

FREDERICK'S OF HOLLYWOOD GROUP INC /NY/
Form 4
May 20, 2010

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
Fursa Alternative Strategies LLC

2. Issuer Name and Ticker or Trading Symbol

FREDERICK'S OF HOLLYWOOD GROUP INC /NY/ [FOH]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

05/18/2010

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

25 SMITH STREET

(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

FARMINGDALE, NY US 11735

(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)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	05/18/2010		P		8,664,373	A	(1) 17,051,333	I	Through affiliated funds (2) (3)
Series A 7.5% Convertible Preferred Stock	05/18/2010		S		3,629,325 (4)	D	(1) 0	I	Through affiliated funds (2) (3)

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

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(9-02)

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

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 Securities (Instr. 3 and 4)	
						Date Exercisable	Expiration Date	Title	Amount Number Shares
<u>Warrants</u> (5)	\$ 2	05/18/2010		J	500,000	05/18/2010	05/17/2013	Common Stock	500,000
<u>Warrants</u> (5)	\$ 2.33	05/18/2010		J	500,000	05/18/2010	05/17/2015	Common Stock	500,000
<u>Warrants</u> (5)	\$ 2.66	05/18/2010		J	500,000	05/18/2010	05/17/2017	Common Stock	500,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Fursa Alternative Strategies LLC 25 SMITH STREET FARMINGDALE, NY US 11735		X		

Signatures

/s/ William F. Harley, III, Chief Investment Officer
05/19/2010

**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)

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Pursuant to a Debt Exchange and Preferred Stock Conversion Agreement with the Issuer, dated as of February 1, 2010, the Reporting Person, on behalf of affiliated investment funds and separately managed accounts, converted an aggregate of 3,629,325 shares of Series A 7.5% Convertible Preferred Stock ("Preferred Stock") and approximately \$1.3 million of accrued dividends payable in additional shares of Preferred Stock, and exchanged an aggregate of approximately \$14.3 million principal amount and accrued interest of long term debt, into an aggregate of 8,664,373 shares of common stock of the Issuer, at an effective price of approximately \$2.66 per share.

- (2) The Reporting Person is a registered investment adviser, and serves as investment advisor to affiliated investment funds and separately managed accounts over which it exercises discretionary authority. By virtue of its relationship with such affiliated funds and separately managed accounts, the Reporting Person may be deemed to have sole voting and dispositive power over the shares of the Issuer's securities, and so may be deemed to beneficially own such shares.

- (3) William F. Harley, III, the Chief Investment Officer of the Reporting Person, is also a director of the Issuer. Mr. Harley may be deemed to exercise beneficial ownership of the Reporting Person's holdings in the Issuer in connection with the execution of his responsibilities with the Reporting Person, but disclaims personal beneficial ownership of such holdings except to the extent of his personal pecuniary interest therein.

- (4) Represents an aggregate of 3,629,325 shares of Preferred Stock and approximately \$1.3 million of accrued dividends payable in additional shares of Preferred Stock.

- (5) These warrants were issued in connection with the consummation of the above-referenced Debt Exchange and Preferred Stock Conversion Agreement.

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.