

New Sally Holdings, Inc.
Form 4
November 20, 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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
CD&R Parallel Fund VII LP

(Last) (First) (Middle)

1403 FOULK ROAD, SUITE 106

(Street)

WILMINGTON, DE 19803

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

New Sally Holdings, Inc. [SBH]

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

11/17/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/17/2006		C ⁽¹⁾		567,566	A	<u>(2)</u> 567,566
							D ⁽³⁾

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form
displays a currently valid OMB control
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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)

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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)	8. D S (
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount or Number of Shares	
Class A Common Stock	(2)	11/17/2006		C(1)	567,566	(2) (2)	Common Stock	567,566

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CD&R Parallel Fund VII LP 1403 FOULK ROAD, SUITE 106 WILMINGTON, DE 19803			X	
CD&R Investment Associates VII, Ltd. 1403 FOULK ROAD, SUITE 106 WILMINGTON, DE 19803			X	

Signatures

CD&R Parallel Fund VII, L.P. By: CD&R Parallel Fund Associates VII, Ltd., its general partner By: Theresa A. Gore, VP, Treas. and Asst. Sec.	11/20/2006
_____ **Signature of Reporting Person	Date
CD&R Parallel Fund Associates VII, Ltd. By: Theresa A. Gore, VP, Treas. and Asst. Sec.	11/20/2006
_____ **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).
- (1) Exempt under Rule 16b-6 of the Securities Exchange Act of 1934.
- (2) Pursuant to the Amended and Restated Certificate of Incorporation, dated November 16, 2006, outstanding shares of Class A Common Stock automatically converted, as of November 17, 2006, into shares of the Issuer's Common Stock on a one-for-one basis.
- (3) The Reporting Person is a partnership of which CD&R Parallel Fund Associates VII, Ltd. is the general partner.

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.