

LASRY MARC  
Form 4  
March 17, 2011

**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 \*  
Avenue Investments, L.P.

2. Issuer Name and Ticker or Trading Symbol  
MAGNACHIP SEMICONDUCTOR Corp [MX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
03/16/2011

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

C/O AVENUE CAPITAL MANAGEMENT II, L.P., 399 PARK AVENUE, 6TH FLOOR

(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

NEW YORK, NY 10022

(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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock, \$0.01 par value  | 03/10/2011                           |  | A                              |   | 1,458,684   | A  | (1) (2)   |
| Common Stock, \$0.01 par value  | 03/10/2011                           |  | A                              |   | 1,482,770   | A  | (1) (2)   |
| Common Stock,                   | 03/10/2011                           |  | A                              |   | 4,375,589   | A  | (1) (2)   |

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\$0.01 par value

Common Stock, \$0.01 par value 03/16/2011 S 357,810 D \$ 13.02 1,100,874 <sup>(2)</sup> D <sup>(6)</sup>

Common Stock, \$0.01 par value 03/16/2011 S 363,718 D \$ 13.02 1,119,052 <sup>(2)</sup> D <sup>(7)</sup>

Common Stock, \$0.01 par value 03/16/2011 S 1,073,316 D \$ 13.02 3,302,273 <sup>(2)</sup> D <sup>(8)</sup>

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

**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.**

SEC 1474 (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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                              |
| Warrants                                   | \$ 15.76   | 03/10/2011                           |  | A                              | 23,573 <sup>(1)</sup> <sup>(2)</sup>  | 03/10/2011 11/09/2014                                    | Common Stock, \$0.01 par value 23,573                         |
| Warrants                                   | \$ 15.76   | 03/10/2011                           |  | A                              | 30,315 <sup>(1)</sup> <sup>(2)</sup>  | 03/10/2011 11/09/2014                                    | Common Stock, \$0.01 par value 30,315                         |
| Warrants                                   | \$ 15.76   | 03/10/2011                           |  | A                              | 70,448 <sup>(1)</sup> <sup>(2)</sup>  | 03/10/2011 11/09/2014                                    | Common Stock, \$0.01 par value 70,448                         |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Avenue Investments, L.P.<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022                 | X             | X         |         |       |
| Avenue CDP Global Opportunities Fund LP<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022  | X             |           |         |       |
| Avenue International Master, L.P.<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022        | X             | X         |         |       |
| AVENUE INTERNATIONAL, LTD.<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022               |               |           | X       |       |
| Avenue International Master GenPar, Ltd.<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022 |               |           | X       |       |
| Avenue Partners, LLC<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022                     |               |           | X       |       |
| LASRY MARC<br>C/O AVENUE CAPITAL MANAGEMENT II, L.P.<br>399 PARK AVENUE, 6TH FLOOR<br>NEW YORK, NY 10022                               |               |           | X       |       |

## Signatures

|   |                    |
|---|--------------------|
| Avenue Investments, L.P. By: Avenue Partners, LLC, its General Partner, By: /s/ Eric Ross,<br>attorney-in-fact for Marc Lasry, Managing Member  | 03/17/2011<br>Date |
| __Signature of Reporting Person   |                    |
| Avenue-CDP Global Opportunities Fund, L.P. By: Avenue Global Opportunities Fund<br>GenPar, LLC, its General Partner, By: /s/ Eric Ross, attorney-in-fact for Marc Lasry,<br>Managing Member | 03/17/2011<br>Date |
| __Signature of Reporting Person   |                    |
| Avenue International Master, L.P. By: Avenue International Master GenPar, Ltd., its General<br>Partner, By: /s/ Eric Ross, attorney-in-fact for Marc Lasry, Director                        | 03/17/2011<br>Date |
| __Signature of Reporting Person   |                    |

|   |            |
|---|------------|
| Avenue International, Ltd. By: /s/ Eric Ross, attorney-in-fact for Marc Lasry, Director               | 03/17/2011 |
| __Signature of Reporting Person   | Date       |
| Avenue International Master GenPar, Ltd. By: /s/ Eric Ross, attorney-in-fact for Marc Lasry, Director | 03/17/2011 |
| __Signature of Reporting Person   | Date       |
| Avenue Partners, LLC By: /s/ Eric Ross, attorney-in-fact for Marc Lasry, Managing Member              | 03/17/2011 |
| __Signature of Reporting Person   | Date       |
| /s/ Eric Ross, attorney-in-fact for Marc Lasry  | 03/17/2011 |
| __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) The persons reporting on this Form 4 (the "Reporting Persons") originally acquired common units and warrants exercisable to purchase common units in connection with the reorganization of MagnaChip Semiconductor LLC, which converted into MagnaChip Semiconductor Corporation (the "Issuer"). The conversion, which is exempt under Rule 16b-7, resulted in the Reporting Persons receiving shares of Common Stock, par value \$0.01 (the "Common Stock"), and the warrants exercisable to purchase shares of Common Stock. The acquisition was approved in advance in accordance with Rule 16b-3.
 

The filing of this Form 4 shall not be construed as an admission that Avenue Global Opportunities GenPar, LLC ("Global GenPar"), Avenue International, Ltd. ("International"), Avenue International Master GenPar, Ltd. ("International GenPar"), Avenue Partners, LLC ("Avenue Partners"), Avenue Capital Management II, L.P. ("Avenue Capital Management"), Avenue Capital Management II GenPar, LLC ("Capital Management GenPar") or Marc Lasry (the "Controlling Persons") is or was for the purposes of Section 16(a) of the Securities Exchange Act of 1934, as amended, or otherwise the beneficial owner of any of the Common Stock, \$0.01 par value, of MagnaChip Semiconductor Corporation directly held by Avenue Investments, L.P. ("Avenue Investments"), Avenue-CDP Global Opportunities Fund, L.P. ("Avenue-CDP") and Avenue International Master, L.P. ("International Master"). Pursuant to Rule 16a-1, the Controlling Persons disclaim beneficial ownership except to the extent of their pecuniary interest therein.
  - (2) Avenue Investments received directly 1,458,684 shares of Common Stock of the Issuer as a result of the conversion. Avenue Partners serves as the general partner of Avenue Investments. Avenue Partners holds indirectly the 1,458,684 shares of Common Stock of the Issuer held directly by Avenue Investments. Avenue Partners has a direct performance-based allocation from Avenue Investments. Mr. Lasry owns an interest in Avenue Partners and receives a portion of the profits allocation related to Avenue Investments.
  - (3) Avenue-CDP received directly 1,482,770 shares of Common Stock of the Issuer as a result of the conversion. Global GenPar serves as the general partner of Avenue-CDP. Global GenPar holds indirectly the 1,482,770 shares of Common Stock of the Issuer held directly by Avenue-CDP. Global GenPar has a direct performance-based allocation from Avenue-CDP. Mr. Lasry owns an interest in Global GenPar and receives a portion of the profits allocation related to Avenue-CDP.
  - (4) International Master received directly 4,375,589 shares of Common Stock of the Issuer as a result of the conversion. International is the sole limited partner of International Master, International GenPar serves as the general partner of International Master and Avenue Partners is the sole shareholder of International GenPar. Each of International, International GenPar and Avenue Partners holds indirectly the 4,375,589 shares of Common Stock of the Issuer held directly by International Master. International GenPar has a direct performance-based allocation from International Master, and Avenue Partners, as the sole shareholder of International GenPar, has an indirect interest in such allocation. Mr. Lasry owns an interest in International GenPar and Avenue Partners and receives a portion of the profits allocation related to International Master.
  - (5) Avenue Investments holds directly 1,100,874 shares of Common Stock of the Issuer. Avenue Partners serves as the general partner of Avenue Investments. Avenue Partners holds indirectly the 1,100,874 shares of Common Stock of the Issuer held directly by Avenue Investments. Avenue Partners has a direct performance-based allocation from Avenue Investments. Mr. Lasry owns an interest in Avenue Partners and receives a portion of the profits allocation related to Avenue Investments.
  - (6) Avenue-CDP holds directly 1,119,052 shares of Common Stock of the Issuer. Global GenPar serves as the general partner of Avenue-CDP. Global GenPar holds indirectly the 1,119,052 shares of Common Stock of the Issuer held directly by Avenue-CDP. Global GenPar has a direct performance-based allocation from Avenue-CDP. Mr. Lasry owns an interest in Global GenPar and receives

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a portion of the profits allocation related to Avenue-CDP.

- (8) International Master holds directly 3,302,273 shares of Common Stock of the Issuer. International is the sole limited partner of International Master, International GenPar serves as the general partner of International Master and Avenue Partners is the sole shareholder of International GenPar. Each of International, International GenPar and Avenue Partners holds indirectly the 3,302,273 shares of Common Stock of the Issuer held directly by International Master. International GenPar has a direct performance-based allocation from International Master, and Avenue Partners, as the sole shareholder of International GenPar, has an indirect interest in such allocation. Mr. Lasry owns an interest in International GenPar and Avenue Partners and receives a portion of the profits allocation related to International Master.

- (9) Avenue Investments received directly 23,573 warrants exercisable to purchase shares of Common Stock of the Issuer as a result of the conversion. Avenue Partners serves as the general partner of Avenue Investments. Avenue Partners holds indirectly the 23,573 warrants exercisable to purchase shares of Common Stock of the Issuer held directly by Avenue Investments. Avenue Partners has a direct performance-based allocation from Avenue Investments. Mr. Lasry owns an interest in Avenue Partners and receives a portion of the profits allocation related to Avenue Investments.

- (10) Avenue-CDP received directly 30,315 warrants exercisable to purchase shares of Common Stock of the Issuer as a result of the conversion. Global GenPar serves as the general partner of Avenue-CDP. Global GenPar holds indirectly the 30,315 warrants exercisable to purchase shares of Common Stock of the Issuer held directly by Avenue-CDP. Global GenPar has a direct performance-based allocation from Avenue-CDP. Mr. Lasry owns an interest in Global GenPar and receives a portion of the profits allocation related to Avenue-CDP.

- (11) International Master received directly 70,448 warrants exercisable to purchase shares of Common Stock of the Issuer as a result of the conversion. International is the sole limited partner of International Master, International GenPar serves as the general partner of International Master and Avenue Partners is the sole shareholder of International GenPar. Each of International, International GenPar and Avenue Partners holds indirectly the 70,448 warrants exercisable to purchase shares of Common Stock of the Issuer held directly by International Master. International GenPar has a direct performance-based allocation from International Master, and Avenue Partners, as the sole shareholder of International GenPar, has an indirect interest in such allocation. Mr. Lasry owns an interest in International GenPar and Avenue Partners and receives a portion of the profits allocation related to International Master.

### Remarks:

This Form 4 is being filed by the Reporting Persons jointly with an additional Form 4 dated as of the same date with respect to Common Stock and warrants of the Issuer filed by Avenue Special Situations Fund IV, L.P., Avenue Capital Partners IV, LLC, Avenue Special Situations Fund V, L.P., Avenue Capital Partners V, LLC, GL Partners V, LLC, Avenue Capital Management I, L.P., Avenue Capital Management II GenPar, LLC and Marc Lasry due to the limitations on the number of Reporting Persons on a single Form 4.

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.