

PRICESMART INC
Form 4
November 01, 2004

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
PRICE SOL

(Last) (First) (Middle)

7979 IVANHOE AVENUE, SUITE 520

(Street)

LA JOLLA, CA 92037

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PRICESMART INC [PSMT]

3. Date of Earliest Transaction (Month/Day/Year)
10/29/2004

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)
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 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 | | | | | 619,046 | I | As director of San Diego Revitalization Corp. ⁽¹⁾ |
| Common Stock | 10/29/2004 | | J ⁽⁶⁾ | 700,000 | A \$ 10 1,068,594 | D ⁽⁵⁾ | |
| Common Stock | 10/29/2004 | | P ⁽⁹⁾ | 3,164,726 | A \$ 8 6,427,503 ⁽⁸⁾ | I | As co-manager of The Price Group LLC ⁽²⁾ |
| Common Stock | 10/29/2004 | | P ⁽¹⁰⁾ | 2,597,200 | A \$ 8 6,427,503 | I | As |

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| | | | | | | | | | |
|-----------------|------------|--|-------------|---------|---|------------|-------------------------|---|--|
| Stock | | | | | | <u>(8)</u> | | | co-manager of The Price Group LLC <u>(2)</u> |
| Common Stock | 10/29/2004 | | <u>J(6)</u> | 500,000 | A | \$ 10 | 6,427,503 <u>(8)</u> | I | As co-manager of The Price Group LLC <u>(2)</u> |

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

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(9-02)

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 Securities (Instr. 3 and 4) | | |
|---|--|---|---|--------------------------------------|---|--|---|-----------------|----------------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| 8% Series A Cumulative Convertible Redeemable Pref. Stock | \$ 37.5 | | | | | <u>(3)</u> | <u>(3)</u> | Common Stock | 14,666 |
| 8% Series B Cumulative Convertible Redeemable Pref. Stock | \$ 20 | 10/29/2004 | | <u>J(6)</u> | 5,000 | <u>(4)</u> | <u>(4)</u> | Common Stock | 500,000 <u>(7)</u> |
| 8% Series A Cumulative Convertible Redeemable Pref. Stock | \$ 37.5 | | | | | <u>(3)</u> | <u>(3)</u> | Common Stock | 14,666 |
| 8% Series B Cumulative Convertible Redeemable Pref. Stock | \$ 20 | 10/29/2004 | | <u>J(6)</u> | 7,000 | <u>(4)</u> | <u>(4)</u> | Common Stock | 700,000 <u>(7)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| PRICE SOL 7979 IVANHOE AVENUE SUITE 520 LA JOLLA, CA 92037 | | | X | |

Signatures

/s/ Sol Price 11/01/2004

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) The reporting person disclaims beneficial ownership of these securities.
- (2) The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest (if any) therein.
- (3) The 8% Series A Cumulative Convertible Redeemable Preferred Stock automatically converts to Common Stock on January 17, 2012 and may be redeemed by PriceSmart, Inc. ("PriceSmart") for cash at any time on or after January 17, 2007.
- (4) The 8% Series B Cumulative Convertible Redeemable Preferred Stock ("Series B Preferred Stock") automatically converts to Common Stock on July 9, 2013 and may be redeemed by PriceSmart for cash at any time on or after July 9, 2008.
- (5) As trustee for the Sol & Helen Price Trust UTD 2/20/70.
- (6) On October 29, 2004, all of the Series B Preferred Stock was exchanged for Common Stock (the "Series B Exchange"). For purposes of the Series B Exchange, such Common Stock was valued at \$10 per share.
- (7) This number represents the number of shares of Common Stock into which the Series B Preferred Stock were actually exchanged pursuant to the Series B Exchange instead of the number of shares into which the Series B Preferred Stock could have been converted pursuant to its terms.
- (8) This total reflects the aggregate Common Stock held by The Price Group LLC after giving effect to the Bridge Loan Conversion, the Obligations Conversion and the Series B Exchange.
- (9) Acquired from PriceSmart in a private placement funded by the conversion of a \$25 million bridge loan, plus accrued and unpaid interest, owed by PriceSmart to The Price Group LLC (the "Bridge Loan Conversion").
- (10) Acquired from PriceSmart as a repayment of \$20 million in current obligations, plus accrued and unpaid interest thereon, owed by PriceSmart to The Price Group LLC (the "Obligations Conversion").

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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