

New Sally Holdings, Inc.

Form 4

November 17, 2006

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
CERNUGEL WILLIAM J

(Last) (First) (Middle)

8111 LAKE RIDGE DRIVE

(Street)

BURR RIDGE, IL 60527

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
New Sally Holdings, Inc. [SBH]

3. Date of Earliest Transaction  
(Month/Day/Year)  
11/16/2006

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_\_ Other (specify below)

Senior Vice-President &amp; CFO

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ 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	11/16/2006		A		23,758	A	<u>11</u>	23,758	I	Profit Sharing Plan
Common Stock	11/16/2006		A		6,615	A	<u>11</u>	6,615	D	

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

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SEC 1474  
(9-02)

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**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 Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 34.227	11/16/2006		A		7,125		<u>(2)</u>	09/30/2012	Common Stock	7,125
Employee Stock Option (Right to Buy)	\$ 39.543	11/16/2006		A		24,750		<u>(2)</u>	09/30/2013	Common Stock	24,750
Employee Stock Option (Right to Buy)	\$ 43.83	11/16/2006		A		22,500		<u>(2)</u>	09/30/2014	Common Stock	22,500
Employee Stock Option (Right to Buy)	\$ 44.4	11/16/2006		A		23,000		<u>(2)</u>	09/30/2015	Common Stock	23,000
Employee Stock Option (Right to Buy)	\$ 34.227	11/16/2006		D			7,125	<u>(2)</u>	09/30/2012	Common Stock	7,125
Employee Stock Option (Right to Buy)	\$ 39.543	11/16/2006		D			24,750	<u>(2)</u>	09/30/2013	Common Stock	24,750
Employee Stock Option (Right to Buy)	\$ 43.83	11/16/2006		D			22,500	<u>(2)</u>	09/30/2014	Common Stock	22,500

Employee

Stock

Option	\$ 44.4	11/16/2006	D	23,000	<u>(2)</u>	09/30/2015	Common Stock	23,000
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(Right to Buy)

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director    10% Owner    Officer    Other
CERNUGEL WILLIAM J 8111 LAKE RIDGE DRIVE BURR RIDGE, IL 60527	Senior Vice-President & CFO

## Signatures

/s/ James M. Spira as Attorney-in-Fact for William J. Cernugel	11/17/2006
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\_\_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).

- Acquisition of shares of common stock, including shares of restricted stock, in a merger of one of the issuer's subsidiaries into the Alberto-Culver Company ("Old Alberto-Culver") to effect the formation of a holding company (the "Holding Company Merger"). In the
- (1) Holding Company Merger, the shares of common stock, including shares of restricted stock, of Old Alberto-Culver were converted, on a one-for-one basis, into shares of common stock, including shares of restricted stock, of the issuer pursuant to an Investment Agreement dated as of June 19, 2006, as amended, among Old Alberto-Culver and certain of its subsidiaries and CDRS Acquisition LLC.
  - (2) This option, to the extent unexercisable, became exercisable in full on November 16, 2006.
  - (3) In the Holding Company Merger this option replaced an option to purchase a number of shares of common stock of Old Alberto-Culver equal to the number of shares subject to this option at an exercise price equal to the exercise price of this option.  
  
This option was assumed by Alberto-Culver Company, formerly known as New Aristotle Holdings, Inc. ("New Alberto-Culver"), in connection with the spin-off by the issuer of New Alberto-Culver (the "Spin-Off") and replaced with an option to purchase a number of shares of common stock of New Alberto Culver equal to the number of shares subject to this option multiplied by a ratio, the numerator of which is the Old Alberto-Culver stock price prior to the Spin-Off ("Pre Spin-Off Price") and the denominator of which is the 5-day average of the New Alberto-Culver stock price after the Spin-Off ("Post Spin-Off Price") at an exercise price equal to the exercise price of this option multiplied by a ratio, the numerator of which is the Post Spin-Off Price and the denominator of which is the Pre Spin-Off Price.
  - (4)

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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