

CBIZ, Inc.
Form 424B3
September 06, 2006

PROSPECTUS SUPPLEMENT NO. 2
(To Prospectus dated August 3, 2006)

Filed pursuant to Rule 424(b)(3), 424(b)(7) and 424(c)
Commission File No. 333-135912

Prospectus Supplement No. 2
Dated September 6, 2006
to
Prospectus Dated August 3, 2006

\$100,000,000 OF 3.125% CONVERTIBLE SENIOR SUBORDINATED NOTES DUE 2026
COMMON STOCK ISSUABLE UPON CONVERSION OF THE NOTES

This prospectus supplement supplements the prospectus dated August 3, 2006, as supplemented by a prospectus supplement dated August 4, 2006, relating to the resale by certain of our selling securityholders of up to \$100,000,000 aggregate principal amount of our 3.125% Convertible Senior Subordinated Notes due June 1, 2026 (the Notes) and the shares of our common stock issuable upon conversion of the Notes. This prospectus supplement should be read in conjunction with, and may not be delivered or utilized without, the prospectus, including amendments or supplements thereto. This prospectus supplement is qualified by reference to the prospectus and the documents and information incorporated by reference therein except to the extent that the information in this prospectus supplement updates or supersedes the information contained or incorporated by reference in the prospectus.

This investment involves risks. See section titled Risk Factors beginning on page 11 of the prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is September 6, 2006.

The section titled "Selling Securityholders" in the prospectus is superseded in its entirety with the following:

SELLING SECURITYHOLDERS

We originally issued the Notes to the initial purchaser, Banc of America Securities LLC, in a private placement on May 30, 2006. The Notes were resold by the initial purchaser in the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act. Selling securityholders, including their transferees, pledgees, donees or successors, may from time to time offer and sell the Notes and the underlying common stock pursuant to this prospectus or any applicable prospectus supplement.

The table below sets forth, as of September 6, 2006, the name of each selling securityholder, the principal amount of Notes and number of shares of common stock beneficially owned by each selling securityholder, and the principal amount of Notes and number of shares of common stock issuable upon conversion of those Notes that may be offered from time to time under this prospectus by the selling securityholders named in the table.

Because the selling securityholders may offer all or some portion of the Notes or underlying shares of common stock listed below, we have assumed for purposes of this table that the selling securityholders will sell all of the Notes and all of the underlying shares of common stock offered by this prospectus pursuant to this prospectus. See "Plan of Distribution." In addition, the selling securityholders listed in the table below may have acquired, sold or transferred, in transactions exempt from the registration requirements of the Securities Act, some or all of the Notes since the date on which they provided to us the information presented in the table.

We have prepared the table below based on information given to us by those selling securityholders who have supplied us with this information on or prior to September 6, 2006 and we have not sought to verify such information. Based upon information provided to us by the selling securityholders, none of the selling securityholders nor any of their affiliates, officers, directors or principal equity holders has held any position or office or had any other material relationship with us or our affiliates or predecessors within the past three years.

Name of Selling Securityholder(1)	Principal Amount of Notes		Number of Shares of Common Stock	
	Beneficially Owned Prior to the Offering and Offered Hereby	Percentage of Notes Outstanding	Beneficially Owned Prior to the Offering(2)	Offered Hereby
DBAG London (3)(4)	\$ 20,338,000	20.3%	1,913,876	1,913,876
HBK Master Fund L.P.(4)(5)	\$ 10,450,000	10.5%	983,381	983,381
Citadel Equity Fund Ltd.(4)(6)	\$ 10,000,000	10.0%	941,035	941,035
CNH CA Master Account, L.P.(7)	\$ 9,250,000	9.3%	870,457	870,457
Calamos Market Neutral Income Fund - Calamos Investment Trust(8)	\$ 8,000,000	8.0%	752,828	752,828
Highbridge International LLC(9)	\$ 7,000,000	7.0%	658,724	658,724
Kamunting Street Master Fund, Ltd.(10)	\$ 6,000,000	6.0%	564,621	564,621
Vicis Capital Master Fund(11)	\$ 6,000,000	6.0%	564,621	564,621

Edgar Filing: CBIZ, Inc. - Form 424B3

Fore Convertible Master Fund, Ltd.(12)(13)	\$ 4,781,000	4.8%	449,908	449,908
Polygon Global Opportunities Master Fund(14)	\$ 3,500,000	3.5%	329,362	329,362
CQS Convertible and Quantitative Strategies Master Fund Limited(15)	\$ 3,000,000	3.0%	282,310	282,310
KBC Financial Products Cayman Islands Ltd.(4)(16)	\$ 3,000,000	3.0%	282,310	282,310
Mohican VCA Master Fund, Ltd.(17)	\$ 3,000,000	3.0%	282,310	282,310
CIBC World Markets Corp.(13)	\$ 2,800,000	2.8%	263,489	263,489
Grace Convertible Arbitrage Fund, Ltd.(18)	\$ 2,500,000	2.5%	235,258	235,258
DKR SoundShore Opportunity Holding Fund Ltd.(19)	\$ 2,000,000	2.0%	188,207	188,207
KBC Financial Products USA Inc.(20)	\$ 2,000,000	2.0%	188,207	188,207

Name of Selling Securityholder(1)	Principal Amount of Notes		Number of Shares of Common Stock	
	Beneficially Owned Prior to the Offering and Offered Hereby	Percentage of Notes Outstanding	Beneficially Owned Prior to the Offering(2)	Offered Hereby
Fore Multi Strategy Master Fund, Ltd.(13)(21)	\$ 1,755,000	1.8%	165,151	165,151
Man Mac I Limited(13)(22)	\$ 1,481,000	1.5%	139,367	139,367
Lyxor/Forest Fund Limited(23)	\$ 701,000	*	65,966	65,966
Forest Global Convertible Fund, Ltd., Class A-5(23)	\$ 635,000	*	59,755	59,755
Fore ERISA Fund, Ltd. (13)(24)	\$ 483,000	*	45,451	45,451
HFR CA Global Opportunity Master Trust(23)	\$ 318,000	*	29,924	29,924
LLT Limited(23)	\$ 138,000	*	12,986	12,986
Institutional Benchmarks Master Fund Ltd.(23)	\$ 129,000	*	12,139	12,139
HFR RVA Select Performance Master Trust(23)	\$ 48,000	*	4,516	4,516
Forest Multi-Strategy Master Fund SPC, on behalf of its Multi-Strategy Segregated Portfolio(23)	\$ 31,000	*	2,917	2,917
All other holders of Notes or future transferee from any such holder(25)(26)	*	*	*	*
Totals	\$ 100,000,000(27)	100%	9,410,350(27)	9,410,350

* Less than 1%

- (1) Information concerning the selling securityholders may change from time to time. Any such changed information will be set forth in prospectus supplements if and when necessary.
- (2) Includes shares of common stock issuable upon conversion of the Notes. Assumes conversion of all of the selling securityholder's Notes at a conversion rate of 94.1035 shares of our common stock per \$1,000 principal amount of Notes, not including fractional shares for which we will pay cash as described under Description of the Notes Conversion Procedures Payment on Conversion. However, this conversion rate is subject to adjustments as described under Description of the Notes Conversion Procedures. As a result the number of shares of common stock issuable on conversion of the Notes may increase or decrease in the future. These Notes are convertible upon the occurrence of any of the events described under Prospectus Summary The Offering Conversion Rights. As of the date of this prospectus, no such event has occurred.
- (3) Patrick Corrigan has the power to direct the voting and disposition of the securities held by DBAG London.

- (4) Selling securityholder has identified itself as an affiliate of a broker-dealer. Each such selling securityholder has informed us that: (1) such selling securityholder purchased its Notes in the ordinary course of business, and (2) at the time that the Notes were purchased, the selling securityholder had no agreements, direct or indirect, with any person to distribute the Notes.
- (5) HBK Investments L.P. may be deemed to have sole voting and sole dispositive power over the securities pursuant to an Investment Management Agreement between HBK Investments L.P. and HBK Master Fund L.P. Additionally, the following individuals may be deemed to have control over HBK Investments L.P.: Kenneth M. Hirsh, Laurence H. Lebowitz, William E. Rose, David C. Haley and Jamiel A. Akhtar.
- (6) Citadel Limited Partnership (Citadel) is the trading manager of Citadel Equity Fund Ltd. and consequently has investment discretion over securities held by Citadel Equity Fund Ltd. Citadel disclaims beneficial ownership of the shares beneficially owned by Citadel Equity Fund Ltd. Kenneth C. Griffin indirectly controls Citadel and therefore has ultimate investment discretion over securities held by Citadel Equity Fund Ltd. Mr. Griffin disclaims beneficial ownership of the shares held by Citadel Equity Fund Ltd.
- (7) CNH Partners, LLC has sole voting and dispositive power over the registrable securities held by CNH CA Master Account, L.P. The investment principals for CNH Partners, LLC are Robert Krail, Mark Mitchell and Todd Pulvino.

- (8) Calamos Advisors LLC is the investment advisor for Calamos Market Neutral Income Fund Calamos Investment Fund. Nick Calamos is the Senior Executive Vice President, Head of Investment of Calamos Advisors LLC. Mr. Calamos has voting and investment control over the securities being registered hereby held by Calamos Market Neutral Income Fund Calamos Investment Fund.
- (9) Highbridge Capital Management LLC (Highbridge) is the trading manager of Highbridge International LLC (HIC) and consequently has voting control and investment discretion over securities held by HIC. Glenn Dubin and Henry Swieca control Highbridge. Each of Highbridge, Glen Dublin and Henry Swieca disclaims beneficial ownership of the securities held by HIC.
- (10) Kamunting Street Capital Management, L.P. serves as investment manager to Kamunting Street Master Fund, Ltd. Allan Teh, the managing member of Kamunting Street Management, LLC, which is the general partner of Kamunting Street Capital Management, L.P., has voting and investment control over the securities held by Kamunting Street Master Fund, Ltd.
- (11) Vicis Capital LLC is the investment manager of Vicis Capital Master Fund. John Succo, Sky Lucas and Shad Stastney jointly control Vicis Capital LLC and exercise voting control and investment discretion over the registrable securities held by Vicis Capital Master Fund. John Succo, Sky Lucas and Shad Stastney disclaim individual ownership of the registrable securities.
- (12) David Egglshaw has the power to direct the voting and disposition of the securities held by Fore Convertible Master Fund, Ltd.
- (13) Selling securityholder has identified itself as a broker-dealer. Each such selling securityholder has informed us that: (1) such selling securityholder purchased its Notes in the ordinary course of business, and (2) at the time that the Notes were purchased, the selling securityholder had no agreements, direct or indirect, with any person to distribute the Notes.
- (14) Polygon Investment Partners LLP and Polygon Investment Partners LP (the Investment Managers), Polygon Investments Ltd. (the Manager), Alexander E. Jackson, Reade E. Griffith and Patrick G. G. Dear share voting and dispositive power of the securities held by Polygon Global Opportunities Master Fund. The Investment Managers, the Manager, Alexander E. Jackson, Reade E. Griffith and Patrick G. G. Dear disclaim beneficial ownership of the securities held by Polygon Global Opportunities Master Fund.
- (15) Alan Smith, Blair Gauld, Dennis Hunter, Karla Bodden and Jim Rogers, the directors of CQS Convertible and Quantitative Strategies Master Fund Limited, have voting control and investment discretion over the registrable securities held by CQS Convertible and Quantitative Strategies Master Fund Limited.
- (16) KBC Financial Products Cayman Islands Ltd. has voting control and investment discretion over the registrable securities. KBC Financial Products Cayman Islands Ltd. is a direct wholly-owned subsidiary of KBC Financial Holdings, Inc., which in turn is a direct wholly-owned subsidiary of KBC Bank N.V., which in turn is a direct wholly-owned subsidiary of KBC Group N.V., a publicly traded entity.
- (17) Eric C. Hage, the Portfolio Manager of Mohican VCA Master Fund, Ltd., and Daniel C. Hage have voting control and investment discretion over the registrable securities held by Mohican VCA Master Fund, Ltd.
- (18) Michael Brailov has voting and dispositive power over the securities held by Grace Convertible Arbitrage Fund, Ltd.

- (19) DKR Capital Partners L.P. (DKR LP) is a registered investment adviser with the SEC and is the investment manager to DKR SoundShore Opportunity Holding Fund Ltd. (the Fund). DKR LP has retained certain portfolio managers to act as the portfolio manager to the Fund managed by DKR LP. As such, DKR LP and certain portfolio managers have shared dispositive and voting power over the securities held by the Fund. Tomas Kirvaitis has trading authority over the registrable securities included in this prospectus. Mr. Kirvaitis disclaims ultimate beneficial ownership of the shares.
- (20) KBC Financial Products USA Inc. has voting control and investment discretion over the registrable securities. KBC Financial Products USA Inc. is a direct wholly-owned subsidiary of KBC Financial Holdings, Inc., which in turn is a direct wholly-owned subsidiary of KBC Bank N.V., which in turn is a direct wholly-owned subsidiary of KBC Group N.V., a publicly traded entity.
- (21) David Egglshaw has the power to direct the voting and disposition of the securities held by Fore Multi Strategy Master Fund, Ltd.

- (22) Kina Cann has the power to direct the voting and disposition of the securities held by Man Mac I Limited.
- (23) Forest Investment Management LP (Forest) has sole voting control and shared investment control over the registrable securities. Forest is wholly owned by Forest Partners II LP, the sole general partner of which is Michael A. Boyd Inc., which is solely owned by Michael A. Boyd.
- (24) David Egglshaw has the power to direct the voting and disposition of the securities held by Fore ERISA Fund, Ltd.
- (25) Information about other holders of Notes, if any, or future transferees will be set forth in prospectus supplements or post-effective amendments from time to time, if and when required.
- (26) Assumes that all other holders of Notes do not beneficially own any of our common stock other than the shares issuable upon conversion of the Notes.
- (27) The aggregate principal amount of Notes and the number of shares of our common stock issuable upon conversion of the Notes listed in these columns are greater than the aggregate principal amount of Notes and underlying shares of our common stock registered under the registration statement of which this prospectus forms a part, as a result, we believe, of sales or transfers by certain selling securityholders of Notes in transactions exempt from the registration requirements of the Securities Act, after the date on which such selling securityholders provided us information regarding their holdings of Notes and underlying shares of common stock. However, since this prospectus is not applicable to any sale of Notes after such Notes have been publicly sold utilizing the prospectus, no more than \$100,000,000 aggregate principal amount of Notes, nor more than 9,410,350 shares of our common stock, can be sold utilizing this prospectus. Accordingly, the \$100,000,000 and 9,410,350 totals in these columns have been retained and represent the maximum aggregate principal amount of Notes and maximum number of shares of our common stock that are permitted to be sold hereunder.

To the extent that any of the selling securityholders identified above are broker-dealers, they are deemed to be, under interpretations of the SEC, underwriters within the meaning of the Securities Act.

With respect to selling securityholders that are affiliates of broker-dealers, we believe that such entities acquired their Notes and underlying common stock in the ordinary course of business and, at the time of the purchase of the Notes and the underlying common stock, such selling securityholders had no agreements or understandings, directly or indirectly, with any person to distribute the Notes or underlying common stock. To the extent that we become aware that such entities did not acquire their Notes or underlying common stock in the ordinary course of business or did have such an agreement or understanding, we will file a post-effective amendment to the registration statement of which this prospectus is a part to designate such affiliate as an underwriter within the meaning of the Securities Act.

Only selling securityholders identified above who beneficially own the Notes and the underlying shares of common stock set forth opposite each such selling securityholder's name in the foregoing table on the effective date of the registration statement of which this prospectus is a part may sell such securities pursuant to the registration statement. Prior to any use of this prospectus in connection with an offering of Notes or underlying shares of common stock by any holder not identified above, the registration statement of which this prospectus is a part will be amended by a post-effective amendment or this prospectus will be supplemented to set forth the name of the selling securityholder, the principal amount of Notes and shares of underlying common stock beneficially owned by the selling securityholder, and the principal amount of Notes and number of shares of common stock issuable upon conversion of those Notes that may be offered from time to time under this prospectus by the selling securityholders intending to sell such Notes or underlying common stock. The prospectus, as amended or supplemented, will also disclose whether any selling securityholder selling Notes or underlying shares of common stock in connection with such prospectus has

held any position or office with, has been employed by or otherwise has had a material relationship with us or our affiliates or predecessors during the three years prior to the date of the prospectus, if such information has not already been disclosed herein.