

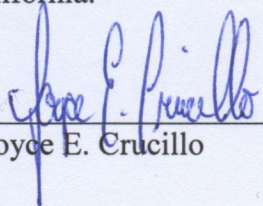
**DECLARATION OF JOYCE E. CRUCILLO**

I, Joyce E. Crucillo, declare as follows:

1. I am General Counsel of American Apparel, Inc., and attorney of record for American Apparel, Inc. and Dov Charney in the case of Mary Nelson v. American Apparel, Inc. et al., Case No. BC333028, Los Angeles Superior Court (which I will refer to below as “the Nelson Case”).
2. Approximately 3 weeks before trial was scheduled to commence in the Nelson Case, Mary Nelson’s attorney, Keith Fink, approached me to discuss the possibility of settling the case. During our discussion, Mr. Fink admitted to me that his client’s sexual harassment claims were “bogus.” He also told me that this case should have been settled sooner but for the fact that Ms. Nelson was “unstable.”

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed on November 29, 2008, in Los Angeles, California.

  
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Joyce E. Crucillo

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