

Edgar Filing: INFINITE GROUP INC - Form SC 13D

INFINITE GROUP INC
Form SC 13D
August 22, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Amendment No. ____)*

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE
13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

INFINITE GROUP, INC.

.....
(Name of Issuer)

Common Stock, par value \$.001 per share

.....
(Title of Class of Securities)

456910306

.....
(CUSIP Number)

James D. Frost
c/o Kenneth S. Rose, Esq.
Morse, Zelnick, Rose & Lander, LLP
405 Park Avenue, Suite 1401
New York, New York 10022
Tel: (212) 838-5030
Fax: (212) 838-9190

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

August 20, 2005

.....
(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 which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box .

*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).

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(1) Names of Reporting Persons
S.S. or I.R.S. Identification
Nos. Of Above Persons James D. Frost

(2) Check the appropriate Box (a)
if a Member of a Group (b)

(3) SEC Use Only

(4) Source of Funds 00

(5) Check Box if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) |_ |

(6) Citizenship or Place of Organization United States

Number of Shares (7) Sole Voting Power 2,000,000
Beneficially Owned
Each Reporting
Person With (8) Shared Voting 0

(9) Sole Dispositive 2,000,000

(10) Shared Dispositive Power 0

(11) Aggregate Amount Beneficially Owned by Each Reporting Person 2,000,000

(12) Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares |_ |

(13) Percent of Class Represented by Amount in Row 11 9.9%

(14) Type of Reporting Person IN

*SEE INSTRUCTIONS BEFORE FILLING OUT

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Item 1. Security and Issuer.

Name of Issuer: Infinite Group Inc. (the "Company")

Address of Issuer's Principal Executive Offices:

595 Blossom Road, Suite 309
Rochester, New York 14610

Security: Common Stock, par value \$.001 per share ("Shares")

Item 2. Identity and Background.

(a) Name of Reporting Person: James D. Frost ("Mr. Frost")

(b) The Business Address of the Reporting Person is:

c/o Infinite Group, Inc.
595 Blossom Road, Suite 309
New York, NY 14610

(c) Principal Occupation of the Reporting Person:

Mr. Frost is an executive officer of the Company.

(d) Criminal Convictions involving the Reporting Person:

During the last five years, the Reporting Person has not been convicted in a criminal proceeding (excluding traffic violations).

(e) Civil Proceedings involving the Reporting Person:

During the last five years, the Reporting Person has not been: (i) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction; nor (ii) subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or State securities laws or finding any violation with respect to such laws.

(f) Citizenship: Mr. Frost is a citizen of the United States.

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Item 3. Source and Amount of Funds or Other Consideration.

Mr. Frost acquired beneficial ownership of the Shares as compensation for his services to the Company.

Item 4. Purpose of the Transaction.

Mr. Frost acquired the securities of the Company for the purpose of investment.

Except as otherwise disclosed herein, the Reporting Person is not considering any plans or proposals which relate to or would result in any of the following: (a) the acquisition by any person of additional securities of the

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Company, or the disposition of securities of the Company; (b) an extraordinary corporate transaction, such as a merger, reorganization, or liquidation, involving the Company or any of its subsidiaries; (c) a sale or transfer of any material amount of assets of the Company or any of its subsidiaries; (d) any change in the Company's Board of Directors or management; (e) any material change in the present capitalization or dividend policy of the Company; (f) any material change in the Company's business, corporate structure, charter or bylaws; (g) any change which would impede the acquisition of control of the Company by any person; (h) causing any class of securities of the Company to be delisted; (i) the Company's common stock to be eligible to the deregistered under the Securities Exchange Act of 1934; or (j) any actions similar to those enumerate above.

Item 5. Interest in Securities of the Issuer.

(a) The aggregate number of Shares that may be deemed to be beneficially owned by Mr. Frost is 2,000,000 Shares, which includes 1,000,000 Shares issuable upon the exercise of currently exercisable options. The 2,000,000 Shares represent approximately 9.9% of the total outstanding Shares as of July 15, 2005. The percentage of outstanding Shares beneficially owned by Mr. Frost is based upon the aggregate of 20,206,965 outstanding Shares consisting (x) 19,206,965 Shares outstanding as of July 15, 2005 and (y) 1,000,000 Shares underlying the currently exercisable options issued by the Company to Mr. Frost.

(b) Mr. Frost possesses the sole power to vote or to direct the vote, and sole power to dispose or to direct the disposition of 2,000,000 Shares including the shares underlying his options.

(c) Mr. Frost effected no transactions in the Shares during the past 60 days with respect to the Shares.

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(d) No other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understanding or Relationships with Respect to Securities of the Issuer.

None.

Item 7. Material to be Filed as Exhibits.

None.

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

Date: August 20, 2005

/s/ James D. Frost

James D. Frost