

NU SKIN ENTERPRISES INC

Form S-8

June 23, 2010

As filed with the Securities and Exchange Commission on June 22, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

NU SKIN ENTERPRISES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or
organization)

87-0565309
(I.R.S. Employer
Identification No.)

75 West Center Street
Provo, UT 84601

(Address, including zip code,
of registrant's principal executive offices)

Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan
(Full title of the plan)

M. Truman Hunt
President and Chief Executive Officer
NU SKIN ENTERPRISES, INC.
75 West Center Street
Provo, Utah 84601
(801) 345-6000

(Name, address and telephone number,

including area code, of agent for service of process)

Copies to:

Nolan S. Taylor, Esq.
 David F. Marx, Esq.
 Dorsey & Whitney LLP
 136 South Main Street, Suite 1000
 Salt Lake City, Utah 84101
 (801) 933-7360

D. Matthew Dorny
 General Counsel and Secretary
 Nu Skin Enterprises, Inc.
 75 West Center Street
 Provo, UT 84601
 (801) 345-6000

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee
Class A Common Stock, par value \$.001 per share	7,000,000	\$27.09	\$189,630,000	\$13,520.62

(1) Pursuant to Rule 416 under the Securities Act of 1933, this registration statement also relates to such additional number of shares available for issuance under the plan as may be required pursuant to the plan in the event of a stock dividend, stock split, recapitalization or other similar event, or as otherwise provided for in the plan.

(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(c) and (h) under the Securities Act of 1933, on the basis of the average of the high and low prices per share of the Class A Common Stock as reported on the New York Stock Exchange on June 18, 2010.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information.

Information required by Item 1 to be contained in the Section 10(a) prospectus is omitted from this Registration Statement in accordance with Rule 428 adopted under the Securities Act of 1933, as amended (the "Securities Act"), and the Note to Part I of Form S-8.

Item 2. Registrant Information and Employee Plan Annual Information.

Information required by Item 2 to be contained in the Section 10(a) prospectus is omitted from this Registration Statement in accordance with Rule 428 adopted under the Securities Act and the Note to Part I of Form S-8.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, which have been filed with the Securities and Exchange Commission (the "Commission") by Nu Skin Enterprises, Inc. (the "Company"), are incorporated by reference in this Registration Statement, as of their respective dates:

- (a) the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009;
- (b) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010;
- (c) the Company's Current Reports on Form 8-K filed on June 4, 2010 and June 2, 2010; and
- (d) the description of the Company's Class A Common Stock, par value \$.001 per share, as contained in the Registration Statement on Form 8-A filed on November 6, 1996, including any amendment or report filed for the purpose of updating such description filed for the purpose of updating such description.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date hereof and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities remaining unsold shall be deemed to be incorporated by reference herein and to be a part hereof from the respective dates of filing of such documents.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Indemnification

The registrant is incorporated under the laws of the State of Delaware. Section 145 of the Delaware General Corporation Law provides that a Delaware corporation may indemnify persons who were, are or are threatened to be made parties to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person is or was an officer, director, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was illegal. The registrant's certificate of incorporation and bylaws provide for the indemnification of the registrant's officers and directors to the fullest extent permitted by the Delaware General Corporation Law. The registrant believes that such indemnification is necessary to attract and retain qualified persons as directors and officers. The registrant has also entered into separate indemnification agreements with each of its directors and executive officers.

Liability Insurance

Section 145 of the Delaware General Corporation Law also permits a Delaware corporation to purchase and maintain insurance on behalf of its directors and officers. The registrant's bylaws permit the registrant to purchase such insurance on behalf of its directors and officers.

Limitation of Liability

Section 102(b)(7) of the Delaware General Corporation Law permits a Delaware corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duties as a director, except for liability (i) for any breach of a director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) for improper payment of dividends or redemptions of shares or stock purchases; or (iv) for any transaction from which the director derives an improper personal benefit. The registrant's certificate of incorporation provides for, to the fullest extent permitted by the Delaware General Corporation Law, elimination or limitation of liability of its directors to the registrant or its stockholders for breach of fiduciary duty as a director.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

Exhibit

Number Description

- 4.1 Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1 (File No. 333-12073)).
- 4.2 Certificate of Amendment to the Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2009).
- 4.3 Certificate of Designation, Preferences and Relative Participating, Optional, and Other Special Rights of Preferred Stock and Qualification, Limitations and Restrictions Thereof (incorporated by reference to Exhibit 3.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004).
- 4.4 Amended and Restated Bylaws of the Company (as amended) (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1 (File No. 333-12073)).
- 4.5 Amendment to the Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 7, 2008).
- 4.6 Specimen Form of Stock Certificate for Class A Common Stock (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-3 (File No. 333-90716)).
- 5.1 Opinion of Dorsey & Whitney LLP.
- 23.1 Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm.
- 23.2 Consent of Dorsey & Whitney LLP (included in Exhibit 5.1 to this Registration Statement).
- 24.1 Power of Attorney (included with the signatures in Part II of this Registration Statement).
- 99.1 Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 2, 2010).

Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in the Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Provo, State of Utah, on June 22, 2010.

NU SKIN ENTERPRISES, INC.

By /s/ M. Truman Hunt _____

Name: M. Truman Hunt

Title: Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints M. Truman Hunt and D. Matthew Dorny, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to the registration statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting each of said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as full to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated and on the dates indicated.

Signature	Title	Date
/s/ Blake M. Roney Blake M. Roney	Chairman of the Board	June 22, 2010
/s/ M. Truman Hunt M. Truman Hunt	President and Chief Executive Officer and Director (Principal Executive Officer)	June 22, 2010
/s/ Ritch N. Wood Ritch N. Wood	Chief Financial Officer (Principal Financial Officer and Accounting Officer)	June 22, 2010
/s/ Sandra N. Tillotson Sandra N. Tillotson	Senior Vice President, Director	June 22, 2010
/s/ Steven J. Lund Steven J. Lund	Director	June 22, 2010
/s/ Daniel W. Campbell Daniel W. Campbell	Director	June 22, 2010

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/s/ E.J. "Jake" Garn	Director	June 22, 2010
E.J. "Jake" Garn		
/s/ Andrew D. Lipman	Director	June 22, 2010
Andrew D. Lipman		
/s/ Patricia A. Negrón	Director	June 22, 2010
Patricia A. Negrón		
/s/ David D. Ussery	Director	June 22, 2010
David D. Ussery		
/s/ Thomas R. Pisano	Director	June 22, 2010
Thomas R. Pisano		
/s/ Nevin N. Andersen	Director	June 22, 2010
Nevin N. Andersen		

Exhibit Index to
Form S-8

Nu Skin Enterprises, Inc.

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24.1	Power of Attorney (included with the signatures in Part II of this Registration Statement).
99.1	Nu Skin Enterprises, Inc. 2010 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 2, 2010).

New Roman; FONT-SIZE: 10pt; FONT-WEIGHT: bold">(unaudited)

	For the Three Months Ended March 31	
	2012	2011
Sales	\$-	\$-
Cost of sales	-	-
Gross loss	-	-
Selling, general and administrative expenses	26,195	49,277
Loss from operations	(26,195)	(49,277)
Other income (expense)		
Interest expense	(12,713)	(67,644)
Gain on settlement of debt	18,166	-
Other	-	1,600
Total other income (expense), net	5,453	(66,044)
Net loss	(20,742)	(115,321)
Cumulative preferred stock dividends	(52,500)	(51,781)
Net loss allocable to common shareholders	\$(73,242)	\$(167,102)
Basic and diluted net loss per share allocable to common shareholders	\$-	\$(0.09)
Weighted average shares outstanding		
- basic and diluted	103,853,499	1,797,612

See accompanying notes to unaudited consolidated financial statements

ECO-TRADE CORP. and SUBSIDIARIES
Consolidated Statements of Cash Flows
(unaudited)

	For the Three Months Ended March 31,	
	2012	2011
Cash flows used in operating activities:		
Net loss allocable to common shareholders	\$(73,242)	\$(167,102)
Adjustments to reconcile net loss to net cash used in operations:		
Cumulative preferred stock dividends	52,500	51,781
Gain on settlement of liability	(18,166)	-
Changes in operating assets and liabilities:		
Accounts payable	(15,805)	1,777
Accrued expenses	13,000	45,900
Accrued expenses - related parties	29,000	-
Accrued interest included in notes balances	12,713	67,644
Net cash used in continuing operations	-	-
Net cash provided by discontinued operations	-	-
Net cash used by operating activities	-	-
Net increase (decrease) in cash	-	-
Cash at beginning of period	-	-
Cash at end of period	\$-	\$-
 Supplemental disclosure of cash flow information:		
Cash paid for interest	\$-	\$-
Cash paid for taxes	\$-	\$-
 Non-cash investing and financing activities:		
Accrued interest expense	\$-	\$67,644

See accompanying notes to unaudited consolidated financial statements.

ECO-TRADE CORP.
(f/k/a Yasheng Eco-Trade Corp.)
Notes to Unaudited Consolidated Financial Statements
March 31, 2012
(unaudited)

NOTE 1 - Nature of Operations, Basis of Presentation, Summary of Significant Accounting Policies and Going Concern

Nature of operations – The Company is exploring new opportunities as of March 31, 2012 (see Note 6).

Basis of Presentation – The Company prepared the accompanying consolidated financial statements without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with generally accepted accounting principles may have been condensed or omitted as allowed by such rules and regulations. Management believes that the disclosures are adequate to make the information presented not misleading. These consolidated financial statements include all of the adjustments that, in the opinion of management, are necessary for a fair presentation of financial position and results of operations. All such adjustments are of a normal and recurring nature. These financial statements should be read in conjunction with the audited financial statements at December 31, 2011 included in the Annual Report on Form 10-K. The results of operations for the periods presented are not necessarily indicative of the results we expect for the full year.

Principles of consolidation - The consolidated financial statements include the accounts of the Company, its majority-owned subsidiaries and all variable interest entities for which the Company is the primary beneficiary. When relevant, all intercompany balances and transactions have been eliminated upon consolidation. Control is determined based on ownership rights or, when applicable, whether the Company is considered the primary beneficiary of a variable interest entity.

Variable Interest Entities - The Company is required to consolidate variable interest entities (“VIE's”), where it is the entity’s primary beneficiary. VIE's are entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. The primary beneficiary is the party that has exposure to a majority of the expected losses and/or expected residual returns of the VIE.

For the periods presented in the accompanying consolidated financial statements, the balance sheets and results of operations of Davy Crockett Gas Company, LLC (“DCG”), and Vortex Ocean One, LLC (“Vortex One”) are consolidated into these financial statements (these corporations have no activities).

Use of estimates - The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates in the accompanying consolidated financial statements include valuation of stock issued in note settlements and the valuation allowance on deferred tax assets.

Fair value measurements - The Company adopted ASC Topic 820, Fair Value Measurements. ASC Topic 820 clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

- Level 1-Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.
- Level 2-Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
- Level 3-Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

Fair value of financial instruments - The carrying values of notes and loans receivable, accounts payable, and accrued expenses approximate fair values due to the current maturity of these instruments.

ECO-TRADE CORP.
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Treasury Stock - Treasury stock is recorded at cost. Issuance of treasury shares is accounted for on a first-in, first-out basis. Differences between the cost of treasury shares and the re-issuance proceeds are charged to additional paid-in capital.

Foreign currency translation - The Company considers the United States Dollar (“US Dollar” or “\$”) to be the functional currency of the Company and its subsidiaries, The reporting currency of the Company is the US Dollar and accordingly, all amounts included in the consolidated financial statements have been presented or translated into US Dollars. In prior years for non-US subsidiaries that do not utilize the US Dollar as its functional currency, assets and liabilities are translated to US Dollars at period-end exchange rates, and income and expense items are translated at weighted-average rates of exchange prevailing during the period. Translation adjustments were recorded in “Accumulated other comprehensive income” within stockholders’ equity. Foreign currency transaction gains and losses are included in the consolidated results of operations for the periods presented.

Comprehensive income (loss) - Comprehensive income includes all changes in equity except those resulting from investments by and distributions to shareholders.

Cash and cash equivalents - Cash and cash equivalents include cash at bank and money market funds with maturities of three months or less at the date of acquisition by the Company.

Earnings (loss) per share - Basic earnings (loss) per share are computed by dividing income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings (loss) per share reflect the effect of dilutive potential common shares issuable upon exercise of stock options and warrants and convertible preferred stock. There were convertible notes convertible into approximately 2,017,000 shares of common stock and convertible preferred shares convertible into 6,050,000 common shares at March 31, 2012 that were not included in diluted loss per share in 2012 since the effect would have been anti-dilutive. These shares, which may vary significantly in quantity based on the conversion formula, may dilute future earnings per share.

Income taxes - Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized. Deferred tax assets and liabilities, are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Under ASC Topic 740, the evaluation of a tax position is a two-step process. The first step is to determine whether it is more likely than not that a tax position will be sustained upon examination, including the resolution of any related appeals or litigation based on the technical merits of that position. The second step is to measure a tax position that meets the more-likely-than-not threshold to determine the amount of benefit to be recognized in the financial statements. A tax position is measured at the largest amount of benefit that is greater than 50% likelihood of being

realized upon ultimate settlement. Tax positions that previously failed to meet the more-likely-than-not recognition threshold should be recognized in the first subsequent period in which the threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not criteria should be de-recognized in the first subsequent financial reporting period in which the threshold is no longer met. ASC Topic 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures, and transition.

Stock-based compensation - The Company follows ASC Topic 718, "Share-Based Payment". Under ASC Topic 718, the Company is required to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. The measured cost is recognized in the statement of operations over the period during which an employee is required to provide service in exchange for the award. Additionally, if an award of an equity instrument involves a performance condition, the related compensation cost is recognized only if it is probable that the performance condition will be achieved.

The Company estimates the fair value of each option award on the date of the grant using the Black-Scholes option valuation model. Expected volatilities are based on the historical volatility of the Company's common stock over a period commensurate with the options' expected term. The expected term represents the period of time that options granted are expected to be outstanding and is calculated in accordance with SEC guidance provided in the SAB 107, using a "simplified" method. The risk-free interest rate assumption is based upon observed interest rates appropriate for the expected term of the Company's stock options.

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(unaudited)

Effect of Recent Accounting Pronouncements

Accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the financial statements upon adoption.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company sustained a net loss allocable to common shareholders of \$73,742 for the period ended March 31, 2012 and \$25,152,667 for the year ended December 31, 2011. The Company had a working capital deficiency, stockholders' deficiency and accumulated deficit of \$1,334,104, \$1,334,104 and \$136,991,516, respectively, at March 31, 2012. In addition, the Company has no revenues and is in default on two promissory notes. These factors raise substantial doubt about the ability of the Company's to continue as a going concern for a reasonable period of time. The Company's continuation as a going concern is dependent upon its ability to generate revenues and its ability to continue receiving investment capital and loans from third parties to sustain its current level of operations. The Company is in the process of securing working capital from investors for common stock convertible notes payable, and/or strategic partnerships. No assurance can be given that the Company will be successful in these efforts.

The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 2 - Convertible Notes Payable

The convertible notes payable as of March 31, 2012 and December 31, 2011 were as follows:

Convertible Notes Payable

	March 31, 2012			December 31, 2011		
	Principal and Accrued Interest	Premium	Principal and Accrued Interest net of Premium	Principal and Accrued Interest	Premium	Principal and Accrued Interest net of Premium
Convertible Note D	\$ 191,999	\$ 49,726	\$ 241,725	\$ 185,287	\$ 49,726	\$ 235,013
Convertible Note C	171,621	44,448	216,069	165,621	44,448	210,069
Total	\$ 363,620	\$ 94,174	\$ 457,794	\$ 350,908	\$ 94,174	\$ 445,082

Defaults upon Convertible Notes - As of March 31, 2012 the Company is in default on its convertible notes C and D since payment is past the May 30, 2011 due dates. The Company applied the default rate (18% per annum) to those notes from the default date.

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ECO-TRADE CORP.
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Notes to Unaudited Consolidated Financial Statements
March 31, 2012
(unaudited)

Convertible Note C (Mr. Schaffer, a former Director) – On May 31, 2010 as consideration for accrued Directors Fees, which were not paid, the Company signed a Note Payable for \$133,344 payable to holder (who resigned from the Board on June 11, 2010) due on May 30, 2011 at 12% per annum. Originally, said Note in the amount of \$133,344 is convertible to 150,000 common shares of the Company, which per an adjustment mechanism may increase the amount of shares to be issued, if converted. The Note's adjustment mechanism states that the number of Conversion Shares issuable to the Lender shall be adjusted such that the aggregate number of Exchange Shares issuable to the Holder is equal to (a) 150,000 plus the actual legal fees and costs incurred by the Lender and the Lender's successors, designees and assigns, divided by (b) 75% of the volume-weighted average price for the 20 trading days following delivery of the Conversion Shares, calculated by dividing the aggregate value of Common Stock traded on its trading market (price multiplied by number of shares traded) by the total volume (number of shares) of Common Stock traded on the trading market for such trading day. If this adjustment requires the issuance of additional Conversion Shares to the Lender (i.e. if a total issuance of more than 150,000 shares is required), such additional Conversion Shares shall be issued to the Lender or its designee within one business day. If this adjustment requires the return of Conversion Shares to the Borrower (i.e. if an aggregate issuance of less than 150,000 shares is required), such Conversion Shares shall be promptly returned to the Borrower. The Company determined that due to the conversion price being a fixed percentage of a future trading price, the debt is convertible at a fixed monetary amount and therefore meets the criteria of stock settled debt under ASC 480 "Distinguishing Liabilities from Equity. Accordingly, the Company recorded a \$44,448 premium to the promissory note liability to accrete it to the fixed monetary value of \$177,792 with a charge to interest expense in the year the note originated.

Convertible Note D (Mr. Reich, a former director) – On May 31, 2010 as consideration for accrued Directors Fees, which were not paid, the Company signed a Note Payable for \$149,177 payable to holder (who resigned from the Board on June 11, 2010) due on May 30, 2011 at 12% per annum. Originally, said Note in the amount of \$149,177 is convertible to 150,000 common shares of the Company, which per an adjustment mechanism may increase the amount of shares to be issued, if converted. The Note's adjustment mechanism states that the number of Conversion Shares issuable to the Lender shall be adjusted such that the aggregate number of Exchange Shares issuable to the Holder is equal to (a) 150,000 plus the actual legal fees and costs incurred by the Lender and the Lender's successors, designees and assigns, divided by (b) 75% of the volume-weighted average price for the 20 trading days following delivery of the Conversion Shares, calculated by dividing the aggregate value of Common Stock traded on its trading market (price multiplied by number of shares traded) by the total volume (number of shares) of Common Stock traded on the trading market for such trading day. If this adjustment requires the issuance of additional Conversion Shares to the Lender (i.e. if a total issuance of more than 150,000 shares is required), such additional Conversion Shares shall be issued to the Lender or its designee within one business day. If this adjustment requires the return of Conversion Shares to the Borrower (i.e. if an aggregate issuance of less than 150,000 shares is required), such Conversion Shares shall be promptly returned to the Borrower. The Company determined that due to the conversion price being a fixed percentage of a future trading price, the debt is convertible at a fixed monetary amount and therefore meets the criteria of stock settled debt under ASC 480 "Distinguishing Liabilities from Equity. Accordingly, the Company recorded a \$49,726 premium to the promissory note liability to accrete it to the fixed monetary value of \$198,903 with a charge to interest expense in the year the note originated.

NOTE 3 - Stockholders' Equity

Preferred Stock:

Series E – Based on settlement agreement dated April 15, 2010 for monetary amounts of \$2,000,000 that were paid in cash and accumulative agreed balance of \$3,000,000, the parties agreed that the holder would convert its notes (at agreed amount of \$3,000,000) into a new class of Series E Preferred Stock (“E Preferred Stock”).

Each share of E Preferred Stock is convertible, at any time at the option of the holder, into 20 shares of Common Stock. Holders of the E Preferred Stock are entitled to receive, when declared by the Company's board of directors, annual dividends of \$0.70 per share of Preferred Stock paid annually (equates to a 7% annualized return). Such dividends may be paid, at the election of the Company, either (i) in cash or (ii) in restricted shares of Common Stock. In the event that the Company elects to issue shares of Common Stock in connection with the dividend on the E Preferred Stock, such dividend shares shall be determined by dividing the dividend amount by 110% of the volume-weighted average price of the common stock for the 20 trading days immediately preceding the record date for payment of such dividend (the "Dividend VWAP"); provided, however, if the Company is unable to determine the Dividend VWAP, then such dividend shall be determined by dividing the dividend amount by the average of the three highest closing bid prices during the 20 trading days immediately preceding the record date for payment of such dividend. As of March 31, 2012 and December 31, 2011 and 2010, no dividends have been accrued since the Board of Directors has declared no dividends. Cumulative dividends as of March 31, 2012 were \$347,075, or \$1.16 per share.

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In addition to any voting rights provided by law, holders of the E Preferred Stock will have the right to vote together with holders of Common Stock and other series of preferred stock as a single class on all matters upon which stockholders are entitled to vote, including election of the members of the Company's Board of Directors. Each share of E Preferred Stock will have the number of votes corresponding to the number of shares of Common Stock into which the E Preferred Stock may be converted on the record date for determining stockholders entitled to vote.

In the event of any liquidation or winding up of the Company, the holders of E Preferred Stock will be entitled to receive, in preference to holders of Common Stock, an amount equal to the original purchase price per share, plus interest of 15%.

Holder has contractually agreed to restrict its ability to convert the preferred stock and receive shares of Common Stock such that the number of shares of Common Stock held by them and their affiliates after such conversion or exercise does not exceed 9.99% of the Company's then issued and outstanding shares of common stock.

Series F

Each share of F Preferred Stock is convertible, at any time at the option of the holder, into 5 shares of Common Stock. Holders of the F Preferred Stock are not entitled to receive dividends and do not have liquidation rights.

In addition to any voting rights provided by law, holders of the F Preferred Stock will have the right to vote together with holders of Common Stock and other series of preferred stock as a single class on all matters upon which stockholders are entitled to vote, including election of the members of the Company's Board of Directors. Each share of F Preferred Stock will have the number of votes corresponding to the number of shares of Common Stock into which the F Preferred Stock may be converted on the record date for determining stockholders entitled to vote multiplied by 10.

The Company entered into letter agreements with each of Jeffrey Sternberg, Gerry Weinstein, Andre Lauzier and William Lieberman, directors of the Company, whereby each of the directors agreed to serve as directors of the Company in consideration of 10,000 shares of Series F Preferred Stock (the "F Preferred Stock"). On October 25, 2010, Andre Lauzier, Jeffrey Sternberg, and Gerry Weinstein resigned from the Board of Directors, and agreed to surrender their Series F Preferred shares to the Company for cancellation. As a result of this event, Mr. Lieberman is the sole director of the Company, is the sole remaining holder of the 10,000 Series F Preferred shares still outstanding after the event, and no longer holds voting control of the Company.

Treasury Stock

In June 2006, the Company's Board of Directors approved a program to repurchase, from time to time, at management's discretion, up to 7,000 shares of the Company's common stock in the open market or in private transactions commencing on June 20, 2006 and continuing through December 15, 2006 at prevailing market prices. Repurchases will be made under the program using our own cash resources and will be in accordance with Rule 10b-18 under the Securities Exchange Act of 1934 and other applicable laws, rules and regulations. A licensed Stock Broker Firm is acting as agent for our stock repurchase program. Pursuant to the unanimous consent of the Board of

Directors in September 2006, the number of shares that may be purchased under the Repurchase Program was increased from 7,000 to 15,000 shares of common stock and the Repurchase Program was extended until October 1, 2007, or until the increased amount of shares is purchased.

As of March 31, 2012 and December 31, 2011, the Company has 10 treasury shares in its possession (which been purchased in the open market per the above program) scheduled to be cancelled.

Stock Option Plans

There are no common stock options outstanding at March 31, 2012 and December 31, 2011.

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NOTE 4 - Commitments and Contingencies

Employment Agreement:

On or about June 2010, the Company entered into letter agreements with William Lieberman, director of the Company, whereby he agreed to serve as a Director of the Company in consideration of 10,000 shares of Series F Preferred Stock (the "F Preferred Stock").

Lease Agreements:

Effective May 6, 2011, the Company is operating only from its operational offices, on month-to-month basis, located in Washington, D.C.

Legal Proceedings:

From time to time, we may be party to litigation or other legal proceedings that we consider to be a part of the ordinary course of our business. We are not involved currently in legal proceedings other than those detailed below that could reasonably be expected to have a material adverse effect on our business, prospects, financial condition or results of operations. We may become involved in material legal proceedings in the future.

Loss Contingencies

Transfer Agent – On or about May 2011 the Company notified American Stock Transfer & Trust Company, LLS ("AST") of the Company's intent to terminate their services as the Company Transfer Agent and subsequently appointing Fidelity Transfer Services Inc, ("Fidelity") as the company's new Transfer Agent. AST charged the Company with unacceptable amounts and only upon receipt of full payment will terminate servicers and forward all records pursuant to the Company's instructions. As the Company contest said charges, AST did not forward to Fidelity all records.

On September 15, 2011, Vintage Filings, LLC filed a suit, Vintage Filings, LLC v. Yasheng Eco-Trade Corporation, in the Superior Court of the State of California, County of Los Angeles, Beverly Hills Courthouse – West District. The company being sued is the predecessor to Eco-Trade for \$12,515 for services allegedly rendered and recorded on the Company's books. The Company was not properly served in this matter. A hearing was scheduled for March 22, 2012 and the Company did not attend, as the Company believes it was not properly served. The Company has recorded the liability accordingly.

Gain Contingencies

On February 14, 2007, the Company filed a complaint in the Superior Court of California, County of Los Angeles against, Mr. Hecht, a foreign attorney, alleging fraud and seeking the return of funds held in escrow, and sought damages in the amount of approximately 250,000 Euros (approximately \$316,000 as of the date of actual transferring the funds), plus interest, costs and fees. In April 2007, the foreign attorney returned \$92,694 (70,000 Euros on the date of transfer) to the Company, which netted \$72,694. In June 2007, the Company filed a claim seeking a default

judgment against said foreign attorney. On October 25, 2007, the Company obtained a default judgment against the foreign attorney for the sum of \$249,340.65. On February 7, 2011, the Company retained domestic Israeli counsel to try to collect the aforementioned judgment amount.

In August 2010, the Company's Registered Agent was served with a complaint by a Mr. Sharp ("GS") against the Company for an alleged breach of contract. The complaint was filed with the Los Angeles County Superior Court.. The company undertook an assertive defense and in the end was awarded \$10,000.00 damages payable by Mr. Sharp. As of March 31, 2012, Sharp is in default and the Company is weighing its options to pursue Sharp.

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(unaudited)

Yasheng Group, Inc. (“Yasheng”) - The Company entered into series of agreements with Yasheng. Yasheng failed to comply with the Company’s due diligence procedures, and as such terminated the definitive agreement with the Company in November 2009. Pursuant to the terms of the Exchange Agreement, it may be terminated by either party if the other party was in breach of the Agreement or if the closing conditions are not satisfied or by either party if the exchange is not closed by September 30, 2009 (the “Closing Date”). As part of the closing procedure, the Company requested that Yasheng-BVI, an affiliate of Yasheng, provide a current legal opinion from a reputable Chinese law firm attesting to the fact that no further regulatory approval from the Chinese government was required along with several other closing conditions. On November 3, 2009, the Company sent Yasheng and Yasheng-BVI a demand letter for these outstanding items. Neither party responded with requested items, and on November 9, 2009, Yasheng and Yasheng-BVI sent a termination notice to the Company advising that the Exchange Agreement had been terminated. On April 5, 2010, the Company issued a formal request to Yasheng demanding surrender and return of 500,000 shares which were issued to them in 2009, as well as reimbursement to the Company for expenses associated with the transaction in the amount of \$348,240. To date Yasheng has returned neither the funds nor the shares. as of March 31, 2012, the 500,000 shares have not been returned to the Company for cancellation.

Commitments

On November 6, 2011, the Company and The One Media Technology Corporation (“One Media”) executed a Letter of Intent (“One Media LOI”) with the intent to enter into a Share Purchase Agreement (“One Media SPA”). The One Media SPA would provide One Media 90% of the outstanding shares of the Company. The Company issued 100,000,000 shares of common stock as good faith consideration for the One Media LOI. There are effective clauses to the effect that absent a definitive acquisition agreement, these shares shall revert to the Company.

NOTE 5 - Related Party Transactions

On or about June 2010, the Company entered into letter agreements with William Lieberman, director of the Company, whereby he agreed to serve as directors of the Company in consideration of 10,000 shares of Series F Preferred Stock (the “F Preferred Stock”).

At March 31, 2012, \$82,979 was included in accrued expenses to a related party due to our Chief Executive Officer for vendor payments he made on behalf of the Company. During the three months ended March 31, 2012, the Company’s Chief Executive Officer paid vendor bills on behalf of the Company totaling \$29,000.

At March 31, 2012, \$25,000 was due to David E. Price for legal services rendered to the Company.

NOTE 6 - Subsequent Events

As disclosed under Commitment and Contingencies, The Company filed motions to recover its expenses and legal fees against Sharp and was awarded \$10,000 by the court. As of March 31, 2012, Sharp has not paid the Company.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis summarizes the significant factors affecting our condensed consolidated results of operations, financial condition and liquidity position for the three months ended March 31, 2012. This discussion and analysis should be read in conjunction with our audited financial statements and notes thereto included in our Annual Report on Form 10-K for our year-ended December 31, 2011 and the condensed consolidated unaudited financial statements and related notes included elsewhere in this filing. The following discussion and analysis contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward looking statements, including without limitation, statements related to our plans, strategies, objectives, expectations, intentions and adequacy of resources. Investors are cautioned that such forward-looking statements involve risks and uncertainties including without limitation the following: (i) our plans, strategies, objectives, expectations and intentions are subject to change at any time at our discretion; (ii) our plans and results of operations will be affected by our ability to manage growth; and (iii) other risks and uncertainties indicated from time to time in our filings with the Securities and Exchange Commission.

In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plans,” “intends,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of such comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We are under no duty to update any of the forward-looking statements after the date of this Report.

This section of the report, should be read together with Notes of the Company consolidated financials especially - Change in the Reporting Entity: In accordance with Financial Accounting Standards, FAS 154, Accounting Changes and Error Corrections, now ASC Topic 250, when an accounting change results in financial statements that are, in effect, the statements of a different reporting entity, the change shall be retrospectively applied to the financial statements of all prior periods presented to show financial information for the new reporting entity for those periods. Previously issued interim financial information shall be presented on a retrospective basis. The consolidated statements of operations for the period ended March 31, 2012 and 2011 are compared (subject to the above description) in the sections below:

Results of Operations

Three Months Period Ended March 31, 2012 Compared to Three Months Period Ended March 31, 2011

Revenue. For the three months ended March 31, 2012, our revenue was \$0, compared to \$0 for the same period in 2011.

Gross Profit. For the three months ended March 31, 2011, our gross profit was \$0, compared to a gross profit of \$0 for the same period in 2011.

Selling, General and Administrative Expenses. For the three months ended March 31, 2012, selling, general and administrative expenses were \$26,195 compared to \$49,277 for the same period in 2011, a decrease of \$23,082, or 46.8%. This decrease was primarily caused by the change in the Company in regards to its operation due to the termination of its pending deals with Yasheng Group.

Net Loss. We generated net losses of \$20,742 for the three months ended March 31, 2012 compared to \$115,321 for the same period in 2011, a decrease of \$95,579, or 87.6%.

Liquidity and Capital Resources

General. At March 31, 2012, we had cash and cash equivalents of \$0. We have historically met our cash needs through a combination of cash flows from operating activities, proceeds from investors and financing groups of our securities and loans. Our cash requirements are generally for selling, general and administrative activities. We believe that our cash balance is not sufficient to finance our cash requirements for expected operational activities, capital improvements, and partial repayment of debt through the next 12 months.

Our operating activities generated a use of cash in operations of \$0 for the three months ended March 31, 2012, and we used cash in operations of \$0 during the same period in 2011.

Cash generated in our financing activities was \$0 for the three months ended March 31, 2012, compared to cash generated of \$0 during the comparable period in 2011.

As of March 31, 2012, current liabilities, \$1,334,104, exceeded current assets, \$0. Current assets were \$0 at December 31, 2011 and \$0 at March 31, 2012 whereas current liabilities increased from \$1,313,362 at December 31, 2011 to \$1,334,104 at March 31, 2012.

Going Concern

The accompanying unaudited consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company had sales of \$0 and net losses of \$20,742 for the three months ended March 31, 2012. The Company had a working capital deficit, stockholders' deficit, and accumulated deficit of \$1,334,104, \$1,334,104 and \$136,991,516, respectively, at March 31, 2012. These factors raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time. The Company is highly dependent on its ability to continue to obtain investment capital from future funding opportunities to fund the current and planned operating levels. The unaudited consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to bring in income generating activities and its ability to continue receiving investment capital from future funding opportunities. No assurance can be given that the Company will be successful in these efforts.

In the event the Company makes future acquisitions or investments, additional bank loans or fund raising may be used to finance such future acquisitions. The Company currently anticipates that its available cash resources will not be sufficient to meet its prior anticipated working capital requirements, though it will be sufficient manage the existing business of the Company without further development.

Plan of operation

The Company's core business is the development of a logistics center in Southern California. In addition to continuing to pursue its ongoing core business, the Company has identified a promising potential business combination to provide storage and distribution in the Gas and Oil industry, as well as logistics solution to clients.

The above efforts are subject to obtaining adequate financing on acceptable terms. The Company's present cash reserves and monetary assets are not sufficient to carry out its plan of operation without additional financing. The Company is currently attempting to arrange for financing through mezzanine arrangements, debt or equity that would enable it to proceed with its plan of investment operation. However, there is no guarantee that we will be able to close such financing transaction or, if financing is available, that the terms will be acceptable to the Company.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risks

Smaller reporting companies are not required to provide the information required by Item 305.

ITEM 4. Controls and Procedures

The term disclosure controls and procedures means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act (15 U.S.C. 78a, et seq.) Is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our chief executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of inherent limitations in all control systems, internal control over financial reporting may not prevent or detect misstatements, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the registrant have been detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Evaluation of Disclosure and Controls and Procedures. Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. We carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our chief executive officer and principal financial officer concluded that our disclosure controls and procedures are currently not effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. As we develop new business or if we engage in an extraordinary transaction, we will review our disclosure controls and procedures and make sure that they remain adequate.

Changes in internal controls

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or 15d-15 under the Exchange Act that occurred during the quarter ended March 31, 2012 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM LEGAL PROCEEDINGS

1.

From time to time, we may be party to litigation or other legal proceedings that we consider to be a part of the ordinary course of our business. We are not involved currently in legal proceedings other than those detailed below that could reasonably be expected to have a material adverse effect on our business, prospects, financial condition or results of operations. We may become involved in material legal proceedings in the future.

Loss Contingencies

Transfer Agent – On or about May 2011 the Company notified American Stock Transfer & Trust Company, LLS (“AST”) of the Company’s intent to terminate their services as the Company Transfer Agent and subsequently appointing Fidelity Transfer Services, Inc, (“Fidelity”) as the company’s new Transfer Agent. AST charged the Company with unacceptable amounts and only upon receipt of full payment will terminate servicers and forward all records pursuant

to the Company's instructions. As the Company contest said charges, AST did not forward to Fidelity all records.

On September 15, 2011, Vintage Filings, LLC filed a suit, Vintage Filings, LLC v. Yasheng Eco-Trade Corporation, in the Superior Court of the State of California, County of Los Angeles, Beverly Hills Courthouse – West District. The company being sued is the predecessor to Eco-Trade for \$12,515 for services allegedly rendered and recorded on the Company's books. The Company was not properly served in this matter. A hearing was scheduled for March 22, 2012 and the Company did not attend, as the Company believes it was not properly served. The Company has recorded the liability accordingly.

Gain Contingencies

On February 14, 2007, the Company filed a complaint in the Superior Court of California, County of Los Angeles against, Mr. Hecht, a foreign attorney, alleging fraud and seeking the return of funds held in escrow, and sought damages in the amount of approximately 250,000 Euros (approximately \$316,000 as of the date of actual transferring the funds), plus interest, costs and fees. In April 2007, the foreign attorney returned \$92,694 (70,000 Euros on the date of transfer) to the Company, which netted \$72,694. In June 2007, the Company filed a claim seeking a default judgment against said foreign attorney. On October 25, 2007, the Company obtained a default judgment against the foreign attorney for the sum of \$249,340.65. On February 7, 2011, the Company retained domestic Israeli counsel to try to collect the aforementioned judgment amount.

In August 2010, the Company's Registered Agent was served with a complaint by a Mr. Sharp ("GS") against the Company for an alleged breach of contract. The complaint was filed with the Los Angeles County Superior Court. The company undertook an assertive defense and in the end was awarded \$10,000.00 damages payable by Mr. Sharp. As of March 31, 2012, Sharp is in default and the Company is weighing its options to pursue Sharp.

Yasheng Group, Inc. ("Yasheng") - The Company entered into series of agreements with Yasheng. Yasheng failed to comply with the Company's due diligence procedures, and as such terminated the definitive agreement with the Company in November 2009. Pursuant to the terms of the Exchange Agreement, it may be terminated by either party if the other party was in breach of the Agreement or if the closing conditions are not satisfied or by either party if the exchange is not closed by September 30, 2009 (the "Closing Date"). As part of the closing procedure, the Company requested that Yasheng-BVI, an affiliate of Yasheng provide a current legal opinion from a reputable Chinese law firm attesting to the fact that no further regulatory approval from the Chinese government was required along with several other closing conditions. On November 3, 2009, the Company sent Yasheng and Yasheng-BVI a demand letter for these outstanding items. Neither party responded with requested items and on November 9, 2009, Yasheng and Yasheng-BVI sent a termination notice to the Company advising that the Exchange Agreement had been terminated. On April 5, 2010, the Company issued a formal request to Yasheng demanding surrender and return of 500,000 shares which were issued to them in 2009, as well as reimbursement to the Company for expenses associated with the transaction in the amount of \$348,240. To date Yasheng has returned neither the funds nor the shares. As of March 31, 2012, the 500,000 shares have not been returned to the Company for cancellation.

Except as set forth above, there are no known significant legal proceedings that have been filed and are outstanding or pending against the Company.

ITEM 1A. RISK FACTORS.

As a smaller reporting company, we are not required to provide the information required by this item.

ITEM UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

2.

None.

ITEM DEFAULTS UPON SENIOR SECURITIES

3.

None.

ITEM MINING SAFETY DISCLOSURES

4.

None.

ITEM OTHER INFORMATION

5.

None.

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ITEM EXHIBITS

6.

Exhibit No.	Description
3.1	Certificate of Incorporation filed November 9, 1992 (1)
3.2	Amendment to Certificate of Incorporation filed July 9, 1997 (2)
3.3	Bylaws(1)
3.4	Certificate of Designation of Preferences, Rights, and Limitations of Series A Preferred Stock (3)
3.5	Certificate of Designation of Preferences, Rights and Limitations of Series B Preferred Stock (4)
3.6	Restated Certificate of Incorporation (5)
3.7	Certificate of Amendment to the Restated Certificate of Incorporation, dated July 29, 2008 (6)
3.8	Certificate of Ownership of Emvelco Corp. and Vortex Resources Corp.(7)
3.9	Certificate of Amendment to the Certificate of Incorporation , dated February 24, 2009 (8)
3.10	Form of Common Stock Certificate (1)
3.11	Amendment No. 1 to the Series E Certificate (11)
3.12	Certificate of Designation – Series E Preferred Stock (9)
3.13	Certificate of Designation – Series F Preferred Stock (9)
10.1	Joint Venture Agreement by and between Yasheng Eco-Trade Corp. and CMARK International, Inc., dated June 30, 2010. (10)
10.2	Form of Agreement entered between Yasheng Eco Trade Corp. and each of the directors of the Company. (9)
10.3	Director Agreement by and between Eco-Trade Corp. and Alexander Smirnov (11)
31.1	Certification of the Chief Executive Officer and Principal Financial Officer of Eco-Trade Corp. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer and Principal Financial Officer of Eco-Trade Corp. Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit No.	Description
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

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- (1) Incorporated by reference to Registrant's Registration Statement on Form SB-2 dated May 12, 1993 (Registration No. 33-62672-NY, as amended)
 - (2) Incorporated by reference to the exhibit filed with the Registrant's Form 10-QSB for quarter ended June 30, 1998.
 - (3) Incorporated by reference to the exhibit filed with the Registrant's Current Report on Form 8-K on June 17, 2008
 - (4) Incorporated by reference to the exhibit filed with the Registrant's Current Report on Form 8-K on December 5, 2008
 - (5) Incorporated by reference to the exhibit filed with the Registrant's Current Report on Form 8-K on March 9, 2004
 - (6) Incorporated by reference to the exhibit filed with the Registrant's Current Report on Form 8-K on August 1, 2008
 - (7) Incorporated by reference to the exhibit filed with the Registrant's Current Report on Form 8-K on September 4, 2008
 - (8) Incorporated by reference to the exhibit filed with the Registrant's Current Report on Form 8-K on February 25, 2009
 - (9) Incorporated by reference to the Form 8-K Current report filed with the Securities and Exchange Commission on August 11, 2010.
 - (10) Incorporated by reference to the Form 8-K Current report filed with the Securities and Exchange Commission on July 7, 2010.
 - (11) Incorporated by reference to the Form 8-K Current report filed with the Securities and Exchange Commission on May 5, 2011.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, New York, on April 30, 2012.

ECO-TRADE CORP.

By: /s/ William Lieberman
William Lieberman
Acting President (Principal
Executive, Financial and Accounting
Officer)