

PRG SCHULTZ INTERNATIONAL INC
 Form 4
 October 10, 2007

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 *
 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)
 10/08/2007

____ Director
 ____ Officer (give title below)
 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
 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock					8,300	D	(2) (7)
Common Stock					11,770	D	(8)
Common Stock	10/08/2007		C		819	A	\$ 2.8405
Common Stock	10/08/2007		C		267,580	A	\$ 2.8405
Common Stock	10/08/2007		C		289,120	A	\$ 2.8405
Common Stock					2,201	D	(1) (7)
Common Stock					712,721	D	(3) (7)
Common Stock					771,974	D	(4) (7)

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Common Stock	10/08/2007	C	314,996	A	\$ 2.8405	838,972	D <u>(5)</u> <u>(7)</u>
Common Stock	10/08/2007	C	86,446	A	\$ 2.8405	230,207	D <u>(6)</u> <u>(7)</u>
Common Stock	10/08/2007	C	708,200	A	\$ 2.8405	2,674,819	D <u>(9)</u>
Common Stock	10/08/2007	C	14,600	A	\$ 2.8405	55,148	D <u>(10)</u>

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

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(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 Number Shares
Series A Convertible Participating Preferred Stock	\$ 2.8405	10/08/2007		C	17	<u>(11)</u>	03/15/2011	Common Stock	819
Series A Convertible Participating Preferred Stock	\$ 2.8405	10/08/2007		C	5,553	<u>(11)</u>	03/15/2011	Common Stock	267,5
Series A Convertible Participating Preferred Stock	\$ 2.8405	10/08/2007		C	6,000	<u>(11)</u>	03/15/2011	Common Stock	289,1
Series A Convertible Participating Preferred	\$ 2.8405	10/08/2007		C	6,537	<u>(11)</u>	03/15/2011	Common Stock	314,9

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- (3) These securities are owned directly by Stinson Capital Partners, L.P.
- (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.

(7) These securities may be deemed to be owned indirectly by the following parties: (i) Blum LP, 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.

(8) 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.

(9) 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.

(10) 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.

(11) Immediately exercisable.

(12) The Series A Convertible Participating Preferred Stock converted into common stock at a conversion price of \$2.8405 per share.

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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