

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

PRG SCHULTZ INTERNATIONAL INC
Form SC 13D
February 04, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. ____)

PRG-Schultz International, Inc.

(Name of Issuer)

Common Stock, no par value per share

(Title of Class of Securities)

69357C 10 7

(CUSIP Number)

B. Joseph Alley, Jr., Esq.
Arnall Golden Gregory LLP
2800 One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3450

Curtis Swinson, Esq.
Malouf Lynch Jackson & Swinson
600 Preston Common East
8115 Preston Road
Dallas, Texas 75225-6342

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

January 24, 2002

(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 ss.ss. 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 ss. 240.13d-7(b) for other parties to whom copies are to be sent.

*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).

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

1 Name of Reporting Persons
 I.R.S. Identification Nos. of Above Persons
 Andrew H. Schultz

2 Check the Appropriate Box if a Member of a Group (a) X
 (b) _____

3 SEC Use Only

4 Source of Funds
 00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to
 Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization
 United States

7 Sole Voting Power
 1,797,422

NUMBER OF SHARES

8 BENEFICIALLY OWNED BY EACH Shared Voting Power
 REPORTING PERSON WITH 3,725,336 (1)

9 Sole Dispositive Power
 1,797,422

10 Shared Dispositive Power
 3,725,336 (1)

11 Aggregate Amount Beneficially Owned by Each Reporting Person
 5,522,758 (1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

13 Percent of Class Represented by Amount in Row (11)
 8.7 percent

14 Type of Reporting Person
 IN

(1) Includes 3,725,336 shares held by the Andrew H. Schultz Irrevocable Trust of which Mr. Schultz is the trustee and beneficiary.

1 Name of Reporting Persons
 I.R.S. Identification Nos. of Above Persons
 Andrew H. Schultz Irrevocable Trust

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

2 Check the Appropriate Box if a Member of a Group (a) X
(b)

3 SEC Use Only

4 Source of Funds 00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization Texas

7 Sole Voting Power 0

8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power 3,725,336(1)

9 Sole Dispositive Power 0

10 Shared Dispositive Power 3,725,336(1)

11 Aggregate Amount Beneficially Owned by Each Reporting Person 3,725,336(1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

13 Percent of Class Represented by Amount in Row (11) 5.7 percent

14 Type of Reporting Person 00

(1) Andrew H. Schultz is the trustee and beneficiary.

1 Name of Reporting Persons I.R.S. Identification Nos. of Above Persons Leslie Schultz

2 Check the Appropriate Box if a Member of a G (a) X
(b) _____

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

3 SEC Use Only

4 Source of Funds 00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization United States

7 Sole Voting Power 753

8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power 0

9 Sole Dispositive Power 753

10 Shared Dispositive Power 0

11 Aggregate Amount Beneficially Owned by Each Reporting Person 753(1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11) Less than one percent

14 Type of Reporting Person IN

(1) Leslie Schultz is the spouse of Howard Schultz.

1 Name of Reporting Persons I.R.S. Identification Nos. of Above Persons Nate Levine

2 Check the Appropriate Box if a Member of a Group (a) X (b)

3 SEC Use Only

4 Source of Funds 00

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization
United States

7 Sole Voting Power
26,200

8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power
0

9 Sole Dispositive Power
26,200

10 Shared Dispositive Power
0

11 Aggregate Amount Beneficially Owned by Each Reporting Person
26,200(1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

13 Percent of Class Represented by Amount in Row (11)
Less than one percent

14 Type of Reporting Person
IN

(1) Mr. Nate Levine is a director of PRG-Schultz.

1 Name of Reporting Persons
I.R.S. Identification Nos. of Above Persons
Arthur N. Budge, Jr.

2 Check the Appropriate Box if a Member of a Group (a) X
(b)

3 SEC Use Only

4 Source of Funds
00

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization
United States

7 Sole Voting Power
248,295 (1)

8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power
0

9 Sole Dispositive Power
248,295 (1)

10 Shared Dispositive Power
0

11 Aggregate Amount Beneficially Owned by Each Reporting Person
248,295 (1) (2)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

13 Percent of Class Represented by Amount in Row (11)
Less than one percent

14 Type of Reporting Person
IN

- (1) Mr. Arthur N. Budge, Jr. is a director of PRG-Schultz.
- (2) These shares are subject to currently exercisable options.

1 Name of Reporting Persons
I.R.S. Identification Nos. of Above Persons
The Zachary Herman Schultz Trust

2 Check the Appropriate Box if a Member of a Group (a) X
(b) _____

3 SEC Use Only

4 Source of Funds
00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

Texas

7	Sole Voting Power	0

NUMBER OF SHARES		
8	BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power	20,387

9	Sole Dispositive Power	0

10	Shared Dispositive Power	20,387

11	Aggregate Amount Beneficially Owned by Each Reporting Person	20,387(1)

12	Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares	<input type="checkbox"/>

13	Percent of Class Represented by Amount in Row (11)	<input type="checkbox"/>
	Less than one percent	

14	Type of Reporting Person	00

(1) Mr. Howard Schultz is a trustee of The Zachary Herman Schultz Trust.

=====		
1	Name of Reporting Persons	
	I.R.S. Identification Nos. of Above Persons	
	The Gabriella Schultz Trust	

2	Check the Appropriate Box if a Member of a Group	(a) X
		(b) <input type="checkbox"/>

3	SEC Use Only	

4	Source of Funds	00

5	Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)	<input type="checkbox"/>

6	Citizenship or Place of Organization	Texas

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

7 Sole Voting Powe
0

NUMBER OF SHARES

8 BENEFICIALLY OWNED BY EACH Shared Voting Power
REPORTING PERSON WITH 20,387

9 Sole Dispositive Power
0

10 Shared Dispositive Power
20,387

11 Aggregate Amount Beneficially Owned by Each Reporting Person
20,387(1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11)
Less than one percent

14 Type of Reporting Person
00

(1) Mr. Howard Schultz is a trustee of The Gabriella Schultz Trust.

9

1 Name of Reporting Persons
I.R.S. Identification Nos. of Above Persons
The Samuel Joel Trust

2 Check the Appropriate Box if a Member of a Group (a) X
(b) _____

3 SEC Use Only

4 Source of Funds
00

5 Check Box if Disclosure of Legal Proceedings is Required
Pursuant to Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization
Texas

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

7 Sole Voting Power 0

NUMBER OF SHARES -----

8 BENEFICIALLY OWNED BY EACH Shared Voting Power 20,387

REPORTING PERSON WITH -----

9 Sole Dispositive Power 0

10 Shared Dispositive Power 20,387

11 Aggregate Amount Beneficially Owned by Each Reporting Person 20,387(1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11) Less than one percent

14 Type of Reporting Person 00

=====

(1) Mr. Howard Schultz is a trustee of The Samuel Joel Trust.

10

=====

1 Name of Reporting Persons I.R.S. Identification Nos. of Above Persons The HHS Charitable Lead Annuity Trust

2 Check the Appropriate Box if a Member of a Group (a) X (b)

3 SEC Use Only

4 Source of Funds 00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization Texas

7 Sole Voting Power

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

		0
8	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	----- Shared Voting Power 690,153
9		----- Sole Dispositive Power 0
10		----- Shared Dispositive Power 690,153
11	Aggregate Amount Beneficially Owned by Each Reporting Person	----- 690,153 (1)
12	Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares	----- <input type="checkbox"/>
13	Percent of Class Represented by Amount in Row (11)	----- 1.1 percent
14	Type of Reporting Person	----- OO

(1) Mr. Harold Berman is the trustee of The HHS Charitable Lead Annuity Trust.

11

1	Name of Reporting Persons I.R.S. Identification Nos. of Above Persons Harold Berman	-----
2	Check the Appropriate Box if a Member of a Group	(a) X (b) _____
3	SEC Use Only	-----
4	Source of Funds	----- 00
5	Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)	----- <input type="checkbox"/>
6	Citizenship or Place of Organization	----- Texas
7		----- Sole Voting Power 0
8	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH	----- Shared Voting Power

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

REPORTING PERSON WITH 4,140,908

9 Sole Dispositive Power 0

10 Shared Dispositive Power 4,140,908

11 Aggregate Amount Beneficially Owned by Each Reporting Person 4,140,908 (1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11) 6.5 percent

14 Type of Reporting Person IN

=====

(1) Mr. Harold Berman is the trustee of The HHS Charitable Lead Annuity Trust, The LVS Charitable Lead Annuity Trust, The Daniel Alan Schultz HHS (2001) GST Trust, The Jaynie Schultz Romaner HHS (2001) GST Trust, The Andrew Harold Schultz HHS (2001) GST Trust, The Daniel Alan Schultz LVS (2001) GST Trust, The Jaynie Schultz Romaner LVS (2001) GST Trust and The Andrew Harold Schultz LVS (2001) GST Trust.

12

=====

1 Name of Reporting Persons I.R.S. Identification Nos. of Above Persons The LVS Charitable Lead Annuity Trust

2 Check the Appropriate Box if a Member of a Group (a) X (b)

3 SEC Use Only

4 Source of Funds 00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization Texas

7 Sole Voting Power 0

NUMBER OF SHARES

8 BENEFICIALLY OWNED BY EACH Shared Voting Power 690,153

REPORTING PERSON WITH

9 Sole Dispositive Power

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

0

10 Shared Dispositive Power 690,153

11 Aggregate Amount Beneficially Owned by Each Reporting Person 690,153 (1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11) 1.1 percent

14 Type of Reporting Person 00

(1) Mr. Harold Berman is the trustee of The LVS Charitable Lead Annuity Trust.

13

1 Name of Reporting Persons I.R.S. Identification Nos. of Above Persons The Daniel Alan Schultz HHS (2001) GST Trust

2 Check the Appropriate Box if a Member of a Group (a) X (b)

3 SEC Use Only

4 Source of Funds 00

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization Texas

7 Sole Voting Power 0

8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power 686,700

9 Sole Dispositive Power 0

10 Shared Dispositive Power 686,700

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

11 Aggregate Amount Beneficially Owned by Each Reporting Person
686,700 (1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11)
1.1 percent

14 Type of Reporting Person
OO

=====

(1) Mr. Harold Berman is the trustee of The Daniel Alan Schultz HHS (2001) GST Trust.

14

=====

1 Name of Reporting Persons
I.R.S. Identification Nos. of Above Persons
The Jaynie Schultz Romaner HHS (2001) GST Trust

2 Check the Appropriate Box if a Member of a Group (a) (b)

3 SEC Use Only

4 Source of Funds
OO

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization
Texas

7	Sole Voting Power	0
8	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power	686,700
9	Sole Dispositive Power	0
10	Shared Dispositive Power	686,700

11 Aggregate Amount Beneficially Owned by Each Reporting Person
686,700 (1)

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

 12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

 13 Percent of Class Represented by Amount in Row (11)
 Less than one percent

 14 Type of Reporting Person
 OO

=====
 (1) Mr. Harold Berman is the trustee of The Andrew Harold Schultz HHS (2001) GST Trust.

16

=====
 1 Name of Reporting Persons
 I.R.S. Identification Nos. of Above Persons
 The Daniel Alan Schultz LVS (2001) GST Trust

 2 Check the Appropriate Box if a Member of a Group (a) X
 (b) _____

 3 SEC Use Only

 4 Source of Funds
 OO

 5 Check Box if Disclosure of Legal Proceedings is Required
 Pursuant to Items 2(d) or 2(e) _____

 6 Citizenship or Place of Organization
 Texas

 7 Sole Voting Power
 0

 8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power
 686,700

 9 Sole Dispositive Power
 0

 10 Shared Dispositive Power
 686,700

 11 Aggregate Amount Beneficially Owned by Each Reporting Person
 686,700 (1)

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares

13 Percent of Class Represented by Amount in Row (11)
1.1 percent

14 Type of Reporting Person
OO

(1) Mr. Harold Berman is the trustee of The Daniel Alan Schultz LVS (2001) GST Trust.

17

1 Name of Reporting Persons
I.R.S. Identification Nos. of Above Persons
The Jaynie Schultz Romaner LVS (2001) GST Trust

2 Check the Appropriate Box if a Member of a Group (a)
(b)

3 SEC Use Only

4 Source of Funds
OO

5 Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization
Texas

7 Sole Voting Power
0

8 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH Shared Voting Power
686,700

9 Sole Dispositive Power
0

10 Shared Dispositive Power
686,700

11 Aggregate Amount Beneficially Owned by Each Reporting Person
686,700 (1)

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

13 Percent of Class Represented by Amount in Row (11)
1.1 percent

14 Type of Reporting Person
00

=====

(1) Mr. Harold Berman is the trustee of The Jaynie Schultz Romaner LVS (2001) GST Trust.

18

1 Name of Reporting Persons
I.R.S. Identification Nos. of Above Persons
The Andrew Harold Schultz LVS (2001) GST Trust

2 Check the Appropriate Box if a Member of a Group (a) X
(b) _____

3 SEC Use Only

4 Source of Funds
00

5 Check Box if Disclosure of Legal Proceedings is Required
Pursuant to Items 2(d) or 2(e) _____

6 Citizenship or Place of Organization
Texas

7 Sole Voting Power
0

8 NUMBER OF SHARES
BENEFICIALLY OWNED BY EACH Shared Voting Power
REPORTING PERSON WITH 6,901

9 Sole Dispositive Power

10 Shared Dispositive Power
6,901

11 Aggregate Amount Beneficially Owned by Each Reporting Person
6,901 (1)

12 Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares _____

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

13 Percent of Class Represented by Amount in Row (11)
Less than one percent

14 Type of Reporting Person
OO
=====

(1) Mr. Harold Berman is the trustee of The Andrew Harold Schultz LVS (2001) GST Trust.

19

Item 1. Security and Issuer

This statement relates to the common stock, no par value per share, of PRG-Schultz International, Inc., a Georgia corporation ("PRG-Schultz") f/k/a The Profit Recovery Group International, Inc. The principal executive offices of PRG-Schultz are located at:

2300 Windy Ridge Parkway
Suite 100 North
Atlanta, Georgia 30339

Item 2. Identity and Background

(a) This Schedule 13D is filed by:

Howard Schultz;
Andrew H. Schultz;
Andrew H. Schultz Irrevocable Trust;
Leslie Schultz;
Nate Levine;
Arthur N. Budge, Jr.;
Harold Berman;
The Zachary Herman Schultz Trust;
The Gabriella Schultz Trust;
The Samuel Joel Schultz Trust;
The HHS Charitable Lead Annuity Trust;

The LVS Charitable Lead Annuity Trust;

The Daniel Alan Schultz HHS (2001) GST Trust;

The Jaynie Schultz Romaner HHS (2001) GST Trust;

The Andrew Harold Schultz HHS (2001) GST Trust;

The Daniel Alan Schultz LVS (2001) GST Trust;

The Jaynie Schultz Romaner LVS (2001) GST Trust; and

The Andrew Harold Schultz LVS (2001) GST Trust

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

(collectively, the "Reporting Persons").

- (b) The business address for Howard Schultz, Andrew Schultz and Leslie Schultz is 9241 LBJ Freeway, Suite 100, Dallas, Texas 75243. The business address for Harold Berman is 8333 Douglas, Suite 100, Dallas, Texas 75225. The business address for Nate Levine is 13355 Noel Rd. Suite 2100, Dallas, Texas 75240. The business address for Arthur N. Budge, Jr. is 4925 Greenville, Suite 1220, Dallas, Texas 75206.
- (c) Howard Schultz is Chairman of the Board of PRG-Schultz, Andrew H. Schultz is a Director of PRG-Schultz and serves as Executive Vice President and Nate Levine and Arthur N. Budge, Jr. serve as Directors of PRG-Schultz. In addition, Nate Levine serves as chief executive officer of ETAN Industries which owns a cable system operator and Arthur Budge serves as president and chief executive officer of Five Sates Energy Company, an owner of a portfolio of oil and gas investments. Harold Berman is an attorney and practices law in Dallas, Texas. Howard Schultz is the father of Andrew Schultz and Leslie Schultz is the spouse of Howard Schultz. PRG-Schultz's address is set forth above in Item 1.
- (d) During the past five years, none of the Reporting Persons has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).
- (e) During the past five years, none of the Reporting Persons was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or

20

is subject to a judgment, decree or final order enjoining future violations of or prohibiting or mandating activity subject to federal or state securities laws or finding any violation with respect to such laws.

- (f) Each individual set forth in Item 2(a) above is a citizen of the United States.

Item 3. Source and Amount of Funds or Other Consideration

On January 24, 2002, the Reporting Persons acquired all shares of PRG-Schultz common stock beneficially owned pursuant to the acquisition by PRG-Schultz of substantially all of the assets of Howard Schultz & Associates International, Inc. ("HSA-Texas"), substantially all of the outstanding stock of HS&A International Pte Ltd. and all of the outstanding stock of Howard Schultz & Associates (Asia) Limited, Howard Schultz & Associates (Australia), Inc. and Howard Schultz & Associates (Canada), Inc., each an affiliated foreign operating company of HSA-Texas, pursuant to an amended and restated agreement and plan of reorganization by and among PRG-Schultz, HSA-Texas, Howard Schultz, Andrew H. Schultz and certain trusts dated December 11, 2001 (the "Asset Agreement") and an amended and restated plan of reorganization by and among PRG-Schultz, Howard Schultz, Andrew H. Schultz, Andrew H. Schultz Irrevocable Trust and Leslie Schultz dated December 11, 2001 (the "Stock Agreement"). The Asset Agreement and the Stock Agreement are incorporated herein by reference to Annex A and Annex B to PRG-Schultz's Definitive Proxy Statement filed on December 20, 2001.

Item 4. Purpose of Transaction

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

See Item 3 above. The Reporting Persons currently intend to hold the shares for investment; provided, however, certain Reporting Persons intend to sell up to 1,106,684 shares of PRG-Schultz common stock pursuant to a Registration Statement on Form S-3 filed on December 18, 2002 or in private transactions.

(a)-(j) Except as set forth above, none.

In connection with the HSA-Texas acquisition, the size of the PRG-Schultz board of directors was expanded from 9 to 13 members. Howard Schultz serves as the chairman of the board of directors and Andrew H. Schultz, Arthur N. Budge, Jr., and Nate Levine serve as directors of PRG-Schultz.

Item 5. Interest in Securities of the Issuer

(a)-(b) See Items 7-13 of the cover pages.

(c) See Item 3. No other transactions in PRG-Schultz' securities have been effected by an individual named in Item 2 above within the last sixty days, except that Nate Levine purchased 1,100 shares on December 13, 2001 and 10,000 shares on December 14, 2001.

(d) No other person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sales of, the securities of PRG-Schultz.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

In connection with the HSA-Texas acquisitions, PRG-Schultz HSA-Texas, Howard Schultz, Andrew Schultz, the Andrew H. Schultz Irrevocable Trust, of which Andrew Schultz is the trustee and the beneficiary, certain other affiliated Schultz family trusts, John M. Cook, the chief executive officer of PRG-Schultz and John M. Toma, the vice chairman of PRG-Schultz entered into a shareholder agreement.

Pursuant to the shareholder agreement, the parties will agree not to effect any transfer of PRG-Schultz common stock that such party now owns of record or acquires and to take such actions as are necessary to prevent any transfers of PRG-Schultz common stock beneficially owned by such party, other than certain specified transfers.

In addition, the parties to the shareholder agreement will agree, as to matters submitted to a vote of PRG-Schultz's shareholders, to vote and take such

actions as necessary to cause any shares of PRG-Schultz common stock beneficially owned by such party to be voted consistent with the recommendation of a specified majority of PRG-Schultz's board of directors, subject to certain qualifications.

PRG-Schultz and each of the parties to the Asset Agreement and Stock Agreement and each additional holder of HSA-Texas voting or nonvoting common stock entered into a registration rights agreement. On January 18, 2002, under the registration rights agreement, PRG-Schultz filed a registration statement on

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

Form S-3 with respect to 1,106,684 shares of PRG-Schultz common stock received by Howard and Andrew Schultz and certain trusts in the HSA-Texas acquisitions. PRG-Schultz will also be required upon written request from a holder of registrable securities to register the shares of PRG-Schultz common stock issued in the HSA-Texas acquisitions for resale pursuant to a firm commitment underwritten public offering, subject to certain exceptions; provided, however, that PRG-Schultz will not be required to file more than one registration statement during any six month period or file a registration statement, regarding a request covering less than \$5.0 million of such PRG-Schultz common stock in a firm commitment underwritten offering. The registration rights agreement also provides that all registration expenses will be paid by PRG-Schultz except under certain circumstances, including when the registration request is subsequently withdrawn by a majority of such shareholders, unless the shareholders agree that the request will count as one demand registration under the registration rights agreement.

The shareholder agreement and registration rights agreement are incorporated herein by reference to Exhibits 99.3 and 99.4 hereto, respectively.

Item 7. Material to be Filed as Exhibits

- 99.1 Asset Agreement (incorporated herein by reference to Annex A to PRG-Schultz's Definitive Proxy Statement filed on December 20, 2001).
- 99.2 Stock Agreement (incorporated herein by reference to Annex B to PRG-Schultz's Definitive Proxy Statement filed on December 20, 2001).
- 99.3 Shareholder Agreement (incorporated by reference to Exhibit 10.3 filed with PRG-Schultz's Registration Statement on Form S-4 (333-69142) filed on September 7, 2001).
- 99.4 Registration Rights Agreement (incorporated by reference to Exhibit 10.2 filed with PRG-Schultz's Registration Statement on Form S-4 (333-69142) filed on September 7, 2001).

22

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 4, 2002

/s/ Howard Schultz

By: Howard Schultz

/s/ Andrew H. Schultz

By: Andrew H. Schultz

/s/ Arthur N. Budge, Jr.

By: Arthur N. Budge, Jr.

/s/ Harold Berman

By: Harold Berman

/s/ Nate Levine

By: Nate Levine

/s/ Leslie Schultz

By: Leslie Schultz

Andrew H. Schultz Irrevocable Trust

/s/ Andrew H. Schultz

By: Andrew H. Schultz , Trustee

The Zachary Herman Schultz Trust

/s/ Howard Schultz

By: Howard Schultz, Trustee

The Gabriella Schultz Trust

/s/ Howard Schultz

By: Howard Schultz, Trustee

The Samuel Joel Schultz Trust

/s/ Howard Schultz

By: Howard Schultz, Trustee

The HHS Charitable Lead
Annuity Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The LVS Charitable Lead Annuity Trust

/s/ Harold Berman

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

By: Harold Berman, Trustee

The Daniel Alan Schultz HHS (2001)
GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Jaynie Schultz Romaner
HHS (2001) GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Andrew Harold Schultz HHS (2001)
GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Daniel Alan Schultz LVS (2001)
GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Jaynie Schultz Romaner LVS
(2001) GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Andrew Harold Schultz LVS
(2001) GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

JOINT FILING AGREEMENT

The undersigned acknowledge and agree that the foregoing statement on Schedule 13D is filed on behalf of each of the undersigned and that all subsequent amendments to this statement shall be filed on behalf of each of the undersigned without the necessity of filing additional joint filing agreements. The

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

undersigned acknowledge that each shall be responsible for the timely filing of such amendments, and for the completeness and accuracy of the information concerning it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning the others, except to the extent that it knows or has reason to believe that such information is inaccurate.

This Agreement may be executed in counterparts and each of such counterparts taken together shall constitute one and the same instrument.

Dated: February 4, 2002

/s/ Howard Schultz

By: Howard Schultz

/s/ Andrew H. Schultz

By: Andrew H. Schultz

/s/ Arthur N. Budge, Jr.

By: Arthur N. Budge, Jr.

/s/ Harold Berman

By: Harold Berman

/s/ Nate Levine

By: Nate Levine

/s/ Leslie Schultz

By: Leslie Schultz

Andrew H. Schultz Irrevocable Trust

/s/ Andrew H. Schultz

By: Andrew H. Schultz , Trustee

The Zachary Herman Schultz Trust

/s/ Howard Schultz

By: Howard Schultz, Trustee

The Gabriella Schultz Trust

/s/ Howard Schultz

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D

By: Howard Schultz, Trustee

The Samuel Joel Schultz Trust

/s/ Howard Schultz

By: Howard Schultz, Trustee

The HHS Charitable Lead
Annuity Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The LVS Charitable Lead Annuity Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Daniel Alan Schultz HHS (2001)
GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Jaynie Schultz Romaner
HHS (2001) GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Andrew Harold Schultz HHS (2001)
GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Daniel Alan Schultz LVS (2001)
GST Trust

/s/ Harold Berman

By: Harold Berman, Trustee

The Jaynie Schultz Romaner LVS
(2001) GST Trust

/s/ Harold Berman
