

AMPAL-AMERICAN ISRAEL CORP
Form 4
September 24, 2007

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 *
MAIMAN YOSEF A

2. Issuer Name and Ticker or Trading Symbol
AMPAL-AMERICAN ISRAEL CORP [AMPL]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
33 HAVAZELET HASHARON STREET
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/20/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
President & CEO

HERZLIYA, ISRAEL, L3 46106
(City) (State) (Zip)

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

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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Price | | |
| | | | | Code | V | Amount | |
| Class A Stock | 09/20/2007 | | C(1)(2) | | 4,476,389 | A | See Footnote (3) |
| | | | | | (1) (2) | | |
| | | | | | (1) (2) | | |
| | | | | | 32,976,674 | I | |
| | | | | | (3) | | |

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

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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 of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|
| Convertible Promissory Note | \$ 4.65 | 09/20/2007 | | C ⁽¹⁾⁽²⁾ | 4,476,389 (1) (2) | 02/07/2007 09/20/2007 ⁽¹⁾ | Class A Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| MAIMAN YOSEF A 33 HAVAZELET HASHARON STREET HERZLIYA, ISRAEL, L3 46106 | X | X | President & CEO | |

Signatures

/s/ Yosef A.

Maiman

09/24/2007

**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).

(1) On November 28, 2006, Merhav (M.N.F.) Ltd. ("Merhav") entered into an agreement with a wholly owned subsidiary of the Issuer for the sale of a portion of Merhav's interest in East Mediterranean Gas Co. S.A.E., an Egyptian company ("EMG"). The transaction closed on December 21, 2006. The purchase price for the shares of EMG was approximately \$128.3 million, of which, approximately \$68.3 million was paid to Merhav in cash, \$40 million was paid in 8,602,151 shares of the Company's Class A Stock and the balance was paid by a promissory note in the principal amount of \$20 million (the "Convertible Promissory Note"), which, at the option of Merhav, could be paid in cash, additional shares of the Company's Class A Stock (based on a price per share of \$4.65), or a combination thereof. The Convertible Promissory Note bears interest at 6 months LIBOR (5.375%) and matures in one or more partial payments on the earlier of September 20, 2007 or upon demand by Merhav.

(2) On September 20, 2007, Merhav exercised its option to convert the outstanding balance of \$20,815,208 on the Convertible Promissory Note into 4,476,389 shares of Class A Stock of the Company (based on a price per share of \$4.65). Upon exercising its right to conversion, Merhav surrendered to the Company the Convertible Promissory Note.

(3) Of these shares (i) 18,850,153 shares are owned indirectly through De Majorca Holdings Ltd. ("De Majorca"), an Israeli corporation of which 100% of the economic shares and one-fourth of the voting shares are owned by the reporting person, (ii) 9,650,132 shares are owned indirectly through Di-Rapallo Holdings Ltd. ("Di-Rapallo"), an Israeli corporation of which 100% of the economic shares and one-fourth of the voting shares are owned by the reporting person, and (iii) 4,476,389 shares are owned indirectly through Merhav, an Israeli corporation 100% owned by the reporting person. In addition, the reporting person holds an option to acquire the remaining three-fourths of the voting shares of both Di-Rapallo and De Majorca (which are currently owned by Ohad Maiman, Yoav Maiman and Noa Maiman, the son, son and daughter, respectively, of the reporting person).

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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