

China Direct, Inc
Form 4
December 07, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
SIEGEL MARC

2. Issuer Name and Ticker or Trading Symbol
China Direct, Inc [CDS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
12/05/2007

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

C/O CHINA DIRECT, INC., 5301 N. FEDERAL HIGHWAY, SUITE 120

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

BOCA RATON, FL 33487

(City) (State) (Zip)

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock					4,000,000	D	
Common Stock	12/05/2007		M ⁽¹⁾		30,100	A	\$ 2.5
Common Stock	12/05/2007		S		30,100	D	\$ 10.0241
Common Stock	12/06/2007		M ⁽¹⁾		120,160	A	\$ 2.5
Common Stock	12/06/2007		S		120,160	D	\$ 10.4281

Edgar Filing: China Direct, Inc - Form 4

Common Stock	12/07/2007		M ⁽¹⁾	46,000	A	\$ 2.5	4,046,000	D
Common Stock	12/07/2007		S	46,000	D	\$ 10.7733	4,000,000	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(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 Shares
Stock Options	\$ 0.01					01/01/2005	01/01/2010	Common Stock	400,000
Stock Options	\$ 2.5					01/01/2006	01/01/2011	Common Stock	364,100
Stock Options	\$ 2.5	12/05/2007		M ⁽¹⁾	30,100	01/01/2006	01/01/2011	Common Stock	30,100
Stock Options	\$ 2.5	12/06/2007		M ⁽¹⁾	120,160	01/01/2006	01/01/2011	Common Stock	120,160
Stock Options	\$ 2.5	12/07/2007		M ⁽¹⁾	46,000	01/01/2006	01/01/2011	Common Stock	46,000
Stock Options	\$ 5					01/01/2007	01/01/2012	Common Stock	400,000
Stock Options	\$ 7.5					01/01/2008	01/01/2013	Common Stock	500,000
Stock Options	\$ 10					01/01/2009	01/01/2014	Common Stock	500,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

SIEGEL MARC
C/O CHINA DIRECT, INC. X X President
5301 N. FEDERAL HIGHWAY, SUITE 120
BOCA RATON, FL 33487

Signatures

/s/ Marc Siegel 12/07/2007

**Signature of Date
Reporting Person

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. Siegel exercised options granted to him under an employment agreement with China Direct, Inc. and vested on 1/1/06. Mr. Siegel delivered proceeds of \$490,650 to China Direct, Inc. Transactions were made pursuant to a duly adopted trading plan under Rule 10b5-1.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.