

PRG SCHULTZ INTERNATIONAL INC
Form 4
March 05, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
Sandelman Partners, LP

2. Issuer Name and Ticker or Trading Symbol
PRG SCHULTZ INTERNATIONAL INC [PRGX]

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

(Last) (First) (Middle)
500 PARK AVENUE, 3RD FLOOR
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/01/2007

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

NEW YORK, NY 10022

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

(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	03/01/2007		S	167,981 D \$ 11.4938	0	I (1)	See Note. (1)
Common Stock	03/02/2007		S	25,000 D \$ 12.5505	0	I (1)	See Note. (1)
Common Stock	03/05/2007		S	28,854 D \$ 12.9369	0	I (1)	See Note. (1)
Common Stock	03/05/2007		C	61,540 (2) A \$ 6.5 (2)	7,686	I (1)	See Note (1)

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

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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)	Amount or Number of Shares
10% Senior Convertible Notes due 2011	\$ 6.5	03/05/2007		C	\$ 400,000 <u>(2)</u>	<u>(2)</u> 03/15/2011	Common Stock	61,54

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Sandelman Partners, LP 500 PARK AVENUE 3RD FLOOR NEW YORK, NY 10022		X		

Signatures

Jonathan Sandelman 03/05/2007

**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) Pursuant to an investment advisory agreement between Sandelman Partners, LP ("Sandelman") and Sandelman Partners Multi-Strategy Master Fund, Ltd., Sandelman has voting and investment (including dispositive) power with respect to the securities reported herein which are owned by Sandelman Partners Multi-Strategy Master Fund, Ltd. Sandelman Partners GP, LLC is the general partner of Sandelman and Jonathan Sandelman is the Managing Member of Sandelman Partners GP, LLC. Each of Sandelman, Sandelman Partners GP, LLC and Jonathan Sandelman expressly disclaims beneficial ownership of the securities noted above, except to the extent of any pecuniary interest of such person in such securities.
- (2) On March 5, 2007, Sandelman submitted for conversion \$400,000 of aggregate principal amount of the 10% Senior Convertible Notes due 2011("Senior Notes"). The Senior Notes are convertible at the option of the holder at any time prior to maturity into shares of

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Common Stock at the then-effective conversion price for the Senior Notes, subject to the anti-dilution and other adjustments described in the Senior Notes. As of March 5, 2007, the effective conversion price for the Senior Notes was \$6.50 per share of Common Stock. The initial conversion price provides an initial conversion rate of approximately 153.85 shares of common stock per \$1,000 of principal amount of Senior Notes.

- (3) On September 15, 2006, the Issuer issued new Senior Notes as in-kind interest on the Senior Notes, of which Sandelman received \$173,647.

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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