What is the impact on American Apparel's current ratio of the loan it received from Standard General?

American Apparel has been in the news in recent weeks. Its board fired CEO Dov Charney amid several reports of his misdeeds. The company has also lost $270 million over the past three years. Last week, one of American Apparel's creditors, Lion Capital, called a $10 million loan it had made to American Apparel. ("Calling" a loan means that the loan has to be repaid immediately; creditors can call a loan when loan terms are violated if there is a call option in the original loan agreement.)

An investment firm, Standard General, loaned $25 million to American Apparel to help it avoid bankruptcy for now. American Apparel will repay the $10 million it owes to Lion Capital and will still have funds left over for operating needs.

For additional information about Standard General's loan to American Apparel of $25 million, see Fortune, July 9, 2014, "Standard General gives American Apparel a $25 million lifeline."

Questions

1. Assume that Standard General has made a 10 year loan of $25 million to American Apparel. What is the impact on American Apparel's balance sheet (assets, liabilities, and equity) of this loan?
2. Will this $25 million loan cause American Apparel's current ratio to increase, decrease or remain the same? Explain.
3. Now assume that American Apparel issued stock to Standard General in exchange for the $25 million. What would have been the impact on American Apparel's balance sheet (assets, liabilities, and equity) of this loan? Would this equity transaction have affected American Apparel's current ratio any differently than if Standard General had made a 10 year loan instead? Explain.