

TRANS LUX Corp
Form S-1/A
July 31, 2015

As filed with the Securities and Exchange Commission on July 31, 2015

Registration No. 333- 205273

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

Amendment No. 1 to

FORM S-1

REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

TRANS-LUX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of incorporation or
organization)*

13-1394750
(I.R.S. Employer Identification Number)

445 Park Avenue, Suite 2001

New York, NY 10022

(800) 243-5544

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

J.M. Allain

President and Chief Executive Officer

445 Park Avenue, Suite 2001

New York, NY 10022

(800) 243-5544

(Name, address including zip code, and telephone number, including area code, of agent for service)

With Copies to:

Robert H. Friedman, Esq.

Kenneth A. Schlesinger, Esq.

Olshan Frome Wolosky LLP

Park Avenue Tower

65 East 55th Street

New York, NY 10022

(212) 451-2300

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer " Non-accelerated filer " Accelerated Filer " Smaller reporting company ý

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Non-transferable subscription rights to purchase Series B Convertible Preferred Stock, \$0.001 par value per share	[]	-	-	(1)
Shares of Series B Convertible Preferred Stock issuable upon exercise of the non-transferable subscription rights	[]	[]	\$10,400,000(2)	\$1,208.48(3)
Shares of Common Stock, \$0.001 par value per share, issuable upon conversion of, or as dividends on outstanding shares of, the Series B Convertible Preferred Stock(4)	[]	-	-	-

(1) The subscription rights are being distributed without consideration. No separate registration fee is payable with respect to the subscription rights since they are being registered on the same registration statement as the Series B Convertible Preferred Stock offered hereby.

(2) Represents the aggregate gross proceeds from the assumed exercise of all subscription rights to be distributed.

(3) Calculated based on the maximum aggregate offering price of the Series B Convertible Preferred Stock underlying the subscription rights. \$1,208.48 of the registration fee was previously paid.

(4) Pursuant to Rule 416, there are also deemed covered hereby such additional securities as may be issued to prevent dilution resulting from stock splits, stock dividends or similar transactions. In the event that the registrant is required, as a result of anti-dilution adjustments pursuant to the terms of the Series B Convertible Preferred Stock that are not contemplated by Rule 416, to issue more shares of Series B Convertible Preferred Stock or Common Stock than are registered hereunder and that may not be issued in an exempt transaction, the registrant will file a new registration under the Securities Act of 1933 in respect of such additional shares.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 31, 2015

PRELIMINARY PROSPECTUS

TRANS-LUX CORPORATION

[] Subscription Rights to Purchase Shares of Series B Convertible Preferred Stock

at \$[] per Share

[] Shares of Series B Convertible Preferred Stock

[] Shares of Common Stock

Trans-Lux Corporation is distributing, at no charge, to holders of our common stock non-transferable subscription rights to purchase up to [] shares of our Series B Convertible Preferred Stock, which we refer to as the Series B Preferred, at a subscription price of \$[] per share. The Series B Preferred carries a 5.0% cumulative annual dividend on the Stated Value of \$[] per share and will be convertible into shares of our common stock at an initial conversion price of \$[] per share, representing a conversion ratio of [approximately] [] shares of common stock for each share of Series B Preferred held at the time of conversion, subject to adjustment.

You will receive one subscription right for each share of common stock owned at 5:00 p.m., Eastern Time, on [], 2015, the record date for the rights offering. Each subscription right will entitle you to purchase [] shares of our Series B Preferred at a subscription price of \$[] per whole share, which we refer to as the basic subscription right. If you fully exercise your basic subscription right and other stockholders do not fully exercise their basic subscription rights, you may also exercise an over-subscription right to purchase, at the same price, the additional shares of Series B Preferred that remain unsubscribed at the expiration of the rights offering, subject to the availability and pro rata allocation of Series B Preferred among persons exercising this over-subscription right. We will not issue fractional shares of Series B Preferred. If the number of subscription rights you exercise would otherwise permit you to purchase a fraction of a share, the number of shares that you may purchase will be rounded down to the nearest whole share. If all of the basic subscription rights are exercised, the total purchase price of the shares offered in the rights offering would be approximately \$[] million. The subscription rights may not be sold, transferred or assigned.

The subscription rights will expire if they are not exercised before 5:00 p.m., Eastern Time, on [], 2015, the expiration date for the rights offering, unless we extend the rights offering period. We reserve the option to extend the rights offering and the period for exercising your subscription rights for a period not to exceed 30 days, although we do not presently intend to do so. You should carefully consider whether to exercise your subscription rights before the expiration date. All exercises of subscription rights are irrevocable, even if the rights offering is extended by our Board of Directors. Our Board of Directors may cancel the rights offering at any time before its expiration for any reason. If the rights offering is cancelled, all subscription payments received by the Subscription Agent will be returned, without interest, as soon as practicable.

Our Board of Directors is not making any recommendation regarding your exercise of the subscription rights. You should carefully consider whether to exercise your subscription rights prior to the expiration of the rights offering.

The closing price of our common stock on July 30, 2015 was \$ 3.15. Our common stock is quoted on the OTC Pink under the symbol “TNLX.” The subscription rights issued in the rights offering will not be listed for trading on any stock exchange or market.

The purchase of subscription rights and the exercise of subscription rights for shares of Series B Preferred involve risks. See “Risk Factors” beginning on page 12 of this prospectus as well as the risk factors and other information contained in any documents we incorporate by reference into this prospectus before exercising your subscription rights. See “Incorporation by Reference” and “Available Information” on page 50 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2015.

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ABOUT THIS PROSPECTUS

We have not authorized anyone to provide you with additional or different information from that contained or incorporated by reference in this prospectus. We take no responsibility for, and can provide no assurances as to the reliability of, any other information that you may obtain from other sources. You should assume that the information contained in this prospectus is accurate only as of the date on the front cover of this prospectus and any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus or any exercise of the subscription rights.

This prospectus does not offer to sell, or ask for offers to buy, any shares of our Series B Preferred in any state or jurisdiction (within or outside the United States) where it would not be lawful or where the person making the offer is not qualified to do so.

As used in this prospectus, “Trans-Lux,” the “Company,” “we,” “us,” and “our” refer to Trans-Lux Corporation and its subsidiaries.

As permitted under the rules of the Securities and Exchange Commission (the “SEC”), this prospectus incorporates important business information about the Company that is contained in documents that we file with the SEC, but that are not included in or delivered with this prospectus. You may obtain copies of these documents, without charge, from the website maintained by the SEC at www.sec.gov, as well as other sources. See “Incorporation by Reference” and “Available Information” in this prospectus.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any statement that is not a statement of historical fact should be considered a forward-looking statement. We often use words or phrases of expectation or uncertainty like “believe,” “anticipate,” “plan,” “expect,” “intent,” “project,” “future,” “may,” “will,” “could,” “would” and similar words to help identify forward-looking statements. Examples of forward-looking statements include statements regarding our future financial results, operating results, business strategies, projected costs, product development or future sales, competitive positions and plans and objectives of management for future operations.

We have based these forward-looking statements on our current expectations and projections about future events. However, they are subject to various risks and uncertainties, many of which are outside our control, including the circumstances described in the section entitled “Risk Factors” in this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2014. Accordingly, our actual results or financial condition could differ materially and adversely from those discussed in, or implied by, these forward-looking statements. We caution you not to place undue reliance on our forward-looking statements. Each forward-looking statement speaks only as of the date on which it is made, and, except to the extent required by federal securities laws, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PROSPECTUS SUMMARY

This summary highlights specific information included elsewhere in this prospectus. This summary is not complete and does not contain all of the information you should consider before investing in the subscription rights or Series B Preferred, and it is qualified in its entirety by the more detailed information included in this prospectus. To understand the rights offering fully, you should carefully read this entire prospectus, including the risks discussed under the “Risk Factors” section, our financial statements and related notes and the other information incorporated by reference herein as described under “Incorporation by Reference.”

The Company	Trans-Lux is a leading supplier of LED technology for high resolution video displays and lighting applications. The essential elements of these systems are the real-time, programmable digital displays and lighting fixtures that we design, manufacture, distribute and service. Designed to meet the digital signage solutions for any size venue’s indoor and outdoor needs, these displays are used primarily in applications for the financial, banking, gaming, corporate, advertising, transportation, entertainment and sports markets. The Company’s LED lighting fixtures offer energy-saving lighting solutions that feature a comprehensive offering of the latest LED lighting technologies that provide facilities and public infrastructure with “green” lighting solutions that emit less heat, save energy and enable creative designs. Our principal executive offices are located at 445 Park Avenue, Suite 2001, New York, NY 10022, where our telephone number is (800) 243-5544.
Subscription Rights	We are distributing, at no charge, to holders of our common stock non-transferable subscription rights to purchase up to [] shares of our Series B Preferred. You will receive one subscription right, exercisable for the purchase of [] shares of Series B Preferred, for each share of common stock you owned on the record date.
Securities Offered	Each share of Series B Preferred carries a 5.0% cumulative annual dividend on the Stated Value of \$[] per share; will be convertible into shares of our common stock at an initial conversion price of \$[] per share, representing a conversion ratio of [approximately] [] shares of common stock for each share of Series B Preferred held at the time of conversion, subject to adjustment; may be subject to mandatory conversion after three years; and will have a priority upon liquidation equal to the greater of \$[] per share and the amount payable on the number of shares of common stock into which a share of Series B Preferred would have been converted. See “Description of Capital Stock — Preferred Stock — Series B Convertible Preferred Stock” on page 39 for more information about the terms of the Series B Preferred. Shares of Series B Preferred will be issued only in book-entry form.
Subscription Price	\$[] per whole share of Series B Preferred, payable in cash. To be effective, any payment for the exercise of a right must clear before the expiration of the rights offering.

Basic Subscription Right	Each subscription right will entitle you to purchase [] shares of our Series B Preferred at a subscription price of \$[] per share, which we refer to as the basic subscription right. See “The Rights Offering — The Subscription Rights — Basic Subscription Right” on page 24 for more information.
Over-Subscription Right	If you fully exercise your basic subscription right and other stockholders do not fully exercise their basic subscription rights, you may also exercise an over-subscription right to purchase additional shares of Series B Preferred that remain unsubscribed at the expiration of the rights offering, subject to availability. If the number of unsubscribed shares is not sufficient to satisfy all of the properly exercised over-subscription rights requests, the available shares will be prorated among those who properly exercised over-subscription rights in proportion to their respective basic subscription rights. See “The Rights Offering — The Subscription Rights — Over-Subscription Right” on page 24 for more information.
Record Date	5:00 p.m., Eastern Time, on [], 2015.
Expiration Date	5:00 p.m., Eastern Time, on [], 2015. We reserve the option to extend the rights offering and the period for exercising your subscription rights for a period not to exceed 30 days, although we do not presently intend to do so.
Use of Proceeds	We intend to use the net proceeds from the rights offering for repayment of certain debt and for general corporate purposes. See “Use of Proceeds” on page 23 for more information.
Non- Transferability of Subscription Rights	The subscription rights issued in the rights offering are non- transferable and may not be sold, transferred or assigned and will not be listed for trading on any stock exchange or market .
No Board Recommendation	Our Board of Directors is making no recommendation regarding your exercise of the subscription rights. You are urged to make your decision based on your own assessment of our business and the rights offering. Please see “Risk Factors” on page 12 for a discussion of some of the risks involved in investing in our common stock.
No Revocation	All exercises of subscription rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your subscription rights and even if the rights offering is extended by our Board of Directors. You should not exercise your subscription rights unless you are certain that you wish to purchase shares of our Series B Preferred at a subscription price of \$[] per share.

U.S. Federal Income Tax
Considerations

For U.S. federal income tax purposes, you will not recognize income or loss in connection with the receipt or exercise of subscription rights unless the rights offering is part of a “disproportionate distribution” within the meaning of applicable tax law, in which case you may recognize taxable income upon receipt of the subscription rights. We believe that the rights offering will not be part of a disproportionate distribution. The disproportionate distribution rules are complicated, however, and their application is uncertain. This position is not binding on the Internal Revenue Service, or the courts and accordingly, it is possible that the Internal Revenue Service could challenge this position. You may be required to allocate a portion of your tax basis in your common stock to the subscription rights we distribute to you in the offering, depending on the value of the subscription rights. For further information, please see “Material U.S. Federal Income Tax Consequences” beginning on page 43. You are urged to consult your own tax advisor as to your particular tax consequences resulting from the receipt and the disposition or exercise of subscription rights and the receipt, ownership and disposition of Series B Preferred.

Extension, Cancellation and Amendment	<p>We reserve the option to extend the rights offering and the period for exercising your subscription rights for a period not to exceed 30 days, although we do not presently intend to do so. If we elect to extend the expiration of the rights offering, we will issue a press release announcing the extension no later than 9:00 a.m., Eastern Time, on the next business day after the most recently announced expiration of the rights offering. We will extend the duration of the rights offering as required by applicable law or regulation and may choose to extend it if we decide to give investors more time to exercise their subscription rights in the rights offering. Our Board of Directors may cancel the rights offering at any time before its expiration for any reason. If the rights offering is cancelled, we will issue a press release notifying stockholders of the cancellation and all subscription payments received by the Subscription Agent will be returned, without interest or penalty, as soon as practicable. Our Board of Directors also reserves the right to amend the terms of the rights offering for any reason, including, without limitation, in order to increase participation in the rights offering. Such amendments may include a change in the subscription price, although no such change is presently contemplated. If we should make any fundamental change to the terms set forth in this prospectus, we will file a post-effective amendment to the registration statement in which this prospectus is included, offer potential purchasers who have subscribed for rights the opportunity to cancel such subscriptions and issue a refund of any money advanced by such stockholder and recirculate an updated prospectus after the post-effective amendment is declared effective with the SEC. In addition, upon such event, we may extend the expiration date of the rights offering to allow holders of rights ample time to make new investment decisions and for us to recirculate updated documentation. Promptly following any such occurrence, we will issue a press release announcing any changes with respect to the rights offering and the new expiration date. See “The Rights Offering — Expiration Date, Extension, and Amendments” on page 30 for more information.</p>
Procedures for Exercising Rights	<p>To exercise your subscription rights, you must complete the rights certificate and deliver it to the Subscription Agent, together with full payment for all the subscription rights you elect to exercise under the basic subscription right and over-subscription right. See “The Rights Offering” beginning on page 24 for detailed information on the procedure and requirements for exercising your subscription rights. You may deliver the documents and payments by mail or commercial carrier. If regular mail is used for this purpose, we recommend using registered mail, properly insured, with return receipt requested. If you cannot deliver your rights certificate to the Subscription Agent before the expiration of the rights offering, you may follow the guaranteed delivery procedures described under “The Rights Offering — Guaranteed Delivery Procedures” on page 29.</p>

No Minimum Subscription Requirement	There is no minimum subscription requirement. We will consummate the rights offering regardless of the amount raised from the exercise of basic and over-subscription rights by the expiration date.
Subscription Agent	Continental Stock Transfer & Trust Company
Information Agent	Morrow & Co., LLC
Shares Outstanding Before the Rights Offering	[] shares of our common stock were issued and outstanding on the record date. There were no shares of Series B Preferred outstanding on the record date.
Shares Outstanding After Completion of the Rights Offering	Assuming that all shares of Series B Preferred offered hereby are issued, we expect [] shares of our Series B Preferred will be outstanding immediately after completion of the rights offering, which shares would be convertible into a total of [] shares of common stock.
Fees and Expenses	We will pay the fees and expenses we incur related to the rights offering.
OTC Pink Trading Symbol of our Common Stock	Our common stock is quoted on OTC Pink under the symbol "TNLX."
Questions	If you have any questions about the rights offering, including questions about subscription procedures and requests for additional copies of this prospectus or other documents, please contact the Information Agent, Morrow & Co., LLC, by email at tnlx.info@morrowco.com or by telephone at (800) 662-5200. Banks and brokerage firms also may contact Morrow & Co., LLC at (203) 658-9400.
Risk Factors	Before you purchase subscription rights or invest in the rights offering, you should be aware that there are risks associated with these transactions, including the risks described in the section entitled "Risk Factors" beginning on page 12 of this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2014. You should carefully read and consider these risk factors together with all of the other information included in or incorporated by reference into this prospectus before you decide to purchase subscription rights or to exercise your subscription rights to purchase shares of Series B Preferred.

QUESTIONS AND ANSWERS ABOUT THE RIGHTS OFFERING

The following are examples of what we anticipate will be common questions about the rights offering. The answers are based on selected information included elsewhere in this prospectus. The following questions and answers do not contain all of the information that may be important to you and may not address all of the questions that you may have about the rights offering. This prospectus and the documents incorporated by reference herein contain more detailed descriptions of the terms and conditions of the rights offering and provide additional information about us and our business, including potential risks related to the rights offering, the shares of our Series B Preferred offered hereby and our business. We urge you to read this entire prospectus, our financial statements and related notes and the other information incorporated by reference herein as described under “Incorporation by Reference.”

What is the rights offering?

We are distributing to holders of our common stock, at no charge, non-transferable subscription rights to purchase shares of our Series B Preferred. We have granted to you, as a stockholder on the record date, one subscription right for each share of our common stock you owned at that time. If you hold your shares in the name of a broker, bank or other nominee who uses the services of the Depository Trust Company (“DTC”), DTC will issue one subscription right to the nominee for each share of our common stock you own at the record date. The subscription rights will be evidenced by rights certificates. Each subscription right will entitle the holder to a basic subscription right and an over-subscription right.

Why are we conducting the rights offering?

We are conducting the rights offering to raise capital for repayment of debt and for general corporate purposes. See “Use of Proceeds.”

How were the subscription price and conversion price determined?

In determining the subscription price for exercising the rights, as well as the conversion price at which shares of Series B Preferred may be converted to common stock, our Board of Directors (our “Board”) considered a number of factors, including the likely cost of capital from other sources, the price at which our stockholders might be willing to participate in the rights offering, historical and current trading prices of our common stock, the terms of the Series B Preferred and our need for liquidity and capital. The subscription price and the conversion price are not necessarily related to our book value, net worth or any other established criteria of value.

What is the basic subscription right?

The basic subscription right gives our stockholders the opportunity to purchase [] shares of our Series B Preferred at a subscription price of \$[] per whole share. You may exercise all or a portion of your basic subscription rights, or you may choose not to exercise any subscription rights. We will not issue fractional shares of Series B Preferred. If the number of subscription rights you exercise would otherwise permit you to purchase a fraction of a share, the number of shares that you may purchase will be rounded down to the nearest whole share. See “The Rights Offering — The Subscription Rights — Basic Subscription Right.”

What is the over-subscription right?

If you fully exercise your basic subscription right and other stockholders do not fully exercise their basic subscription rights, you may also exercise an over-subscription right to purchase additional shares of Series B Preferred that remain unsubscribed at the expiration of the rights offering, subject to availability. To the extent the number of unsubscribed shares is not sufficient to satisfy all of the properly exercised over-subscription rights requests, the available shares will be prorated among those who properly exercised over-subscription rights in proportion to their respective basic subscription rights.

In order to properly exercise your over-subscription right, you must deliver the subscription payment for exercise of your over-subscription right before the expiration of the rights offering. Because we will not know the total number of unsubscribed shares before the expiration of the rights offering, if you wish to maximize the number of shares you purchase pursuant to your over-subscription right, you will need to deliver payment in an amount equal to the aggregate subscription price for the maximum number of shares of Series B Preferred available, assuming that no stockholder other than you has purchased any shares of our Series B Preferred pursuant to their basic subscription right and over-subscription right. See “The Rights Offering — The Subscription Rights — Over-Subscription Right.”

Am I required to exercise all of the subscription rights I receive in the rights offering?

No. You may exercise any number of your subscription rights, or you may choose not to exercise any subscription rights. However, if you choose not to exercise your subscription rights in full, upon conversion of any shares of Series B Preferred or payment of any dividend thereon in shares of common stock, your percentage ownership of our common stock may decrease and your voting and other rights may be diluted. In addition, if you do not exercise your basic subscription right in full, you will not be entitled to participate in the over-subscription right.

May I transfer my subscription rights?

No. You may not sell, transfer or assign your subscription rights to anyone. Subscription rights will not be listed for trading on any stock exchange or market. Rights certificates may only be completed by the stockholder who receives them.

How soon must I act to exercise my subscription rights?

The subscription rights may be exercised at any time beginning on the date of this prospectus and before the expiration of the rights offering, which is on [], 2015, at 5:00 p.m., Eastern Time. See “The Rights Offering” for detailed information on the procedure and requirements for exercising your subscription rights. If you elect to exercise any rights, the Subscription Agent must actually receive all required documents from you, and your payment must have cleared, before that time. Although we reserve the option of extending the expiration of the rights offering for a period not to exceed 30 days, we currently do not intend to do so.

How do I exercise my subscription rights? What forms and payment are required to purchase the shares of our Series B Preferred?

If you wish to participate in the rights offering, please deliver payment to the Subscription Agent using one of the methods outlined under “The Rights Offering — Method of Exercising Subscription Rights” and “— Form of Payment” in this prospectus, which payment must have cleared, before 5:00 p.m., Eastern Time, on [], 2015; and deliver a properly completed rights certificate to the Subscription Agent before 5:00 p.m., Eastern Time, on [], 2015.

After I send in my payment and rights certificate, may I cancel my exercise of subscription rights?

No. All exercises of subscription rights are irrevocable, even if you later learn information that you consider to be unfavorable to the exercise of your subscription rights and even if the rights offering is extended by our Board. However, if we amend the rights offering to make a material change to the terms set forth in this prospectus, you may cancel your subscription and receive a refund of any money you have advanced. You should not exercise your subscription rights unless you are certain that you wish to purchase shares of our Series B Preferred at a subscription price of \$[] per share.

What should I do if I want to participate in the rights offering but my shares are held in the name of my broker, bank or other nominee?

If you hold your shares of our common stock in the name of a broker, bank or other nominee, your broker, bank or other nominee is the “record holder” of the shares you own. The record holder must exercise the subscription rights on your behalf for the shares of our Series B Preferred you wish to purchase.

If you wish to participate in the rights offering and purchase shares of our Series B Preferred, contact the record holder of your shares promptly. You should complete and return to your record holder the form entitled “Beneficial Owner Election Form.” You should receive this form from your record holder with the other rights offering materials.

What will happen if I do not exercise my subscription rights?

If you do not exercise any subscription rights, the number of shares of our common stock you own will not change. However, because each share of Series B Preferred will be convertible into [] shares of our common stock, subject to anti-dilution adjustments, the conversion of some or all of the Series B Preferred will dilute the ownership interest of our other common stockholders. Any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market prices of the outstanding shares of our common stock.

Are there risks in exercising my subscription rights?

Yes. Exercising your subscription rights involves the purchase of shares of our Series B Preferred and should be considered as carefully as you would consider any other equity investment. Stockholders who exercise subscription rights risk investment loss on new money invested. We cannot assure you that anyone purchasing Series B Preferred at the subscription price will be able to sell those shares, or the shares of common stock into which the Series B Preferred is convertible, in the future at the same price or a higher price. Among other things, you should carefully consider the risks described under the headings “Risk Factors” in this prospectus and the documents incorporated by reference herein.

When and how will I receive my shares of Series B Preferred?

Shares of Series B Preferred purchased in the rights offering will be issued only in book-entry form (i.e., no physical stock certificates will be issued). If you are the holder of record of our common stock (whether you hold share certificates or your shares are maintained in book-entry form by our transfer agent), you will receive a statement of ownership reflecting the shares of Series B Preferred purchased in the offering in the Direct Registration System (“DRS”) as soon as practicable after the expiration of the rights offering. If your shares of common stock are registered in “street name,” that is, in the name of a broker, bank or other nominee, your shares of Series B Preferred will be issued to the same account, and you may request a statement of ownership from the nominee following the expiration of the

rights offering.

If the rights offering is not completed, will my subscription payment be refunded to me?

Yes. The Subscription Agent will hold all funds it receives in a segregated bank account until completion of the rights offering. If the rights offering is not completed, all subscription payments received by the Subscription Agent will be returned, without interest, as soon as practicable. If you own shares in “street name,” the Subscription Agent will return payments to the record holder of the shares.

How do I exercise my subscription rights if I live outside the United States?

We will not mail this prospectus or the rights certificates to stockholders whose addresses are outside the United States or who have an army post office or foreign post office address. The Subscription Agent will hold the rights certificates for their account. To exercise subscription rights, our foreign stockholders must notify the Subscription Agent and timely follow the procedures described in “The Rights Offering — Foreign Stockholders.”

What fees or charges apply to me if I exercise rights?

We are not charging any fee or sales commission to issue subscription rights to you or to issue shares to you if you exercise your subscription rights. If you exercise your subscription rights through the record holder of your shares, you are responsible for paying any fees your record holder may charge you.

What are the U.S. federal income tax consequences of exercising subscription rights?

For U.S. federal income tax purposes, you will not recognize income or loss in connection with the receipt or exercise of subscription rights unless the rights offering is part of a “disproportionate distribution” within the meaning of applicable tax rules (in which case you may recognize taxable income upon receipt of the subscription rights). We believe that the rights offering will not be part of a disproportionate distribution but certain aspects of that determination are unclear. This position is not binding on the Internal Revenue Service (the “IRS”) or the courts, however. You are urged to consult your own tax advisor as to your particular tax consequences resulting from the receipt and exercise of subscription rights and the receipt, ownership and disposition of Series B Preferred. For further information, please see “Material United States Federal Income Tax Consequences.”

Are we requiring a minimum subscription to complete the rights offering?

No.

Are there any conditions to completing the rights offering?

No.

Will our directors and officers participate in the rights offering?

All holders of our common stock as of the record date for the rights offering will receive, at no charge, non-transferable subscription rights to purchase shares of our Series B Preferred as described in this prospectus. To the extent that our directors and officers held shares of our common stock as of the record date, they will receive the subscription rights and, while they are under no obligation to do so, will be entitled to participate in the rights offering. Our directors and officers have not indicated to us whether they will purchase shares of Series B Preferred in the

offering.

Has the Board made a recommendation to our stockholders regarding the rights offering?

No. Our Board does not make any recommendation to stockholders regarding the exercise of rights under the rights offering. You should make an independent investment decision about whether or not to exercise your rights.

How much money will the Company receive from the rights offering?

Assuming all the shares of Series B Preferred offered are sold, the gross proceeds from the rights offering will be approximately \$[] million.

Can the Board extend, cancel or amend the rights offering?

Yes. We reserve the option to extend the rights offering and the period for exercising your subscription rights for a period not to exceed 30 days, although we do not presently intend to do so. If we elect to extend the expiration of the rights offering, we will issue a press release announcing such extension no later than 9:00 a.m., Eastern Time, on the next business day after the most recently announced expiration of the rights offering. We will extend the duration of the rights offering as required by applicable law or regulation and may choose to extend it if we decide to give investors more time to exercise their subscription rights in the rights offering. If we elect to extend the rights offering for a period of more than 30 days, then holders who have subscribed for rights may cancel their subscriptions and receive a refund of all money advanced.

Our Board may cancel the rights offering at any time before the expiration of the rights offering for any reason. In the event that the rights offering is cancelled, we will issue a press release notifying stockholders of the cancellation and all subscription payments received by the Subscription Agent will be returned, without interest or penalty, as soon as practicable.

Although we do not presently intend to do so, we reserve the right to amend or modify the terms of the rights offering for any reason, including, without limitation, in order to increase participation in the rights offering. Such amendments or modifications may include a change in the subscription price, although no such change is presently contemplated. If we should make any fundamental changes to the terms set forth in this prospectus, we will file a post-effective amendment to the registration statement in which this prospectus is included, offer potential purchasers who have subscribed for rights the opportunity to cancel their subscriptions, issue a refund of any money advanced by such stockholder and recirculate an updated prospectus after the post-effective amendment is declared effective by the SEC. In addition, upon such event, we may extend the expiration date of the rights offering to allow holders of rights ample time to make new investment decisions and for us to recirculate updated documentation. Promptly following any such occurrence, we will issue a press release announcing any changes and the new expiration date.

Will there be a trading market for my shares of Series B Preferred?

There is currently no market for the Series B Preferred. You may have difficulty selling your Series B Preferred should you decide to do so. Conversion into the underlying shares of our common stock and sale of those shares may be the only way for you to liquidate your investment in any shares of Series B Preferred.

When can I convert my shares of Series B Preferred into shares of common stock?

Holders of shares of Series B Preferred can elect to convert all or a portion of their shares of Series B Preferred into shares of our common stock at any time. Shares of Series B Preferred will be convertible into shares of our common stock by dividing the Stated Value per share by a conversion price of \$[] per share, representing a conversion ratio of [approximately] [] shares of common stock for each share of Series B Preferred held at the time of conversion, subject to adjustment.

Does the Company have an option to effect a mandatory conversion of my shares of Series B Preferred into shares of common stock?

Yes. At any time after the third anniversary of the initial issue date of the Series B Preferred, we shall have the right to cause all (but not less than all) outstanding shares of Series B Preferred Stock to be automatically converted into shares of common stock.

Will I receive dividends on my shares of Series B Preferred and when will such payments be made?

The Series B Preferred carries a 5.0% cumulative non-compounding annual dividend on the Stated Value of \$[] per share. The dividends are payable semiannually in cash or in shares of common stock in our sole discretion.

How does the Series B Preferred vote?

Holders of shares of Series B Preferred will be entitled to vote, together with the holders of our common stock and not as a separate class, on all matters submitted to holders of our common stock. Holders of shares of Series B Preferred will be entitled to [] votes for each share of Series B Preferred owned at the record date for the determination of stockholders entitled to vote on such matter or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited.

Whom should I contact if I have other questions?

If you have other questions or need assistance, please contact the Information Agent, Morrow & Co., LLC, by email at tnlx.info@morrowco.com or by telephone at (800) 662-5200. Banks and brokerage firms also may contact Morrow & Co., LLC at (203) 658-9400.

RISK FACTORS

An investment in our securities involves a high degree of risk. You should carefully consider the risks described below, together with the other information contained or incorporated by reference into this prospectus, including the other risks and information contained in the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2014 and any risks described in our other filings with the SEC before making a decision to invest in the Series B Preferred.

The risks described below and in the documents referred to in the preceding sentence are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business operations. If any of the following risks actually occurs, our business, results of operations and financial condition could suffer. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment.

Risks Relating to the Rights Offering

The subscription price determined for the rights offering is not necessarily an indication of the fair value of our common stock or the Series B Preferred.

In determining the subscription price, our Board considered a number of factors, including the likely cost of capital from other sources, the price at which our stockholders might be willing to participate in the rights offering, historical and current trading prices of our common stock, the terms of the Series B Preferred and our need for liquidity and capital. The subscription price is not necessarily related to our book value, net worth or any other established criteria of value.

The conversion price for the Series B Preferred is also not necessarily an indication of the fair value of our common stock.

Each share of Series B Preferred will be convertible into shares of our common stock at an initial conversion price of \$[] per share of common stock. That price, which is subject to adjustment, represents a conversion ratio of [approximately] [] shares of common stock for each share of Series B Preferred held at the time of conversion. It was set by our Board based on a number of factors and is not necessarily related to our book value, net worth or any other established criteria of value. We can give no assurance that the market price of our common stock will ever exceed the conversion price of the Series B Preferred.

We may cancel the rights offering at any time before its expiration, and neither we nor the Subscription Agent will have any obligation to you except to return your subscription payments.

We may, in our sole discretion, decide to cancel the rights offering before its expiration date. If the rights offering is cancelled, we will issue a press release notifying stockholders of the cancellation and all payments received by the Subscription Agent for the exercise of subscriptions will be returned, without interest, as soon as practicable. Neither we nor the Subscription Agent will have any further obligation to you in that case, including but not limited to any obligation to reimburse you for any amount you have paid to purchase subscription rights that are no longer exercisable.

The subscription rights are non-transferable and thus there will be no market for them.

You may not sell, transfer or assign your subscription rights to anyone else. We do not intend to list the subscription rights on any securities exchange or any other trading market. Because the subscription rights are non-transferable, there is no market or other means for you to directly realize any value associated with them.

If you do not act promptly and follow the subscription instructions, your exercise of subscription rights will be rejected.

Stockholders that wish to purchase shares of Series B Preferred in the rights offering must act promptly to ensure that all required forms and payments are actually received by the Subscription Agent before the expiration of the rights offering. If you are a beneficial owner of shares, you must act promptly to ensure that your broker, bank or other nominee acts for you and that all required forms and payments are actually received by the Subscription Agent before the expiration of the rights offering. We are not responsible if your broker, bank or other nominee fails to ensure that all required forms and payments are actually received by the Subscription Agent before the expiration of the rights offering. If you fail to complete and sign the required subscription forms, send an incorrect payment amount or otherwise fail to follow the subscription procedures that apply to your exercise in the rights offering before the expiration of the rights offering, the Subscription Agent will reject your subscription or accept it only to the extent of the payment received.

Interest expense

(62,354) (162,423)

Total other income (expense)

(62,337) (162,423)

Provision for income taxes

-- --

Net loss

\$(366,058) \$(673,054)

Basic loss per common share

\$(0.00) \$(0.01) Basic weighted average common shares outstanding 84,376,721 75,487,238

See Accompanying Notes to Consolidated Financial Statements

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SKINVISIBLE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the three months ended March 31, 2009	For the three months ended March 31, 2008
Cash flows from operating activities:		
Net loss	\$ (366,058)	\$ (673,054)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization	4,004	5,356
Stock based compensation	120,426	248,442
Interest expense paid with common stock	54,907	151,613
Loss on disposal of assets	1,682	--
Changes in operating assets and liabilities:		
(Increase) in inventory	--	(15,007)
(Increase) decrease in accounts receivable	6,094	31,026
Decrease in prepaid expenses and other current assets	751	477
(Increase) decrease in related party receivable	76	--
Decrease in prepaid royalty fees	60,000	60,000
Increase in accounts payable and accrued liabilities	52,548	139,299
Increase in accrued interest	--	6,658
Decrease in unearned revenue	(50,000)	(100,000)
Net cash used in operating activities	(115,570)	(145,190)
Cash flows from investing activities:		

Purchase of fixed assets and intangible assets	--	--
Net cash used in investing activities	--	--
Cash flows from financing activities:		
Proceeds from (Payments to) related party loans	(826)	(30,892)
Proceeds from convertible notes payable	110,519	115,199
Proceeds from loan payable	--	3,500
Net cash provided by financing activities	109,693	87,807
Net change in cash	(5,877)	(57,383)
Cash, beginning of period	6,062	63,168
Cash, end of period	\$ 185	\$ 5,785

See Accompanying Notes to Consolidated Financial Statements

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SKINVISIBLE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. DESCRIPTION OF BUSINESS, HISTORY AND SUMMARY OF SIGNIFICANT POLICIES

Basis of presentation – The accompanying unaudited Consolidated Financial Statements of Skinvisible, Inc. (the “Company”) have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial information and with the instructions to Form 10-QSB. The financial statements reflect all adjustments consisting of normal recurring adjustments which, in the opinion of management, are necessary for a fair presentation of the results for the periods shown. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles (GAAP) for complete financial statements.

These Consolidated Financial Statements should be read in conjunction with the audited financial statements and footnotes included in Skinvisible, Inc.’s Form 10-K for the year ended December 31, 2008, as filed with the Securities and Exchange Commission.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Description of business - Skinvisible, Inc., (referred to as the “Company”) is focused on the development and manufacture of innovative topical polymer-based delivery system technologies and formulations incorporating its patent-pending formula/process for combining hydrophilic and hydrophobic polymer emulsions. The technologies and formulations have broad industry applications within the pharmaceutical, over-the-counter, personal skincare and cosmetic arenas. The Company’s antibacterial/antimicrobial hand sanitizer formulations, available for private label commercialization opportunities, offer skincare solutions for the healthcare, food service, industrial, cosmetic and salon industries, as well as for personal use in the retail marketplace. The Company maintains manufacturing, executive and sales offices in Las Vegas, Nevada.

History - Skinvisible, Inc. (referred to as the “Company”) was incorporated in Nevada on March 6, 1998 under the name of Microbial Solutions, Inc. The Company underwent a name change on February 26, 1999, when it changed its name to Skinvisible, Inc. The Company’s subsidiary’s name of Manloe Labs, Inc. was also changed to Skinvisible Pharmaceuticals, Inc.

Skinvisible, Inc. together with its subsidiary shall herein be collectively referred to as the “Company”.

Going concern - The accompanying 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 has incurred cumulative net losses of \$17,303,783 since its inception and requires capital for its contemplated operational and marketing activities to take place. The Company’s ability to raise additional capital through the future issuances of common stock is unknown. The obtainment of additional financing, the successful development of the Company’s contemplated plan of operations, and its transition, ultimately, to the attainment of profitable operations are necessary for the Company to continue operations. The ability to successfully resolve these factors raise substantial doubt about the Company’s ability to continue as a going concern. The consolidated financial statements of the Company do not include any adjustments that may result from the outcome of these aforementioned uncertainties.

Principles of consolidation - The consolidated financial statements include the accounts of the Company and its subsidiary. All significant intercompany balances and transactions have been eliminated.

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SKINVISIBLE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT POLICIES (continued)

Use of estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition

Product sales - Revenues from the sale of products are recognized when title to the products are transferred to the customer and only when no further contingencies or material performance obligations are warranted, and thereby have earned the right to receive reasonably assured payments for products sold and delivered.

Royalty sales – The Company also recognizes royalty revenue from licensing its patent and trademarks, only when earned, with no further contingencies or material performance obligations are warranted, and thereby have earned the right to receive and retain reasonably assured payments.

Distribution and license rights sales – The Company also recognizes revenue from distribution and license rights only when earned, with no further contingencies or material performance obligations are warranted, and thereby have earned the right to receive and retain reasonably assured payments.

Costs of Revenue – Cost of revenue includes raw materials, component parts, and shipping supplies. Shipping and handling costs is not a significant portion of the cost of revenue.

Accounts Receivable – Accounts receivable is comprised of uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. The carrying amount of accounts receivable is reviewed periodically for collectability. If management determines that collection is unlikely, an allowance that reflects management's best estimate of the amounts that will not be collected is recorded. Management reviews each accounts receivable balance that exceeds 30 days from the invoice date and, based on an assessment of creditworthiness, estimates the portion, if any, of the balance that will not be collected. As of March 31, 2009, the Company had not recorded a reserve for doubtful accounts.

Inventory - Substantially all inventory consists of finished goods and are valued based upon first-in first-out ("FIFO") cost, not in excess of market. The determination of whether the carrying amount of inventory requires a write-down is based on an evaluation of inventory.

Goodwill and intangible assets - Beginning January 1, 2002, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets". According to this statement, goodwill and intangible assets with indefinite lives are no longer subject to amortization, but rather an annual assessment of impairment by applying a fair-value based test. Fair value for goodwill is based on discounted cash flows, market multiples and/or appraised values as appropriate. Under SFAS No. 142, the carrying value of assets are calculated at the lowest level for which there are identifiable cash flows.

SFAS 142 requires the Company to compare the fair value of the reporting unit to its carrying amount on an annual basis to determine if there is potential impairment. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded to the extent that the fair value of the goodwill within the reporting unit is less than its

carrying value. Upon adoption and during 2002, the Company completed an impairment review and did not recognize any impairment of goodwill and other intangible assets already included in the financial statements. The Company expects to receive future benefits from previously acquired goodwill over an indefinite period of time. Accordingly, beginning January 1, 2002, the Company has foregone all related amortization expense. Prior to January 1, 2002, the Company amortized goodwill over an estimated useful life ranging from 3 to 15 years using the straight-line method.

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SKINVISIBLE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT POLICIES (continued)

Income taxes - The Company accounts for its income taxes in accordance with Statement of Financial Accounting Standards No. 109, which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry-forwards. 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.

Stock-based compensation - On January 1, 2005, the Company adopted SFAS No. 123 (R) "Share-Based Payment" which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to a Employee Stock Purchase Plan based on the estimated fair values.

The Company adopted SFAS No. 123(R) using the modified prospective transition method, which required the application of the accounting standard as of January 1, 2005. The accompanying consolidated financial statements as of and for the three months ended March 31, 2008 reflect the impact of SFAS No. 123(R). In accordance with the modified prospective transition method, the Company's accompanying consolidated financial statements for the prior periods have not been restated, and do not include the impact of SFAS No. 123(R). Stock based compensation expense recognized under SFAS No. 123(R) for the three months ended March 31, 2009 and 2008 totaled \$120,426 and \$248,442, respectively.

Earnings (loss) per share - The Company reports earnings (loss) per share in accordance with SFAS No. 128, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings (loss) per share has not been presented since the effect of the assumed exercise of options and warrants to purchase common shares (common stock equivalents) would have an anti-dilutive effect.

Reclassification – The financial statements from 2008 reflect certain reclassifications, which will have no effect on net income, to conform to classifications in the current year.

2. INTANGIBLE AND OTHER ASSETS

Patents and trademarks are capitalized at its historical cost and are amortized over their useful lives. As of March 31, 2009, patents and trademarks total \$20,448, and amortization expense for the three months ended March 31, 2009 and 2008 were \$2,885 and \$2,885, respectively.

License and distributor rights ("agreement") was acquired by the Company in January 1999 and provides exclusive use distribution of polymers and polymer based products. The Company has a non-expiring term on the license and distribution rights. Accordingly, the Company annually assesses this license and distribution rights for impairment and has determined that no impairment write-down is considered necessary as of March 31, 2009.

Prepaid royalties fees are amounts prepaid by the Company related to the license and distributor rights. The future royalties payments required by the Company total \$2,000,000. The royalties fees are to be paid in an amount equal to the greater of (a) \$6,000 per month; or (b) 1.5% of net revenues realized by the sale of the associated polymer products subject to a cap of \$2,000,000. The Company will make payments of \$6,000 per month, and by a payment on any royalties in excess of \$72,000 in each year payable on an annual basis calculated within 60 days of each anniversary date of the agreement. The future royalties payments are to be amortized over eight years, which is the life of the agreement. As of March 31, 2009, the Company has paid a total of \$2,000,000 of which \$1,880,000 has been expensed and \$120,000 has been recorded as prepaid royalties. The Company will expense the prepayment in the future in accordance to the terms of the agreement.

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Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words “believes,” “project,” “expects,” “anticipates,” “estimates,” “intends,” “strategy,” “plan,” “may,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC.

Company Overview

We develop innovative polymer delivery vehicles and related compositions that hold active ingredients on the skin for extended periods of time when applied topically. We designed a process for combining water soluble and insoluble polymers that is specifically formulated to carry water insoluble active ingredients in water-based products without the use of alcohol, silicones, waxes, or other organic solvents. This enables active agents the ability to perform their intended functions for an extended period of time. Our polymer delivery vehicles, trademarked Invisicare®, allow normal skin respiration and perspiration. The polymer compositions we develop wear off as part of the natural exfoliation process of the skin's outer layer cells.

We believe Invisicare® offers the following benefits:

- § Displays superior skin adherence for extended time periods
- § Non-occlusive yet resists water wash-off, respiration and perspiration
 - § Increased efficacy of active ingredients
- § Allows for lower use levels of actives with increased persistence of effect
 - § Offers advantage of controlled and/or sustained time-release
 - § Highly compatible with a variety of actives and bases
 - § Easy to emulsify
 - § Formulates well at a cream, lotion, or spray viscosity
- § Non-irritating emulsion dries quickly with no greasy after-feel

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- § Non-occlusive film forms protective barrier against environmental irritants
 - § Broad polymer selection to meet application requirements
- § Offers “Life Cycle” management to core products with potential for new patent
 - § Simplified manufacturing process

Products that successfully incorporate Invisicare to date include antimicrobial hand sanitizer lotions, suncare products, skincare moisturizers, sunless tanning products as well as various dermatology products for various skin disorders. On an ongoing basis, we are seeking to develop polymer formulations that can successfully be incorporated into other products.

Our primary objective is to license Invisicare to established brand manufacturers and marketers of prescription and over-the-counter products in the dermatological, medical, cosmetic, and skincare markets. With the exception of sales to one vendor, our management’s policy is to only sell Invisicare to vendors that have executed a license agreement with us. We conduct our research and development in-house. We engage an outside party that currently handles all of our manufacturing and distribution needs.

Recent Developments

Our core business is the research and development of products formulated with our patented technology Invisicare. This year we have added a strategic focus on the sale and marketing of these products and developing new Invisicare technologies. Our focus has allowed us to expand our reputation amongst key dermatology, consumer goods and medical/surgical companies around the globe. It has also allowed us to branch out beyond dermatology into other medical areas that require topically delivered products.

Product Developments

We intend to expand our product offerings. Currently we have over 30 topical products formulated with Invisicare available for licensing. Our products range from acne formations to sunscreens to surgical products. A key addition to our portfolio in 2008 was our UVA/UVB sunscreen with Parsol 1789. Parsol 1789 is the most used UVA filter in sunscreens in the US and the only ingredient approved by the US FDA that is not proprietary. Our studies show a minimum of eight hour photostability compared to the industry average of two hours. In addition, most sunscreens, even those that indicate they are water resistant, do not remain on the skin after swimming. With our Invisicare technology, sunscreens remain on the skin for 8 to 12 hours and resist wash-off and rub-off. For the international market, we have developed new sunscreens using a proprietary sunscreen UVA filter from CIBA Specialty Chemicals. While this ingredient is not yet approved for sale in the US, it is used internationally and we are working with sunscreen companies in Europe and Latin America on this new development.

In the third quarter of 2009, we intend to begin marketing our Chlorhexidine Hand Sanitizer Lotion “DermSafe” in Canada where we have received approval from Health Canada. We expect to file for US FDA approval with a marketing partner in 2009. We believe this is a unique product that is needed immediately in all healthcare settings from hospitals to nursing homes. DermSafe stays bound to the hands, even after frequent washings, for up to 4 hours while killing both bacteria and viruses; a real plus for doctors and nurses as they move from patient to patient.

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Patent Developments

We intend to continually generate new patents (intellectual property) on our dermatology and medical products. Every product we formulate is protected by one or more patents. Patent approvals are sought (initially in the U.S. and later internationally) for all products developed. Currently there are 5 patents approved including the US, Australia, India and this year Japan, 9 U.S. patents pending in addition to 34 PCT's internationally, with many more to be filed. Some of these PCT patents cover up to 5 products. All patents with Invisicare are owned by Skinvisible.

Patent protection is important to our company. Pharmaceutical companies are pursuing new or improved revenue streams along with protecting their own intellectual properties. Invisicare allows companies to sell a patent-protected product that has been revitalized with new benefits, giving them a new story to help combat generic competitors. A prescription dermatology product can generate \$100 plus million per year; some even \$200 plus million – and that is why we believe the investment into a license with an Invisicare formulation is a very viable option for these companies.

We continue to submit for patent protection worldwide for products formulated with Invisicare.

License Agreements

Our current licensees: JD Nelson with Safe4Hours®, DRJ Group with Stopain® and Sunless Beauty with Solerra® all remain focused on expanding their markets in the US and Solerra globally. In 2008, we added two new licensees. Our first addition was for two acne formulations made with adapalene for Panalab Internacional S.A. for the territory of Latin America. Panalab is a multi-national dermatology company headquartered in Panama with subsidiaries and partners in most Latin American countries. Under the terms of the agreement, Panalab will be responsible for filing and obtaining marketing approval in the countries they have licensed. We received a research and development fee plus a licensing fee allocated as an upfront fee plus milestone payments. In addition, we will receive royalties based on revenues generated by the sale of the products. According to the agreement, Panalab will have the right to manufacture, distribute, market, sell and promote the Adapalene formulations in the specified territory. Panalabs expect to be selling in their territory by late fall 2009.

In addition, two more prescription acne products (clindamycin and retinoic acid) were licensed to Embil Pharmaceuticals for Turkey, parts of Asia (Indonesia, Malaysia, and the Philippines) and Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan. Embil is a multi-national dermatology company headquartered in Istanbul, Turkey with subsidiaries and partners in S.E. Asia. Under the terms of the agreement, Embil will be responsible for filing and obtaining marketing approval in the countries they have licensed. We have received a research and development fee plus a licensing fee allocated as an upfront fee plus milestone payments. In addition, we will receive royalties based on revenues generated by the sale of the products. According to the agreement, Embil will have the right to manufacture, distribute, market, sell and promote the Clindamycin HCL and Retinoic Acid formulations for acne in the specified territory.

In January 2009, we signed an agreement with RHEI Pharmaceuticals NV, a Belgium based pharmaceutical company that in-licenses drugs for sale in China. This agreement gives RHEI the first option to license the exclusive rights for Skinvisible's dermatology products for the territory of China, Hong Kong and Taiwan. Specifically the agreement is for over-the-counter and prescription dermatology products formulated with Invisicare that have been approved in a reference country. As part of the agreement, RHEI will augment its existing product lines by seeking approval and then marketing and manufacturing Skinvisible's Invisicare dermatology products in the approved territory.

The Chinese pharmaceutical market represents a huge opportunity with an estimated \$22.6 billion spent on pharmaceutical drugs in 2007 and growing at an annual rate of nearly 20%. To address this huge growth, the Chinese

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government has implemented a more effective approval process, one that fits advantageously into the strategic plans of both Skinvisible and RHEI.

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Status of Research and Development for New Applications

We believe that the enhancement and extension of our existing products and the development of new product categories have contributed significantly to our growth to date and are necessary for our continued growth. Our management evaluates new ideas and seeks to develop new products and improvements to existing products to satisfy industry requirements and changing consumer preferences. We seek to identify trends in consumer preferences and to generate new product ideas. Specific to the objective of generating new products, we are continuing our research and development toward developing additional applications with Invisicare. We are currently at various development stages for the following potential applications using Invisicare:

Skinvisible's Formulas with Invisicare:				
ACTIVE INGREDIENT		TYPE	Availability	Patent
Acne				
Adapalene Cream & Gel (0.1% & 0.3%)		Rx	yes*	pending
Clindamycin Hydrochloride Cream (1%)		Rx	yes*	pending
Retinoic Acid Cream (0.1%)		Rx	yes*	pending
Benzoyl Peroxide (2.5%) Cream		Rx / OTC development	In	pending
Actinic Keratosis				
Imiquimod Lotion (2%, 3%)		Rx	yes	pending
Analgesics				
Topical Spray with Menthol (6% & 8%)		OTC	yes	technology
Topical Roll-On with Menthol (6% & 8%)		OTC	yes	technology
Topical Cream with Salicylate (10%)		OTC	yes	technology
Anti-Aging				
Retinol Cream (0.3%)		Cosmetic	yes	technology
Anti-Fungal				
Terbinafine Cream, Gel (1%)		OTC	yes	pending
Naftifine Cream (1%)		Rx	yes	pending
Naftifine (1%) & Hydrocortisone (1%) Cream		Rx	yes	pending
Clotrimazole Cream (1%)		OTC	yes	pending
Anti-Inflammatory				
Hydrocortisone Cream (1%)		OTC	yes	technology
Triamcinolone (1%)		Rx	yes	technology
Triamcinolone Acetonide (1%)		Rx	yes	technology
Clobetasole Propionate (0.05%)		Rx	in-progress	technology
Betamethasone (1%)		Rx	yes	technology
Antimicrobial Lotions				

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Triclosan Lotion (1%) with Nonoxynol-9	OTC	yes*	granted
Triclosan Lotion (1%) with Tomadol 901	OTC	yes*	granted
Benzalkonium Chloride Lotion (0.13%) Chlorhexidine Gluconate Lotion (4%)	OTC	yes*	granted
	OTC / NDA	yes	pending
Chlorhexidine Gluconate (2%) Pre-Surgical Prep	NDA	yes	pending
Atopic Dermatitis / Super Moisturizers Non-Steroidal Atopic Dermatitis Cream 1% Hyaluronic Acid	Rx / Cosmetic	yes	technology
Skin Protectant Lotion with Allantoin (1%)	OTC	yes	technology
Super Moisturizer with Ectoin	Cosmetic	yes	technology
Urea Moisturizer (25% & 30%)	Cosmetic	yes	technology
UVA / UVB Sunscreen			
Parsol 1789 - SPF 15 / 30 / 50 Lotion	OTC	yes	pending
Tinosorb S – SPF 15 / 30 / 50 Lotion	OTC	yes	pending
Other			
Scar Lotion with Onion Bulb	Cosmetic	yes	technology
Fragrance – Long Lasting Gel	Cosmetic	yes	technology
Long-lasting Sunless Tanner (2.5%, 5% & 9%)	Cosmetic	yes	technology
After Sun (Aloe) Cream	Cosmetic	yes	technology

*some territories already licensed

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Results of Operations for the Three months Ended March 31, 2009 and 2008

Revenues

Our total revenue reported for the three months ended March 31, 2009 was 77,953, compared to \$149,411 for the three months ended March 31, 2008. The decrease in revenues for the three months ended March 31, 2009 from the prior period is attributable to decreased sales of polymers to our licensees.

Cost of Revenues

Our cost of revenues for the three months ended March 31, 2009 decreased to \$1,421 from the prior period when cost of revenues was \$10,131. The decrease in our cost of revenues for the three months ended March 31, 2009 from the prior period is attributable to decreased sales of polymers.

Gross Profit

Gross profit for the three months ended March 31, 2009 was \$76,532, or approximately 98% of sales. Gross profit for the three months ended March 31, 2008 was \$139,280, or approximately 93% of sales. The increase in total gross profit for the three months ended March 31, 2009 from the prior period is attributable to the decrease in cost of revenues.

Operating Expenses

Operating expenses decreased to \$380,253 for the three months ended March 31, 2009 from \$649,911 for the three months ended March 31, 2008. Our operating expenses for the three months ended March 31, 2009 consisted of depreciation and amortization expenses of \$4,004 and selling, general and administrative expenses of \$376,249. Our operating expenses for the three months ended March 31, 2008 consisted of depreciation and amortization expenses of \$5,356, and selling, general and administrative expenses of \$644,555.

Other Expenses

We paid less in interest expenses for the three months ended March 31, 2009 than in the prior period ended 2008, resulting in total other expenses of \$62,354 as compared with \$162,423 for the prior period.

Net Loss

Net loss for the three months ended March 31, 2009 was \$366,058, compared to net loss of \$673,054 for the three months ended March 31, 2008.

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Liquidity and Capital Resources

As of March 31, 2009, we had total current assets of \$150,936 and total assets in the amount of \$235,936. Our total current liabilities as of March 31, 2009 were \$759,364. We had a working capital deficit of \$608,428 as of March 31, 2009.

Operating activities used \$115,570 in cash for three months ended March 31, 2009. Our net loss of \$366,058 combined with a decrease in unearned revenue of \$50,000 was the primary component of our negative operating cash flow, offset mainly by stock based compensation of \$120,426, decrease in prepaid royalty fees of \$60,000, interest expenses paid with common stock of \$54,907, and increase in accounts payable and accrued liabilities of \$52,548. There were no cash flows used or provided by investing activities during the three months ended March 31, 2009. Cash flows provided by financing activities during the three months ended March 31, 2009 amounted to \$109,693 and consisted of \$110,519 as proceeds from the issuance of convertible notes payable, offset by payments of \$826 on related party loans.

In order to preserve needed cash to operate our business, we have sought to and have been successful in converting certain of our debt into equity of our company. During the first quarter ended March 31, 2008, a total of \$29,250, represented by loans, accrued compensation and expenses, has been converted into equity under various rates and terms. We can provide no assurance that we will be able to convert other debt in our company under similar arrangements, or at all, in the future. If we are unable to convert our debt into equity, or raise capital to cover our liabilities, we may not be able to continue as a going concern.

Based upon our current financial condition, we do not have sufficient cash to operate our business at the current level for the next twelve months. We intend to fund operations through increased sales and debt and/or equity financing arrangements, which may be insufficient to fund expenditures or other cash requirements. We plan to seek additional financing in a private equity offering to secure funding for operations. There can be no assurance that we will be successful in raising additional funding. If we are not able to secure additional funding, the implementation of our business plan will be impaired. There can be no assurance that such additional financing will be available to us on acceptable terms or at all.

Off Balance Sheet Arrangements

As of March 31, 2009, there were no off balance sheet arrangements.

Going Concern

The accompanying 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. We have incurred cumulative net losses of approximately \$17,303,783 since our inception and require capital for our contemplated operational and marketing activities to take place. Our ability to raise additional capital through the future issuances of the common stock is unknown. The obtainment of additional financing, the successful development of our contemplated plan of operations, and our transition, ultimately, to the attainment of profitable operations are necessary for us to continue operations. The ability to successfully resolve these factors raise substantial doubt about our ability to continue as a going concern. Our consolidated financial statements do not include any adjustments that may result from the outcome of these aforementioned uncertainties.

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Critical Accounting Policies

In December 2001, the SEC requested that all registrants list their three to five most “critical accounting policies” in the Management Discussion and Analysis. The SEC indicated that a “critical accounting policy” is one which is both important to the portrayal of a company’s financial condition and results, and requires management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We believe that the following accounting policies fit this definition.

Revenue Recognition

Revenues are recognized during the period in which the revenues are earned. Costs and expenses are recognized during the period in which they are incurred.

Product sales - Revenues from the sale of products are recognized when title to the products are transferred to the customer and only when no further contingencies or material performance obligations are warranted, and thereby have earned the right to receive reasonably assured payments for products sold and delivered.

Royalty sales – The Company also recognizes royalty revenue from licensing its patent and trademarks, only when earned, with no further contingencies or material performance obligations are warranted, and thereby have earned the right to receive and retain reasonably assured payments.

Distribution and license rights sales – The Company also recognizes revenue from distribution and license rights only when earned, with no further contingencies or material performance obligations are warranted, and thereby have earned the right to receive and retain reasonably assured payments.

Costs of Revenue – Cost of revenue includes raw materials, component parts, and shipping supplies. Shipping and handling costs is not a significant portion of the cost of revenue.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided principally on the straight-line method over the estimated useful lives of the assets, which are generally 3 to 10 years. The cost of repairs and maintenance is charged to expense as incurred. Expenditures for property betterments and renewals are capitalized. Upon sale or other disposition of a depreciable asset, cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in other income (expense).

We periodically evaluate whether events and circumstances have occurred that may warrant revision of the estimated useful life of fixed assets or whether the remaining balance of fixed assets should be evaluated for possible impairment. We use an estimate of the related undiscounted cash flows over the remaining life of the fixed assets in measuring their recoverability.

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Goodwill and Intangible Assets

Beginning January 1, 2002, we adopted Statement of Financial Accounting Standards (“SFAS”) No. 142, “Goodwill and Other Intangible Assets”. According to this statement, goodwill and intangible assets with indefinite lives are no longer subject to amortization, but rather an annual assessment of impairment by applying a fair-value based test. Fair value for goodwill is based on discounted cash flows, market multiples and/or appraised values as appropriate. Under SFAS No. 142, the carrying value of assets are calculated at the lowest level for which there are identifiable cash flows.

SFAS 142 requires us to compare the fair value of the reporting unit to its carrying amount on an annual basis to determine if there is potential impairment. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded to the extent that the fair value of the goodwill within the reporting unit is less than its carrying value. Upon adoption and during 2002, we completed an impairment review and did not recognize any impairment of goodwill and other intangible assets already included in the financial statements. We expect to receive future benefits from previously acquired goodwill over an indefinite period of time. Accordingly, beginning January 1, 2002, we have foregone all related amortization expense. Prior to January 1, 2002, we amortized goodwill over an estimated useful life ranging from 3 to 15 years using the straight-line method.

Recently Issued Accounting Pronouncements

In March 2008, the FASB issued SFAS No. 161, “Disclosures about Derivative Instruments and Hedging Activities – an amendment of FASB Statement No. 133,” (SFAS “161”) as amended and interpreted, which requires enhanced disclosures about an entity’s derivative and hedging activities and thereby improves the transparency of financial reporting. Disclosing the fair values of derivative instruments and their gains and losses in a tabular format provides a more complete picture of the location in an entity’s financial statements of both the derivative positions existing at period end and the effect of using derivatives during the reporting period. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity’s financial position, financial performance, and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. Early adoption is permitted.

At March 31, 2009, we did not have any derivative instruments or hedging activities. Management is aware of the requirements of SFAS 161 and will disclose when appropriate.

In May 2008, the FASB issued SFAS No. 162, “The Hierarchy of Generally Accepted Accounting Principles.” SFAS 162 will provide framework for selecting accounting principles to be used in preparing financial statements that are presented in conformity with U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. SFAS 162 will be effective 60 days following the Securities and Exchange Commission’s approval of the Public Company Accounting Oversight Board (“PCAOB”) amendments to AU Section 411. We do not expect the adoption of SFAS 162 will have a material impact on our financial condition or results of operation.

In May 2008, the FASB issued SFAS No. 163, “Accounting for Financial Guarantee Insurance Contracts – an interpretation of FASB Statement No. 60.” SFAS 163 requires that an insurance enterprise recognize a claim liability prior to an event of default (insured event) when there is evidence that credit deterioration has occurred in an insured financial obligation. This Statement also clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement to be used to account for premium revenue and claim liabilities. Those clarifications will increase comparability in financial reporting of financial guarantee insurance contracts by insurance enterprises. This Statement requires expanded disclosures about financial guarantee insurance contracts. The accounting and disclosure requirements of the Statement will improve the quality of information provided to users of

financial statements. SFAS 163 will be effective for financial statements issued for fiscal years beginning after December 15, 2008. We do not expect the adoption of SFAS 163 will have a material impact on our financial condition or results of operation.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

A smaller reporting company is not required to provide the information required by this Item.

Item 4T. Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of March 31, 2009. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, Mr. Terry Howlett. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2009, our disclosure controls and procedures are effective. There have been no significant changes in our internal controls over financial reporting during the quarter ended March 31, 2009 that have materially affected or are reasonably likely to materially affect such controls.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Internal Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. An internal 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 the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

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PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any pending legal proceeding. We are not aware of any pending legal proceeding to which any of our officers, directors, or any beneficial holders of 5% or more of our voting securities are adverse to us or have a material interest adverse to us.

Item 1A: Risk Factors

A smaller reporting company is not required to provide the information required by this Item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The information set forth below relates to our issuances of securities without registration under the Securities Act during the reporting period which were not previously included in a Current Report on Form 8-K.

During the three months ended March 31, 2009, we issued 555,000 restricted shares of our common stock as a result of entering into debt conversion agreements with lenders to convert total principal balances of \$29,250 into equity. These shares were issued pursuant to Section 4(2) of the Securities Act. The lenders represented their intention to acquire the securities for investment only and not with a view towards distribution. The lenders were given adequate information about us to make an informed investment decision. We did not engage in any general solicitation or advertising. We directed our transfer agent to issue the stock certificates with the appropriate restrictive legend affixed to the restricted stock.

During the three months ended March 31, 2009, we issued options to consultants to purchase 200,000 shares of our common stock at an exercise price of \$0.10 per share. These securities were issued pursuant to Section 4(2) of the Securities Act.

During the three months ended March 31, 2009, we cancelled stock option agreements with certain affiliates and employees, and granted new stock option agreements as follows:

	Old Stock Option Agreements	New Stock Option Agreements
Terry Howlett	option for 1,000,000 shares at \$0.24 per share to expire in 5 years	option for 1,000,000 shares at \$0.06 per share to expire in 5 years
Greg McCartney	option for 250,000 shares at \$0.24 per share to expire in 5 years	option for 250,000 shares at \$0.06 per share to expire in 5 years
Consultant	option for 100,000 shares at \$0.10 per share to expire 12/4/08	option for 100,000 shares at \$0.10 per share to expire 12/4/13
Employee	option for 200,000 shares at \$0.10 per share to expire 12/4/08	option for 200,000 shares at \$0.10 per share to expire 12/4/13

Following the reporting period, on April 1, 2009, we issued 3,000,000 restricted shares of our common stock as a result of entering into a debt conversion agreement with Terry Howlett to convert a total principal balance of \$90,000 into equity. These shares were issued pursuant to Section 4(2) of the Securities Act. The lenders represented their intention to acquire the securities for investment only and not with a view towards distribution. The lenders were given adequate information about us to make an informed investment decision. We did not engage in any general solicitation or advertising. We directed our transfer agent to issue the stock certificates with the appropriate restrictive legend affixed to the restricted stock.

RISK FACTORS

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Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

No matters have been submitted to our security holders for a vote, through the solicitation of proxies or otherwise, during the quarterly period ended March 31, 2009.

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Description of Exhibit

Number

31.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Skinvisible, Inc.

Date: May 14, 2008

By: /s/ Terry Howlett

Terry Howlett

Title: Chief Executive Officer, Chief Financial Officer, and Director