

COST PLUS INC/CA/
Form 3
May 18, 2012

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * | | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â BED BATH & BEYOND INC | | | (Month/Day/Year) | COST PLUS INC/CA/ [CPWM] | |
| (Last) | (First) | (Middle) | 05/08/2012 | | |
| 650 LIBERTY AVENUE | | | 4. Relationship of Reporting Person(s) to Issuer | | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | | (Check all applicable) | | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| UNION,Â NJÂ 07083 | | | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) | | <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person |
| (City) | (State) | (Zip) | | | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|--|
| Common Stock, par value \$0.01 per share | 0 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(10)</u> | I <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(10)</u> | See Notes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(10)</u> |

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative | 5. Ownership Form of Derivative Security | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|---|--|---|--|--|
| | | | | | |

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| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Security | Direct (D) or Indirect (I) (Instr. 5) | |
|---------------------------------|------------------|-----------------|--------------|--|---------------|---------------------------------------|----------------------------------|
| Deferred Stock Units <u>(6)</u> | Â <u>(8)</u> | Â <u>(8)</u> | Common Stock | 0 <u>(6)</u> <u>(7)</u> <u>(10)</u> | \$ <u>(9)</u> | I | See Notes <u>(7)</u> <u>(10)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| BED BATH & BEYOND INC 650 LIBERTY AVENUE UNION, NJ 07083 | Â | Â X | Â | Â |
| Blue Coral Acquisition Corp. 650 LIBERTY AVENUE UNION, NJ 07083 | Â | Â X | Â | Â |

Signatures

/s/ Eugene A. Castagna, on behalf of Bed Bath & Beyond Inc. 05/18/2012

__Signature of Reporting Person Date

/s/ Allan N. Rauch, on behalf of Blue Coral Acquisition Corp. 05/18/2012

__Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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) On May 8, 2012, Cost Plus, Inc. ("Issuer") entered into an Agreement and Plan of Merger (the "Merger Agreement") with Bed Bath & Beyond Inc. ("Parent") and Blue Coral Acquisition Corp., a California corporation and wholly-owned subsidiary of Parent ("Purchaser"). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, Purchaser will commence a cash tender offer to acquire all of the shares of the Issuer's common stock (the "Offer") for a purchase price of \$22.00 per share in cash (the "Offer Price"); and as soon as practicable after the consummation of the Offer and subject to the satisfaction or waiver of certain conditions set forth in the Merger Agreement, Purchaser will merge with and into the Issuer (the "Merger") and the Issuer will become a wholly-owned subsidiary of Parent.

(2) The Merger Agreement also provides that, subject to the satisfaction or waiver of certain conditions set forth in the Merger Agreement, the Merger may be consummated regardless of whether the Offer is completed, but if the Offer is not completed, the Merger will only be able to be consummated after the shareholders of the Issuer have adopted the Merger Agreement at a meeting of shareholders.

(3) Concurrently with the execution of the Merger Agreement, Parent and Purchaser entered into certain Support and Tender Agreements ("Support Agreements"), dated May 8, 2012, by and among Parent, Purchaser and certain shareholders of the Issuer (the "Shareholders") pursuant to which each Shareholder has agreed, among other things, subject to the termination of the Support Agreement (i) to tender (and not withdraw) all their shares of Issuer common stock in the Offer, (ii) to grant an irrevocable proxy to certain designees of Parent with respect to certain matters related to the Merger and (iii) to vote in favor of the Merger, upon the terms and subject to the conditions of such Support Agreements. The shares of Issuer common stock subject to the Support Agreements comprise approximately 26.3% of the outstanding Issuer common stock (based on the Issuer's outstanding common stock as of April 6, 2012).

(4) As of the date hereof, neither Parent nor Purchaser own any shares of Issuer common stock. However, as a result of Parent and Purchaser entering into the Support Agreements, Parent and Purchaser may be deemed to share with the Shareholders the power to vote or to direct the voting of the shares of Issuer held by the Shareholders and, therefore, beneficially own within the meaning of Rule 13d-3

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under the Securities Exchange Act of 1934, as amended, greater than 10% of the shares of Issuer common stock outstanding. Neither Parent nor Purchaser has any pecuniary interest in the shares of the Issuer held by the Shareholders, and each expressly disclaims beneficial ownership of any shares of Issuer common stock covered by the Support Agreements.

This report is neither an offer to purchase nor a solicitation of an offer to sell shares of the Issuer. Parent and Purchaser will file a tender offer statement with the Securities and Exchange Commission ("SEC"), and will mail an offer to purchase, forms of letter of transmittal and related documents to Issuer shareholders. The Issuer will file with the SEC, and will mail to Issuer shareholders, a solicitation/recommendation statement on Schedule 14D-9. These documents contain important information about the tender offer, and shareholders of the Issuer are urged to read them carefully and in their entirety when they become available. These documents will be available at no charge at the SEC's website at www.sec.gov.

- (5) solicitation/recommendation statement on Schedule 14D-9. These documents contain important information about the tender offer, and shareholders of the Issuer are urged to read them carefully and in their entirety when they become available. These documents will be available at no charge at the SEC's website at www.sec.gov.
- (6) The deferred stock units were awarded to Mr. Mark Genender on August 3, 2011 and March 26, 2012. Up to 11,060 shares of Issuer common stock are issuable pursuant to the deferred stock units awarded to Mr. Mark Genender. We have listed these securities under the assumption that the shares of Issuer common stock issuable pursuant to such securities will be issued within 60 days.
- (7) Pursuant to certain of the Support Agreements, the Shareholders thereto have agreed to cause Mr. Mark Genender to vote any shares of Issuer common stock that are issued to Mr. Mark Genender prior to the termination of such Support Agreement pursuant to the deferred stock units held by him. Neither Parent nor Purchaser has any pecuniary interest in the deferred stock units, and each expressly disclaims beneficial ownership of any deferred stock unit covered by the Support Agreements.
- (8) The deferred stock units will vest in full on the one year anniversary date of the grant. Vested shares will be delivered to the holder either upon the one year anniversary of the date of grant or within thirty days of the earlier of (i) any settlement date irrevocably elected by the holder, (ii) the date the holder is no longer serving as a director of Issuer and (iii) the date of a merger or asset sale which is a "change of control" (as defined in Section 409A of the Internal Revenue Code of 1986, as amended).
- (9) Each deferred stock unit represents a contingent right to receive one share of Issuer common stock.
- (10) For additional information regarding the Merger Agreement and the Support Agreements, please see the Schedule 13D filed by Parent with the SEC on May 18, 2012.

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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