

PUBLICARD INC
Form 4
August 22, 2006

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 *
FREUND HARRY I

(Last) (First) (Middle)

C/O BALFOUR INVESTORS, ONE
ROCKEFELLER PLAZA, 14TH
FLOOR

(Street)

NEW YORK, NY 10020

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PUBLICARD INC [CARD.OB]

3. Date of Earliest Transaction
(Month/Day/Year)
08/20/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) Price | | | |
| Common Stock ⁽¹⁾ | | | | | 5,454 | I | By Spouse |
| Common Stock | | | | | 506,503 | I | By Keogh Plan |
| Common Stock ⁽²⁾ | | | | | 13,000 | I | By Balfour Defined Benefits Pension Plan |

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 Number of Shares |
| Stock Options (3) (4) | \$ 0.39 | | | | | 08/20/2001 08/20/2011 | Common Stock 275,000 |
| Stock Options (5) | \$ 0.39 | 08/22/2006 | | J | 225,000 | 08/20/2001 08/20/2006 | Common Stock 225,000 |
| Stock Options (6) | \$ 0.025 | | | | | 08/04/2005 08/04/2010 | Common Stock 30,000 |
| Stock Options (6) | \$ 0.03 | | | | | 08/04/2006 08/04/2011 | Common Stock 30,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| FREUND HARRY I C/O BALFOUR INVESTORS ONE ROCKEFELLER PLAZA, 14TH FLOOR NEW YORK, NY 10020 | X | | | |

Signatures

/s/HARRY I.
FREUND 08/20/2006

**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) Mr. Freund disclaims beneficial ownership of the 5,454 shares of PubliCARD Common Stock held by his wife.

Shares are held by the Balfour Defined Benefits Pension Plan (the "Plan"), of which Mr. Freund is a Trustee and Plan Administrator and

(2) in which Mr. Freund is a participant. Mr. Freund disclaims beneficial ownership of 5,850 shares of Common Stock held by the Plan (based on Mr. Freund's proportionate interest in the Plan of approximately 55%).

Options have been granted pursuant to an agreement with PubliCARD under which PubliCARD had agreed to reissue 500,000 options which were cancelled on February 16, 2001 for 500,000 options with an exercise price equal to the closing market price of PubliCARD's Common Stock on such reissuance date. Pursuant to the agreement, one-third of the options vested on August 20, 2001, with the balance vesting quarterly over the following twelve quarters.

(3) Options have been granted pursuant to PubliCARD's 1999 Long-Term Incentive Plan.

(4) Options have expired.

(5) Options have been granted pursuant to PubliCARD's Non-Employee Director Stock Option Plan.

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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