

FRED'S INC  
Form SC 13D/A  
October 19, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT

TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO

§ 240.13d-2(a)

(Amendment No. 4)<sup>1</sup>

Fred's, Inc.

(Name of Issuer)

Class A Common Stock

(Title of Class of Securities)

356108100

(CUSIP Number)

Heath freeman

alden global capital llc

885 Third Avenue

New York, NY 10022

(212) 888-5500

andrew freedman, ESQ.

OLSHAN FROME WOLOSKY LLP

1325 Avenue of the Americas

New York, New York 10019

(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

October 17, 2018

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box “.

*Note:* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* § 240.13d-7 for other parties to whom copies are to be sent.

1 The remainder of this cover page shall be filled out for a reporting person’s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the *Notes*).

CUSIP No. 356108100

1	NAME OF REPORTING PERSON	
	Strategic Investment Opportunities LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		11,375,000
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		11,375,000

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

11,375,000

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY AMOUNT  
IN ROW (11)

30.5%

14 TYPE OF REPORTING  
PERSON

OO

CUSIP No. 356108100

1	NAME OF REPORTING PERSON	
	Alden Global Capital LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER <sup>(a)</sup> OF A GROUP <sup>(b)</sup>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
7	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	SOLE VOTING POWER
		- 0 -
8		SHARED VOTING POWER
		11,375,000
9		SOLE DISPOSITIVE POWER
		- 0 -
10		SHARED DISPOSITIVE POWER
		11,375,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY	

EACH REPORTING PERSON

12	11,375,000 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
14	30.5% TYPE OF REPORTING PERSON
	IA, OO

CUSIP No. 356108100

1	NAME OF REPORTING PERSON	
	Heath Freeman	
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)	
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7   8   9  10	SOLE VOTING POWER  231,617*  SHARED VOTING POWER  11,375,000  SOLE DISPOSITIVE POWER  231,617*  SHARED DISPOSITIVE POWER  11,375,000

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
	11,606,617*
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
14	31.2% TYPE OF REPORTING PERSON
	IN

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\* Represents restricted stock units that have not yet vested, which were granted to Mr. Freeman as compensation for his service on the Board of Directors of the Issuer.



CUSIP No. 356108100

The following constitutes Amendment No. 4 to the Schedule 13D filed by the undersigned (the "Amendment No. 4"). This Amendment No. 4 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by Opportunities were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted. The aggregate purchase price of the 11,375,000 Shares owned directly by Opportunities is approximately \$164,190,504, excluding brokerage commissions.

The 231,617 Shares reported owned by Mr. Freeman represent restricted stock units ("RSUs") that have not yet vested, which were granted to Mr. Freeman as compensation for his service on the Board of Directors of the Issuer (the "Board"). The RSUs vest as follows: (i) 59,028 RSUs vests upon the retirement of Mr. Freeman from the Board and (ii) 172,589 RSUs vests six (6) months following the retirement of Mr. Freeman from the Board.

Item 5. Interest in Securities of the Issuer.

Items 5(a)-(c) are hereby amended and restated to read as follows:

The aggregate percentage of Shares reported owned by each person named herein is based upon 37,260,158 Shares outstanding as of September 7, 2018, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on September 18, 2018.

A. Opportunities

(a) As of the close of business on October 19, 2018, Opportunities beneficially owned 11,375,000 Shares.  
Percentage: Approximately 30.5%

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 11,375,000
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 11,375,000

(c) The transactions in the Shares by Opportunities since the filing of Amendment No. 3 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

B. Alden

(a) Alden, as the investment manager of Opportunities, may be deemed the beneficial owner of the 11,375,000 Shares owned by Opportunities.  
Percentage: Approximately 30.5%

CUSIP No. 356108100

- (b)
1. Sole power to vote or direct vote: 0
  2. Shared power to vote or direct vote: 11,375,000
  3. Sole power to dispose or direct the disposition: 0
  4. Shared power to dispose or direct the disposition: 11,375,000

Alden has not entered into any transactions in the Shares since the filing of Amendment No. 3 to the Schedule 13D.  
(c) The transactions in the Shares on behalf of Opportunities since the filing of Amendment No. 3 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

C.

Mr. Freeman

As of the close of business on October 19, 2018, Mr. Freeman beneficially owned 231,617 Shares underlying  
(a) RSUs which have not yet vested. Mr. Freeman, as the President of Alden, may be deemed the beneficial owner of the 11,375,000 Shares owned by Opportunities.

Percentage: Approximately 31.2%

- (b)
1. Sole power to vote or direct vote: 231,617
  2. Shared power to vote or direct vote: 11,375,000
  3. Sole power to dispose or direct the disposition: 231,617
  4. Shared power to dispose or direct the disposition: 11,375,000

- (c) Mr. Freeman has not entered into any transactions in the Shares since the filing of Amendment No. 3 to the Schedule 13D. The transactions in the Shares on behalf of Opportunities since the filing of Amendment No. 3 to the Schedule 13D are set forth in Schedule A and are incorporated herein by reference.

The Reporting Persons, as members of a “group” for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

CUSIP No. 356108100

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: October 19, 2018

Strategic Investment  
Opportunities LLC

Alden Global Capital  
By: LLC  
Investment Manager

By: /s/ Heath Freeman  
Name: Heath Freeman  
Title: President

Alden Global Capital  
LLC

By: /s/ Heath Freeman  
Name: Heath Freeman  
Title: President

/s/ Heath Freeman  
Heath Freeman

CUSIP No. 356108100

SCHEDULE A

Transactions in the Shares Since the Filing of Amendment No. 3 to the Schedule 13D

Shares of Common Stock Price Per Date of

Purchased/(Sold)      Share(\$) Purchase/Sale

Strategic Investment Opportunities LLC

70,000 2.5270 10/15/2018  
106,000 2.6139 10/16/2018  
974,000 2.6767 10/17/2018  
950,000 3.0817 10/19/2018