

Ethos Environmental, Inc.
Form 8-K
November 09, 2009

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **November 2, 2009**

ETHOS ENVIRONMENTAL, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of Incorporation)

000-30237
(Commission File Number)

88-0467241
(IRS Employer
Identification Number)

6800 Gateway Park Drive

San Diego, CA 92154
(Address of principal executive
offices)

619-575-6800
(Registrant's Telephone Number)

(Former name or former address, if changed since last report)

Copy of all Communications to:

Luis Carrillo

Carrillo Huettel, LLP

501 W. Broadway, Suite 800

San Diego, CA 92101

phone: 619.399.3090

fax: 619.330.1888

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- . Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

 - . Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - . Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - . Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01

Entry into a Material Definitive Agreement.

On November 2, 2009, the Ethos Environmental, Inc. (the Company) issued a \$400,000 10% Convertible Promissory Note (the Note) in favor of MKM Opportunity Master Fund, Ltd (the Holder). The Note carries 10% simple interest with maturity date 12 months from the date of execution. Further, the entire principal amount of the Note, including any accrued interest, may be converted into shares of the Company's common stock by election of the Holder at any time or automatically upon Maturity and in each instance the Note shall be converted into shares of the Company's common stock at a rate of \$0.10 per share. The Note contains customary events of default. The foregoing descriptions of the Note is intended to be a brief summary only, which is further intended to be qualified in its entirety by the respective terms set forth in the Note documentation itself, the form of which is filed as an exhibit to this Current Report.

Item 2.03

Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth above in Item 1.01 of this Current Report on Form 8-K is incorporated herein by this reference.

Item 3.02

Unregistered Sales of Equity Securities.

The Securities issued pursuant to the Notes and Warrants have not been registered under the Securities Act of 1933, as amended (the Securities Act), and may not be offered or sold in the United States absent the registration or an applicable exemption from the registration requirements of the Securities Act. The transaction contemplated by the Note is exempt from the registration requirements of the Securities Act, pursuant to Section 4(2) and/or Regulation D thereunder. Pursuant to the operative agreement relating to the Note, the investing party made representations to the Company regarding their suitability to invest, including, without limitation that each investor qualifies as an accredited investor as that term is defined under Rule 501(a) of the Securities Act. The Company did not engage in general solicitation in connection with the sale of the securities.

This Current Report shall not constitute an offer to sell, the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

The information set forth in Item 1.01 of this Current Report is incorporated by reference into this Item 3.02.

Item 9.01 Financial Statements and Exhibits.

(a) Not applicable

(b) Not applicable

(c) Not applicable

(d) Exhibits.

Exhibit No.	Description
10.1	Security Purchase Agreement and Convertible Promissory Note*
	* filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: November 5, 2009

Ethos Environmental, Inc.

By: */s/ Corey P.
Schlossmann*
Corey P. Schlossmann,
President & CEO