PRG SCHULTZ INTERNATIONAL INC Form SC 13D/A March 28, 2006

POTENTIAL PERSONS WHO ARE TO RESPOND TO THE COLLECTION OF 1746 (11-02) INFORMATION CONTAINED IN THIS FORM ARE NOT REQUIRED TO RESPOND UNLESS THE FORM DISPLAYS A CURRENTLY VALID OMB CONTROL NUMBER. UNITED STATES OMB APPROVAL SECURITIES AND EXCHANGE COMMISSION OMB Number: WASHINGTON, D.C. 20549 Expires: Estimated average burden hours per response 11 SCHEDULE 13D (AMENDMENT NO. 2) Under the Securities Exchange Act of 1934 PRG-SCHULTZ INTERNATIONAL, INC. (Name of Company) Common Stock _____ (Title of Class of Securities) 69357C107 _____ (CUSIP Number of Class of Securities) Andre Weiss, Esq. Schulte Roth & Zabel LLP 919 Third Avenue New York, New York 10022 (212) 756-2431 (Name, Address and Telephone Number of Person

March 17, 2006
----(Date of Event which Requires

Authorized to Receive Notices and Communications)

(Date of Event which Requires Filing of this Schedule)

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 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).

SCHEDULE 13D _____ _____ CUSIP NO. 69357C107 PAGE 2 OF 10 PAGES _____ ______ NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY) Thales Holdings LTD ______ CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) [X] ______ SEC USE ONLY SOURCE OF FUNDS* WC. 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)______ 6 CITIZENSHIP OR PLACE OF ORGANIZATION Bermuda -----7 SOLE VOTING POWER NUMBER OF ______ SHARES 8 SHARED VOTING POWER BENEFICIALLY OWNED BY 440,142 shares (including 335,142 shares issuable upon EACH conversion of notes and payable as shares of interest

REPOR		under the notes) (see Item 5)					
PERSON	MITH	9	SOLE DISPOSITIVE POW	ER			
			0				
		10	SHARED DISPOSITIVE P	OWER			
				uding 335,142 shares issuable upon and payable as shares of interest e Item 5)			
11	AGGREGA	TE AMC	OUNT BENEFICIALLY OWNE	D BY EACH PERSON			
	440,142 shares (including 335,142 shares issuable upon conversion of notes and payable as shares of interest under the notes) (see Item 5)						
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*						
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)						
	0.6% (see Item 5)						
14	TYPE OF REPORTING PERSON*						
	со						
			SCHEDULE	13D			
CUSIP	NO.	69357C	:107	PAGE 3 OF 10 PAGES			
1			RTING PERSON FICATION NOS. OF ABOV	E PERSONS (ENTITIES ONLY)			
	Thales Fund Management, LLC						
2			ROPRIATE BOX IF A MEM	(a)[] (b)[x]			
3	SEC USE						
4	SOURCE OF FUNDS*						
	WC						
5		BOX IF	DISCLOSURE OF LEGAL P	ROCEEDING IS REQUIRED PURSUANT TO			
	CITIZEN	CHID C	D DIACE OF ODCANIZATI				

Delaware						
		7	SOLE VOTING POWER			
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH			0			
		8	SHARED VOTING POWER			
			440,142 shares (including 335,142 shares issuable upon conversion of notes and payable as shares of interest under the notes) (see Item 5)			
		9	SOLE DISPOSITIVE POWER			
			0			
		10	SHARED DISPOSITIVE POWER			
			440,142 shares (including 335,142 shares issuable upon conversion of notes and payable as shares of interest under the notes) (see Item 5)			
11	11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON					
	440,142 shares (including 335,142 shares issuable upon conversion of notes and payable as shares of interest under the notes) (see Item 5)					
12	12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*					
13	13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)					
	0.6% (see Item 5)					
14	TYPE OF REPORTING PERSON*					
	00					

This Amendment No. 2 (this "Amendment") amends the Statement on Schedule 13D (the "Schedule 13D") filed with the Securities and Exchange Commission on January 5, 2006 by Thales Holdings LTD a company incorporated in Bermuda and Thales Fund Management, LLC, a Delaware limited liability company (collectively, the "Reporting Persons"). This Amendment relates to the shares of Common Stock (the "Shares") of PRG-Schultz International, Inc., a Georgia corporation (the "Company"). The following amendments to the Schedule 13D are hereby made. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Schedule 13D.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

Item 5(e) is hereby amended and restated in its entirety as follows:

As of March 17, 2006, the Noteholders' Committee ceased to function. As a consequence, the group for purposes of Rule 13d-5(b) that may have been deemed to have been created thereby ceased to exist. Accordingly, the Reporting Persons

ceased to be the beneficial owners of more than five percent of the Shares on March 17, 2006. This Amendment No. 2 is the final amendment to the Schedule 13D and is an exit filing.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Item 6 is hereby amended and restated in its entirety as follows:

As of March 17, 2006, the Noteholders' Committee ceased to function. As a consequence, the group for purposes of Rule 13d-5 (b) that may have been deemed to have been created thereby ceased to exist.

The Reporting Persons have no oral or written agreements, understandings or arrangements with each other or any other person relating to acquiring, holding, voting or disposing of any securities of the Company or otherwise with respect to the Company.

- ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.
- 1. Joint Filing Agreement, dated March 27, 2006.
- 2. Press release, dated March 20, 2006.

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 27, 2006

THALES HOLDINGS LTD

By: THALES FUND MANAGEMENT, LLC its Investment Advisor

By: /s/ Roger Insley

Name: Roger Insley

Title: Chief Financial Officer

THALES FUND MANAGEMENT, LLC

By: /s/ Roger Insley

Name: Roger Insley

Title: Chief Financial Officer

EXHIBIT INDEX

- 1. Joint Filing Agreement, dated March 27, 2006.
- 2. Press release, dated March 20, 2006.

EXHIBIT 1 JOINT FILING UNDERTAKING

The undersigned, being duly authorized thereunto, hereby execute this agreement as an exhibit to this Schedule 13D to evidence the agreement of the below-named parties, in accordance with the rules promulgated pursuant to the Securities Exchange Act of 1934, to file this Schedule jointly on behalf of each such party.

Dated: March 27, 2006

THALES HOLDINGS LTD

By: THALES FUND MANAGEMENT, LLC its Investment Advisor

By: /s/ Roger Insley

Name: Roger Insley

Title: Chief Financial Officer

THALES FUND MANAGEMENT, LLC

By: /s/ Roger Insley

Name: Roger Insley

Title: Chief Financial Officer