

New Sally Holdings, Inc.
 Form 4
 November 17, 2006

FORM 4

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

OMB APPROVAL

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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 *
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
 Officer (give title below) _____ Other (specify below)
 Senior Vice-President & CFO

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 Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|--------|---|---------------------|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 11/16/2006 | | A | | 23,758 | A | 11 | 23,758 | I | Profit Sharing Plan |
| Common Stock | 11/16/2006 | | A | | 6,615 | A | 11 | 6,615 | D | |

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

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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 of Underlying Security (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|-------------------------------|
| | | | | 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 | (2) 09/30/2012 | 09/30/2012 | Common Stock | 7,125 |
| Employee Stock Option (Right to Buy) | \$ 39.543 | 11/16/2006 | | A | 24,750 | (2) 09/30/2013 | 09/30/2013 | Common Stock | 24,750 |
| Employee Stock Option (Right to Buy) | \$ 43.83 | 11/16/2006 | | A | 22,500 | (2) 09/30/2014 | 09/30/2014 | Common Stock | 22,500 |
| Employee Stock Option (Right to Buy) | \$ 44.4 | 11/16/2006 | | A | 23,000 | (2) 09/30/2015 | 09/30/2015 | Common Stock | 23,000 |
| Employee Stock Option (Right to Buy) | \$ 34.227 | 11/16/2006 | | D | 7,125 | (2) 09/30/2012 | 09/30/2012 | Common Stock | 7,125 |
| Employee Stock Option (Right to Buy) | \$ 39.543 | 11/16/2006 | | D | 24,750 | (2) 09/30/2013 | 09/30/2013 | Common Stock | 24,750 |
| Employee Stock Option (Right to Buy) | \$ 43.83 | 11/16/2006 | | D | 22,500 | (2) 09/30/2014 | 09/30/2014 | Common Stock | 22,500 |

Employee
Stock
Option
(Right to
Buy)

\$ 44.4

11/16/2006

D

23,000

(2)

09/30/2015

Common
Stock

23,

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

**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.

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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