

Edgar Filing: PARTY CITY CORP - Form 4

PARTY CITY CORP
Form 4
July 10, 2002

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

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

[X] Check this box if no longer subject to Section 16. Form 4 or Form 5
obligations may continue. See Instruction 1(b).

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1. Name and Address of Reporting Person*

The Goldman Sachs Group, Inc.

(Last)

(First)

(Middle)

85 Broad Street

(Street)

New York,

New York

10004

(City)

(State)

(Zip)

=====

2. Issuer Name and Ticker or Trading Symbol

Party City Corporation
(PCTY)

=====

3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)

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4. Statement for Month/Year

June/2002

=====

5. If Amendment, Date of Original (Month/Year)

=====

6. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

[] Director

[] 10% Owner

[] Officer (give title below)

[X] Other (specify below)

Former 10% Owner

=====

7. Individual or Joint/Group Filing (Check Applicable Line)

[] Form filed by One Reporting Person

[X] Form filed by More than One Reporting Person

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Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/ Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount | 6. or (D) | 7. Price |
|---------------------------------------|---|---|--|--------------|-----------------|-------------|
| Common Stock | 6/12/02 | C | | 01 | A | 01 |
| Common Stock | 6/12/02 | S | | 01 | D | 01 |

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

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

FORM 4 (continued)

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 Deriv- ative Secur- ity | 3. Trans- action Date (Month/ Day/ Year) | 4. Trans- action 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) Date Expir- ation | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) Amount or Number of Shares |
|--|---|--|---|--|---|---|
| Common Stock Warrants (right to buy) | \$1.07 | 6/12/02 | C | | Immed. 08/16/06 | Common Stock 01 |

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Instruction 4(b)(v) list of other Reporting Persons:

This statement is being filed by Goldman, Sachs & Co. ("Goldman Sachs") and The Goldman Sachs Group, Inc. ("GS Group" and, together with Goldman Sachs, the "Reporting Persons"). The principal business address of each of Goldman Sachs and GS Group is 85 Broad Street, New York, New York 10004.

Explanation of Responses:

01: On June 12, 2002, Goldman Sachs exercised the Common Stock Warrants (the "Warrant") to purchase 2,867,000 shares of Common Stock, in full. The Warrant was exercised on a net basis in accordance with the terms thereof, and upon exercise Goldman Sachs acquired 2,669,720 shares of Common Stock. Goldman Sachs immediately sold these shares pursuant to the purchase agreement, dated June 12, 2002, of which Goldman Sachs was a party to, at the price of \$13.25 per share. Goldman Sachs is an indirect wholly-owned subsidiary of GS Group. The Warrant and shares of Common Stock reported herein were beneficially owned directly by Goldman Sachs and may be deemed to have been beneficially owned indirectly by GS Group. Goldman Sachs is an indirect wholly-owned subsidiary of GS Group.

**Signatures:

GOLDMAN, SACHS & CO.

By: s/ Roger S. Begelman

Name: Roger S. Begelman
Title: Attorney-in-fact

THE GOLDMAN SACHS GROUP, INC.

By: s/ Roger S. Begelman

Name: Roger S. Begelman
Title: Attorney-in-fact

Date: July 10, 2002

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedures.

Alternatively, this Form is permitted to be submitted to the Commission in electronic format at the option of the reporting person pursuant to Rule 101(b)(4) of Regulation S-T.