatures

/s/ James G. Gallagher, Executive Vice President and General Counsel of AMC Networks Inc.

01/08/2018

__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).

Pursuant to a Stock Purchase Agreement by and among Digital Entertainment Holdings LLC, an indirect wholly owned subsidiary of AMC Networks Inc. ("DEH"), JH Partners Evergreen Fund, L.P., Forrestal, LLC, JH Investment Partners III, L.P. and JH Investment Partners GP Fund III, LLC (collectively, the "JHP Entities"), dated as of January 5, 2018, DEH purchased from the JHP Entities (i) shares of common stock, par value \$0.001 per share ("Common Stock"), of RLJ Entertainment, Inc., a Nevada corporation ("RLJE"), (ii) shares of Series D-1 preferred stock of RLJE, par value \$0.001 per share ("Preferred Stock"), and (iii) warrants ("Warrants") to purchase shares of Common Stock from RLJE with an adjusted exercise price of \$1.50 and an initial exercise date of May 20, 2015 (each share of Common Stock issuable upon exercise of a Warrant, a "Warrant Share").

(2) AMC may be deemed to beneficially own the shares of Common Stock, the shares of Preferred Stock and the Warrants indirectly through its wholly owned subsidiaries. The Common Stock, Preferred Stock, and the Warrants are held directly by DEH, a direct wholly owned subsidiary of IFC Entertainment Holdings LLC. IFC Entertainment Holdings LLC is a direct wholly owned subsidiary of Rainbow Programming Holdings LLC. Rainbow Programming Holdings LLC is a direct wholly owned subsidiary of Rainbow Media Enterprises, Inc. Rainbow Media Enterprises, Inc. is a direct wholly owned subsidiary of Rainbow Media Holdings LLC. Rainbow Media Holdings LLC is a direct wholly owned subsidiary of AMC.

(3) The exercise price per Warrant Share is subject to adjustment from time to time in order to prevent dilution of the purchase rights granted under the terms of the Warrants.

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- (4) The purchase price per Warrant is equal to the \$4.25 purchase price per share of Common Stock minus \$1.50, the adjusted exercise price of each Warrant.
- (5) The number of Warrant Shares is subject to adjustment from time to time in order to prevent dilution of the purchase rights granted under the terms of the Warrants.
- The aggregate stated value of the 7,479.432 shares of the Preferred Stock is \$8,681,068, which includes the original certificate value of \$1,000 per share of Preferred Stock plus accrued dividends on each share of Preferred Stock through April 1, 2017. Thereafter, additional dividends have been accrued daily, compounded monthly, and have been and will be paid quarterly in cash or equity at RLJE's discretion. As of January 8, 2018, the 7,479.432 shares of the Preferred Stock are convertible into 2,893,693 shares of Common Stock.
- (6) The purchase price per share of Preferred Stock is calculated based on the \$4.25 purchase price per share of Common Stock multiplied by the 2,893,693 shares of Common Stock issuable upon conversion of each share of Preferred Stock.
- (7)

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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