

CERIDIAN CORP /DE/  
Form SC 13D/A  
February 28, 2007

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 3)\*

Ceridian Corporation

-----  
(Name of Issuer)

Common Stock, par value \$0.01 per share

-----  
(Title of Class of Securities)

156779100

-----  
(CUSIP Number)

Roy J. Katzovicz  
Pershing Square Capital Management, L.P.  
888 Seventh Avenue, 29th Floor  
New York, NY 10019  
212-813-3700

with a copy to:

Alan J. Sinsheimer

Sullivan & Cromwell LLP

125 Broad Street

New York, NY 10004-2498

212-558-4000

and

Janet T. Geldzahler

Sullivan & Cromwell LLP

1701 Pennsylvania Avenue, N.W.

Washington, D.C. 20006-5805

202-956-7500

-----  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

February 27, 2007

-----  
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box: [ ]

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ss. 240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1 Name of Reporting Person  
I.R.S. Identification Nos. of Above Person (entities only)

Pershing Square Capital Management, L.P.

2 Check the Appropriate Box if a Member of a Group (See instructions)

(a)

(b)

3 SEC Use Only

4 Source of Funds (See Instructions)

OO

5 Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

7 Sole Voting Power

-0-

8 Shared Voting Power

Number of Shares Beneficially  
Owned by Each Reporting  
Person With

19,724,334

9 Sole Dispositive Power

-0-

10 Shared Dispositive Power

19,724,334

11 Aggregate Amount Beneficially Owned by Each Reporting Person

19,724,334

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13 Percent of Class Represented by Amount in Row (11)

14.2%<sup>1</sup>

14 Type of Reporting Person (See Instructions)

IA

<sup>1</sup> Calculated based on 139,124,108 shares of the common stock, par value \$0.01, of Ceridian Corporation outstanding as of October 31, 2006, as reported in Ceridian Corporation's quarterly report on Form 10-Q for the quarterly period ended September 30, 2006.

CUSIP No. 156779100

1 Name of Reporting Person  
I.R.S. Identification Nos. of Above Person (entities only)

PS Management GP, LLC

2 Check the Appropriate Box if a Member of a Group (See instructions)

(a)

(b)

3 SEC Use Only

4 Source of Funds (See Instructions)

OO

5 Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

7 Sole Voting Power

-0-

8 Shared Voting Power

Number of Shares Beneficially  
Owned by Each Reporting

19,724,334

Person With

9 Sole Dispositive Power

-0-

10 Shared Dispositive Power

19,724,334

11 Aggregate Amount Beneficially Owned by Each Reporting Person

19,724,334

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13 Percent of Class Represented by Amount in Row (11)

14.2%<sup>2</sup>

14 Type of Reporting Person (See Instructions)

OO

<sup>2</sup> Calculated based on 139,124,108 shares of the common stock, par value \$0.01, of Ceridian Corporation outstanding as of October 31, 2006, as reported in Ceridian Corporation's quarterly report on Form 10-Q for the quarterly period ended September 30, 2006.

CUSIP No. 156779100

1 Name of Reporting Person

I.R.S. Identification Nos. of Above Person (entities only)

Pershing Square GP, LLC

2 Check the Appropriate Box if a Member of a Group (See instructions)

(a)

(b)

3 SEC Use Only

4 Source of Funds (See Instructions)

OO

5 Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization

Delaware

7

Sole Voting Power

-0-

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- |  |    |                          |
|--|----|--------------------------|
|  | 8  | Shared Voting Power      |
|  |    | 8,732,525                |
|  | 9  | Sole Dispositive Power   |
|  |    | -0-                      |
|  | 10 | Shared Dispositive Power |
|  |    | 8,732,525                |
- 11 Aggregate Amount Beneficially Owned by Each Reporting Person  
8,732,525
- 12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 13 Percent of Class Represented by Amount in Row (11)  
6.3%<sup>3</sup>
- 14 Type of Reporting Person (See Instructions)  
IA

<sup>3</sup> Calculated based on 139,124,108 shares of the common stock, par value \$0.01, of Ceridian Corporation outstanding as of October 31, 2006, as reported in Ceridian Corporation's quarterly report on Form 10-Q for the quarterly period ended September 30, 2006.

CUSIP No. 156779100

- 1 Name of Reporting Person  
I.R.S. Identification Nos. of Above Person (entities only)  
  
William A. Ackman
- 2 Check the Appropriate Box if a Member of a Group (See instructions)  
  
(a)   
(b)
- 3 SEC Use Only

4 Source of Funds (See Instructions)

OO

5 Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6 Citizenship or Place of Organization

United States

7 Sole Voting Power

-0-

8 Shared Voting Power

Number of Shares Beneficially  
Owned by Each Reporting  
Person With

19,724,334

9 Sole Dispositive Power

-0-

10 Shared Dispositive Power

19,724,334

11 Aggregate Amount Beneficially Owned by Each Reporting Person

19,724,334

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13 Percent of Class Represented by Amount in Row (11)

14.2%<sup>4</sup>

14 Type of Reporting Person (See Instructions)

IN

<sup>4</sup> Calculated based on 139,124,108 shares of the common stock, par value \$0.01, of Ceridian Corporation outstanding as of October 31, 2006, as reported in Ceridian Corporation's quarterly report on Form 10-Q for the quarterly period ended September 30, 2006.

**Item**

1.

**Security and Issuer.**

This amendment No. 3 (this Amendment) amends and supplements the statement on Schedule 13D (the Original Schedule 13D), filed on January 18, 2007 by Pershing Square Capital Management, L.P., a Delaware limited partnership (Pershing Square), PS Management GP, LLC, a Delaware limited liability company, Pershing Square GP, LLC, a Delaware limited liability company, and William A. Ackman, a citizen of the United States of America (collectively, the Reporting Persons), the amendment No. 1 to the Original Schedule 13D, filed on January 23, 2007 by the Reporting Persons and the amendment No. 2 to the Original Schedule 13D, filed on February 6, 2007 by the Reporting Persons, relating to the common stock, par value \$0.01 per share (the Common Stock), of Ceridian Corporation, a Delaware corporation (the Issuer). The address of the principal executive offices of the Issuer is 3311 East Old Shakopee Road, Minneapolis, Minnesota 55425. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Original Schedule 13D.

**Item**

3.

**Source and Amount of Funds or Other Consideration.**

Item 3 is hereby supplemented as follows:

On February 12, 2007, the Reporting Persons purchased for the account of the Pershing Square Funds, which are investment funds affiliated with the Reporting Persons, American-style call options in the over-the-counter market (the "Options") to buy an aggregate of 1,000,000 shares of the Common Stock at a per share exercise of \$24.4363 for a total consideration (including brokerage commissions) of \$9,896,700.05 derived from the capital of the Pershing Square Funds. The Options were exercisable by the Pershing Square Funds from February 12, 2007 through various dates ranging from January 22, 2009 through February 19, 2009. The terms and exercise dates for the Options are set forth in Exhibit 99.1 to this Amendment, which is incorporated by reference into this Item 3 as if restated in full.

On February 27, 2007, the Reporting Persons exercised all of the call options held for the account of Pershing Square Funds to buy 4,000,000 shares of the Common Stock at a per share exercise price of \$24.2596 for a total consideration (including brokerage commissions) of \$97,215,100 derived from the capital of the Pershing Square Funds.

**Item**

5.

**Interest in Securities of the Issuer.**

Item 5 is hereby supplemented as follows:



(a), (b) Based upon the Issuer's quarterly report on Form 10-Q for the quarterly period ended September 30, 2006, there were 139,124,108 shares of the Common Stock outstanding as of October 31, 2006. Based on the foregoing, the 19,724,334 shares of the Common Stock beneficially owned by the Reporting Persons represent approximately 14.2% of the shares of the Common Stock issued and outstanding.

(c)

See trading data attached hereto as Exhibit 99.1. Exhibit 99.1 is incorporated by reference into this Item 5(c) as if restated in full.

Except as set forth in Exhibit 99.1 attached hereto, in the period from February 6, 2007 until February 27, 2007, no other transactions in shares of the Common Stock or options to purchase shares of the Common Stock were effected by any Reporting Person.

**Item 7.**

**Material to be Filed as Exhibits.**

Item 7 is supplemented by adding the following exhibit:

Exhibit 99.1

Trading data of the Options that were effected during the period from February 6, 2007 until February 27, 2007.

SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: February 28, 2007

PERSHING SQUARE CAPITAL MANAGEMENT, L.P.

By: PS Management GP, LLC,  
its General Partner

By: /s/ William A. Ackman

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William A. Ackman  
Managing Member

PS MANAGEMENT GP, LLC

By: /s/ William A. Ackman

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William A. Ackman  
Managing Member

PERSHING SQUARE GP, LLC

By: /s/ William A. Ackman

-----

William A. Ackman

Managing Member

/s/ William A. Ackman

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WILLIAM A. ACKMAN

#### EXHIBIT INDEX

Exhibit	Description
99.1.	Trading data of the Options that were effected during the period from February 6, 2007 until February 27, 2007.