

Friedman Lester M
Form 3
June 16, 2010

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol |
| Â Friedman Lester M | (Month/Day/Year) | Great American Group, Inc. [GAMR] |
| (Last) (First) (Middle) | 06/16/2010 | |
| | | 4. Relationship of Reporting Person(s) to Issuer |
| | | 5. If Amendment, Date Original Filed(Month/Day/Year) |

C/O GREAT AMERICAN GROUP, INC., 21860 BURBANK BLVD., SUITE 300 SOUTH
(Street)

(Check all applicable)

Director 10% Owner
 Officer Other
(give title below) (specify below)
Managing Director, GA&AV, LLC

WOODLAND HILLS, CA 91367
(City) (State) (Zip)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Common Stock | 48,953 (1) (2) (3) (4) (5) | D | Â |

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

SEC 1473 (7-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security | 4. Conversion or Exercise | 5. Ownership Form of | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|--|---------------------------|----------------------|---|
|--|--|--|---------------------------|----------------------|---|

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| Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Price of Derivative Security | Derivative Security: Direct (D) or Indirect (I) |
|------------------|-----------------|-------|----------------------------|------------------------------|---|
| | | | | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Friedman Lester M C/O GREAT AMERICAN GROUP, INC. 21860 BURBANK BLVD., SUITE 300 SOUTH WOODLAND HILLS, CA 91367 | Â | Â | Â | Â |
| | | | Managing Director, GA&AV, LLC | |

Signatures

/s/ Lester M. Freidman 06/16/2010

__Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 5(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).

The reporting person acquired these securities on July 31, 2009, as consideration for the reporting person's interest in the Great American Group, LLC ("GAG, LLC") Phantom Equityholder Plan. The issuer acquired GAG, LLC on July 31, 2009 pursuant to the Agreement and Plan of Reorganization, dated as of May 14, 2009, as amended by Amendment No. 1 to Agreement and Plan of Reorganization, dated as of May 29, 2009, Amendment No. 2 to Agreement and Plan of Reorganization, dated as of July 8, 2009, and Amendment No. 3 to Agreement and Plan of Reorganization, dated as of July 28, 2009 (as amended, the "Purchase Agreement"), among, inter alia, Alternative Asset Management Acquisition Corp. ("AAMAC"), the issuer, which was then a wholly-owned subsidiary of AAMAC, AAMAC Merger Sub, Inc., then a wholly-owned subsidiary of the issuer, GAG, LLC, the GAG, LLC Members and the representative of the GAG, LLC (including the reporting person).

In addition, the Purchase Agreement provides for the issuance of an aggregate of up to 123,703 additional shares of common stock (the "Contingent Stock Consideration") to the reporting person as follows: (a) in the event GAG, LLC achieves any one of (i) \$45.0 million in Adjusted EBITDA (as defined in the Purchase Agreement) for the 12 months ending December 31, 2009, (ii) \$47.5 million in Adjusted EBITDA for the 12 months ending March 31, 2010, or (iii) \$50.0 million in Adjusted EBITDA for the 12 months ending June 30, 2010, the issuer will be obligated to issue to the reporting person 41,235 shares of the Contingent Stock Consideration; (b) in the event GAG, LLC achieves \$55.0 million in Adjusted EBITDA (as defined in the Purchase Agreement) for the fiscal year ending December 31, 2010, then the issuer will be obligated to issue to the reporting person 41,234 shares of the Contingent Stock Consideration; and

(c) in the event GAG, LLC achieves \$65.0 million in Adjusted EBITDA (as defined in the Purchase Agreement) for the fiscal year ending December 31, 2011, then the issuer will be obligated to issue to the reporting person 41,234 shares of the Contingent Stock Consideration; provided, however, that if the issuer does not achieve the December 31, 2010 Adjusted EBITDA target but does achieve the December 31, 2011 Adjusted EBITDA target, then the issuer will be obligated to issue to the reporting person 82,468 shares of the Contingent Stock Consideration. The issuance of Contingent Stock Consideration will be in accordance with the Purchase Agreement. The issuer did not achieve the Adjusted EBITDA target for the year ending December 31, 2009.

The Contingent Stock Consideration will be issued to the reporting person to the extent earned and with respect to the applicable target period, in three equal installments, beginning on the first anniversary of the closing of the Acquisition and issuable on each anniversary of the closing of the Acquisition thereafter in accordance with the Purchase Agreement. If none of the Adjusted EBITDA targets are achieved, then the reporting person will not receive any of the shares listed above. The Acquisition Agreement and an Amendment Agreement and Release between the reporting person and the issuer dated as of July 31, 2009 also provides for the potential future issuance of 154,583 shares of common stock to the reporting person, provided that the reporting person is continuously employed by the issuer on each of the vesting dates.

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- The actual number of shares that may be received by the reporting person may vary based on provisions of the agreements that provide that the reporting person's relative percentage of the total closing stock consideration may increase if other eligible participants terminate
- (5) their employment prior to the vesting of their right to receive the shares of common stock. The vesting dates are July 31, 2010 and January 31, 2011. Of these shares, 30,917 shares are subject to an indemnity escrow and are subject to forfeiture during the escrow period to satisfy certain indemnification claims.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.