

PRG SCHULTZ INTERNATIONAL INC
 Form 4
 March 19, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
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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 *
 BLUM CAPITAL 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)
 909 MONTGOMERY STREET,
 SUITE 400
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/15/2007

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

SAN FRANCISCO, CA 94133

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___ Form filed by One Reporting Person
 ___X___ Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock					52	D	(1) (10)
Common Stock					8,300	D	(2) (10)
Common Stock					14,762	D	(3) (10)
Common Stock					17,870	D	(4) (10)
Common Stock					17,375	D	(5) (10)

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Common Stock	4,767	D <u>(6)</u> <u>(10)</u>
Common Stock	11,770	D <u>(7)</u>
Common Stock	827,640	D <u>(8)</u>
Common Stock	17,065	D <u>(9)</u>

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series A Convertible Participating Preferred Stock	<u>(12)</u>	03/15/2007		<u>J(12)</u>	<u>0</u> <u>(12)</u>	<u>(11)</u>	03/15/2011	Common Stock	784
Series A Convertible Participating Preferred Stock	<u>(12)</u>	03/15/2007		<u>J(12)</u>	<u>0</u> <u>(12)</u>	<u>(11)</u>	03/15/2011	Common Stock	256,058
Series A Convertible Participating Preferred Stock	<u>(12)</u>	03/15/2007		<u>J(12)</u>	<u>0</u> <u>(12)</u>	<u>(11)</u>	03/15/2011	Common Stock	276,670
Series A Convertible	<u>(12)</u>	03/15/2007		<u>J(12)</u>	<u>0</u> <u>(12)</u>	<u>(11)</u>	03/15/2011	Common Stock	301,432

Participating
Preferred
Stock

Series A

Convertible

Participating Preferred Stock	<u>(12)</u>	03/15/2007	<u>J</u> ⁽¹²⁾	<u>0</u> ⁽¹²⁾	<u>(11)</u>	03/15/2011	Common Stock	82,724
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Series A

Convertible

Participating Preferred Stock	<u>(12)</u>	03/15/2007	<u>J</u> ⁽¹²⁾	<u>0</u> ⁽¹²⁾	<u>(11)</u>	03/15/2011	Common Stock	677,704
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Series A

Convertible

Participating Preferred Stock	<u>(12)</u>	03/15/2007	<u>J</u> ⁽¹²⁾	<u>0</u> ⁽¹²⁾	<u>(11)</u>	03/15/2011	Common Stock	13,972
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLUM CAPITAL PARTNERS LP 909 MONTGOMERY STREET, SUITE 400 SAN FRANCISCO, CA 94133		X		
RICHARD C BLUM & ASSOCIATES INC 909 MONTGOMERY STREET, SUITE 400 SAN FRANCISCO, CA 94133		X		
BLUM STRATEGIC GP LLC 909 MONTGOMERY STREET, SUITE 400 SAN FRANCISCO, CA 94133		X		
BLUM STRATEGIC GP II LLC 909 MONTGOMERY STREET, SUITE 400 SAN FRANCISCO, CA 94133		X		

Signatures

See Attached
Signature Page

03/19/2007

**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)

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These securities are owned directly by Blum LP. They may be deemed to be owned indirectly by RCBA Inc., as described in Note (10). RCBA Inc. disclaims beneficial ownership of these securities, except to the extent of any pecuniary interest therein.

- (2) These shares are owned directly by BK Capital Partners IV, L.P.
- (3) These securities are owned directly by Stinson Capital Partners, L.P. ("Stinson LP")
- (4) These securities are owned directly by Stinson Capital Partners II, L.P.
- (5) These securities are owned directly by Stinson Capital Partners (QP), L.P.
- (6) These securities are owned directly by Stinson Dominion, L.P. ("Stinson Dominion")

These shares are owned directly by Blum Strategic Partners, L.P. ("Blum Strategic"). The shares also may be deemed to be owned indirectly by Blum Strategic GP, L.L.C. ("Blum GP"), the general partner of Blum Strategic. Blum GP disclaims beneficial ownership of these shares, except to the extent of any pecuniary interest therein.

- (7) These securities are owned directly by Blum Strategic Partners II, L.P. ("Strategic II"). The securities also may be deemed to be owned indirectly by Blum Strategic GP II, L.L.C. ("Blum GP II"), the general partner of Strategic II. Blum GP II disclaims beneficial ownership of these securities, except to the extent of any pecuniary interest therein.

- (8) These securities are owned directly by Blum Strategic Partners II GMBH & Co. KG ("Strategic II KG"). The securities also may be deemed to be owned indirectly by Blum GP II, the managing limited partner of Strategic II KG. Blum GP II disclaims beneficial ownership of these securities, except to the extent of any pecuniary interest therein.

- (9) These securities may be deemed to be owned indirectly by the following parties: (i) Blum LP, an investment manager with voting and investment discretion for the investment advisory account described in Note (1) and the general partner of the limited partnerships described in Notes (2), (3), (4) (5) and (6); and (ii) Richard C. Blum & Associates, Inc. ("RCBA Inc."), the general partner of Blum LP. Blum LP and RCBA Inc. disclaim beneficial ownership in these securities, except to the extent of any pecuniary interest therein.

- (10) Immediately exercisable.

The Series A Convertible Participating Preferred Stock (the "Series A") accrues dividends at a cumulative annual rate of 9% of the then-effective liquidation preference per share on each of March 15 and September 15, commencing on September 15, 2006. Declared dividends are paid in cash. When dividends are undeclared on the dividend payment date, the liquidation preference on the Series A will be increased. On March 15, 2007, the liquidation preference for the Series A was \$130.9803 per share, therefore each Series A share is convertible into shares of common stock at a conversion price of \$2.8405 per share.

- (11) 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.