SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*
PRUDENTIAL FINANCIAL INC
(Last) (First) (Middle)
751 BROAD ST
(Street)
NEWARK NJ 07102
(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
STRATEGIC HOTEL CAPITAL INC [SLH]

3. Date of Earliest Transaction (Month/Day/Year)
06/29/2004

4. If Amendment, Date of 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 (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	06/29/2004		J		100	D	$0.01[1]	0	I	See Note 2[2]
Common Stock	06/29/2004		C		3,774,856	A	[3]	3,774,856	I	See Note 4[4]

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Units (right to acquire)	[5]	06/29/2004		J		19,111,846		[6]	[7]	Common Stock	19,111,846	[8]	19,111,846	I	See Note 2[2]
Units (right to acquire)	[5]	06/29/2004		J		3,774,856		[6]	[7]	Common Stock	3,774,856	[9]	11,023,136[10]	I	See Note 10[10]
Units (right to acquire)	[5]	06/29/2004		C			3,774,856	[6]	[7]	Common Stock	3,774,856	[11]	7,248,280[10]	I	See Note 2[2]

Explanation of Responses:

1. The securities were repurchased at par value by Strategic Hotel Capital, Inc. ("SHC") in connection with the initial public offering of its common stock.
2. Securities are held indirectly through The Prudential Insurance Company of America, Prudential Investment Management, Inc., PIC Realty Corporation, Prudential Assets, LLC, Strategic Value Investors, LLC, SVI(SHC/Houston) Redemption Vehicle, LLC, and (SHC/Olayan) Redemption Vehicle, LLC (collectively, the "Prudential holders"), all of which are members of Strategic Hotel Capital, LLC ("SHC LLC"). SHC LLC, directly and indirectly through Strategic Hotel Capital Limited Partnership ("SHC LP"), an affiliate of SHC LLC, holds the securities shown for the Prudential holders and others. The reporting person disclaims beneficial ownership except to the extent of its pecuniary interest in those units, and this report shall not be deemed an admission that the reporting person is the beneficial owner for purposes of Section 16 or for any other purpose.
3. The common stock was acquired in exchange for an equal number of units. See Note 5.
4. Securities are held through the Prudential holders.
5. Holders of units are entitled to present them for redemption for a cash amount equal to the then-fair market value of an equal number of shares of SHC common stock or, in SHC's sole discretion, an equal number of shares of SHC common stock.
6. Units are immediately eligible to be presented for redemption or become eligible at various times through June 29, 2005.
7. Units have no expiration date.
8. Units were received in exchange for interests in property-owning entities as described under the caption "Formation and Structuring Transactions" in SHC's final prospectus dated June 23, 2004.
9. Distribution of a portion of its pro rata shares of units to the Prudential holders from SHC LLC for no consideration.
10. Consists of (i) 3,774,856 units held indirectly through the Prudential holders and (ii) 7,248,280 units held indirectly through the Prudential holders as members of SHC LLC. The 19,111,846 units shown in the first line of Table II as held directly by SHC LLC and indirectly through SHC LP (see Note 2) were reduced to 7,248,280 as a result of distributions to the Prudential holders (see Note 9) and other SHC LLC members. The reporting person disclaims beneficial ownership except to the extent of its pecuniary interest in those units, and this report shall not be deemed an admission that the reporting person is the beneficial owner for purposes of Section 16 or for any other purpose.
11. The units were exchanged for an equal number of shares of common stock. See Note 5.

Robert M. Falzon 07/01/2004
** Signature of Reporting Person Date

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).

** 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 is insufficient, *see* Instruction 6 for procedure.

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