

SECURITIES AND EXCHANGE COMMISSION

FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: **1998-07-22**
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SUBJECT COMPANY

U S INDUSTRIAL SERVICES INC

CIK: **855424** | IRS No.: **990273889** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **SC 13D/A** | Act: **34** | File No.: **005-51045** | Film No.: **98669765**
SIC: **6770** Blank checks

Mailing Address
53 STILES ROAD
SUITE 101
SALEM NH 03079

Business Address
15201 PEPELINE LE STE B
HUNTINGTON BEACH CA
92649
8183307221

FILED BY

AMERICAN ECO CORP

CIK: **868076** | IRS No.: **521742490** | Fiscal Year End: **1130**
Type: **SC 13D/A**
SIC: **7600** Miscellaneous repair services

Mailing Address
11011 JONES ROAD
HOUSTON TX 77070

Business Address
154 UNIVERSITY AVENUE
TORONTO ONTARIO CAN A6
4163402727

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 4)

U S INDUSTRIAL SERVICES, INC.

(NAME OF ISSUER)

COMMON STOCK, \$.01 PAR VALUE

(Title of Class of Securities)

90332T 10 6

(CUSIP Number)

Michael E. McGinnis
President and Chief Executive Officer
American Eco Corporation
11011 Jones Road
Houston, Texas 77070
(281) 774-7000

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

JULY 14, 1998

(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(b)(3) or (4), check the following box [] .

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, as amended (the "Act") or otherwise subject to the liabilities of that section of the Act

but shall be subject to all provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP NO. 90332T 10 6

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

American Eco Corporation
EIN: 52-1742490

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(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

Ontario, Canada

7 SOLE VOTING POWER
NUMBER OF 1,000,000
SHARES

8 SHARED VOTING POWER
BENEFICIALLY -0-
OWNED BY

9 SOLE DISPOSITIVE POWER
EACH

REPORTING 1,880,000

PERSON WITH 10 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
1,880,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
54.2%

14 TYPE OF REPORTING PERSON*
CO

ITEM 1. SECURITY AND ISSUER.

The securities covered by this Schedule 13D are shares of common stock, \$.01 par value (the "Common Stock"), of U S Industrial Services, Inc., a Delaware corporation (the "Company"). The Company's principal executive offices are located at 54 Stiles Road, Salem, New Hampshire 03079.

Effective June 22, 1998, EIF Holdings, Inc., a Hawaii corporation ("EIF"), completed a recapitalization and reincorporation (collectively, the "Reincorporation"), whereby the surviving company (or successor registrant) is the Company. One stage of the Reincorporation was a one-for-ten reverse stock split (the "Reverse Stock Split"), which reduced the number of outstanding shares of EIF common stock, no par value ("EIF Common Stock"), immediately prior to the Reincorporation. All share information in this Report has been adjusted for the Reverse Stock Split.

Pursuant to Rule 13d-2 under the Securities Exchange Act of 1934, this Amendment No. 4 amends the Schedule 13D for an event of February 1, 1996, as amended by Amendment No. 1 for an event of June 30, 1996, by Amendment No. 2 for an event of November 7, 1996 and by Amendment No. 3 for an event of December 22, 1997 (the "Statement"), filed by American Eco Corporation, an Ontario corporation ("American Eco"), with respect to its ownership of shares of the Company's Common Stock. Terms used and not otherwise defined herein shall have the respective meanings set forth in the Statement. Except as otherwise expressly indicated below, the information provided in the Statement remains in effect.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Pursuant to a Stock Purchase Agreement, dated February 2, 1996, between EIF and American Eco (the "Stock Purchase Agreement"), American Eco purchased an additional 1,000,000 shares (as adjusted by the Reverse Stock Split) (the "Shares") of the Company's Common Stock for \$1,000,000 on July 14, 1998. The closing of the Stock Purchase Agreement was dependent upon EIF's shareholders approving the Reverse Stock Split and the Reincorporation in order that EIF had sufficient number of authorized shares of Common Stock to effect the issuance of the Shares.

As of July 14, 1998, American Eco held certain promissory notes (the "Notes") of US Industrial consisting of outstanding principal and interest in the aggregate amount of \$17,900,000. The aggregate principal amount of the Notes had been reduced by \$1,000,000 representing the purchase price for the Shares.

ITEM 4. PURPOSE OF TRANSACTION.

Over the past several months American Eco has continued to reevaluate its interest in the Company and has considered different strategies for discontinuing or limiting its involvement with the Company, especially the amount of the Company's indebtedness held by it. The purchase of the 1,000,000 shares was required under the February 1996 Stock Purchase Agreement. As part of this strategy of discontinuing or limiting involvement with the Company, American Eco entered into an agreement in principle with USIS Acquisition LLC, a Delaware limited liability company ("USIS"), pursuant to which American Eco is to sell the balance of the Notes to USIS for \$5,000,000 in cash and for a secured promissory note in the principal amount of \$12,900,000 (the "Promissory Note") from USIS, payable on January 29, 1999. The sale of the Notes will enable American Eco to eliminate its debt interest in the Company and to substantially reduce its total overall investment in the Company.

American Eco will also consider disposing of all of its present equity interests in the Company, however, no assurance can be given that such a transaction may occur. The Company's decision as to whether to dispose of its equity interests will depend upon several factors, including whether Mr. Fradella has exercised the option he holds for the purchase of 880,000 shares through December 22, 1998, the prospects of the Company, other activities then engaged in by American Eco, general market and economic conditions, and other factors then deemed relevant. As of July 21, 1998, Mr. Fradella became President, Chief Operating

Officer and a director of American Eco.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) As of July 20, 1998, American Eco was the beneficial owner of 1,880,000 shares of the Common Stock, which constituted 54.2% of the issued and outstanding shares of Common Stock at that date. The percentage of American Eco's beneficial ownership is based on 3,468,120 shares of Common Stock which are estimated to be outstanding.

(b) American Eco possesses the sole power to dispose of 1,880,000 shares of Common Stock (subject to the Option), and the power to vote 1,000,000 shares as the Option grants Mr. Fradella the right to vote the 880,000 underlying shares.

(c) None except as disclosed in Item 3.

(d) None.

(e) Not applicable.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

6. Press Release dated July 15, 1998.

SIGNATURE

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

AMERICAN ECO CORPORATION

Date: July 21, 1998

By: /s/ Michael E. McGinnis

Michael E. McGinnis
Chairman, President and Chief
Executive Officer

EXHIBIT INDEX

EXHIBIT

6

DESCRIPTION

Press Release dated July 15, 1998

AMERICAN
ECO CORPORATION

NEWS RELEASE

AMERICAN ECO TO SELL PARTIAL INTEREST IN USIS

- COMPANY TO SELL NOTES AND RETAIN ONE MILLION USIS COMMON SHARES -

HOUSTON, July 15, 1998 - The Board of Directors of AMERICAN ECO CORPORATION (NASDAQ: ECGOF, TSE: ECX), following a meeting held yesterday, announced that it has signed an agreement in principal to sell the Notes it holds in U.S. Industrial Services Inc. (USIS) at face value of US\$17.2 million, US\$5 million to be paid on closing with the balance to be paid in cash on January 29, 1999. The sale to an investment group headed by Albert V. Furman III, the Director and Chairman of the Investment Committee of Texas Heritage Bancorp., is expected to close on or before July 30, 1998.

In addition, as part of the above transaction, American Eco intends to exercise its option to convert the remaining US\$1.0 million of the Note and accrued interest that American Eco holds in USIS into 1.0 million common shares of USIS.

USIS (NASDAQ: USIS) is the new name of EIF Holdings, Inc. after a 1-for-10 share consolidation. American Eco originally held the Notes in EIF Holdings, Inc. since February 1996. USIS, with annualized revenues at appropriately US\$65.0 million, has achieved a significant profit turnaround over the past 12 months.

AMERICAN ECO is a leading North American provider of single-source industrial support and specialty fabrication services in the energy, pulp & paper, and power generating industries.

Except for the historical information in this press release, the press release includes forward looking statements that involve risks and uncertainties including, but not limited to quarterly fluctuations in results, the management of growth, competition and other risks detailed in the Company's Securities and Exchange Commission filings. Actual results may differ materially from such information set forth herein.

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For additional information, contact

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