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CARLATERAL, INC.
Form SC 13D
November 13, 2007

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)

CARLATERAL, INC.

(Name of Issuer)

Common Stock, \$0.001 par value

(Title of Class of Securities)

142190 10 7

(CUSIP NUMBER)

Hui Ping Cheng, President
c/o Carlateral, Inc.
112 North Currie Street
Carson City, NV 89703
775-321 8243

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

October 30, 2007

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box .

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

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SCHEDULE 13D

CUSIP NO. 142190 10 7

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

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Zhenyong Liu

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

n/a

7 SOLE VOTING POWER

15,646,043

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

n/a

9 SOLE DISPOSITIVE POWER

15,646,043

10 SHARED DISPOSITIVE POWER

n/a

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

15,646,043 shares

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

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

39%*

14 TYPE OF REPORTING PERSON

IN

* Based upon 40,101,987 shares of the Issuer's common stock issued and outstanding as of October 30, 2007, after giving effect to that merger transaction completed on such date, as reported by Issuer in its Current Report on Form 8-K dated and filed with the Securities and Exchange Commission on November 2, 2007.

Item 1. Security and Issuer

This statement relates to the purchase by the Reporting Person of 15,646,043 shares of the common stock, \$.001 par value (the "Reporting Shares"), of Carlateral, Inc. (the "Issuer"), having its principal executive offices at 112 North Currie Street, Carson City, NV 89703.

Item 2. Identity and Background

(a) The reporting person for purposes of this statement is Zhenyong Liu (the "Reporting Person").

(b) The address for the Reporting Person is Liu Village, Cui Nong Town, Xushui County, Hebei Province, China, 072550.

(c) The Reporting Person's principal business is as an officer of the Hebei Baoding Orient Paper Milling Company Limited.

(d) The Reporting Person has not, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) The Reporting Person has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws, or finding any violation with respect to such laws.

(f) The citizenship of the Reporting Person is Chinese.

Item 3. Source and Amount of Funds

Under an agreement and plan of merger dated as of October 29, 2007, among the Issuer, CARZ Merger Sub, Inc., its wholly-owned subsidiary, Dongfang Zhiye Holding Limited ("DZHL") and each of the Reporting Person and the other shareholders of DZHL named therein (the "Merger Agreement"), the Issuer issued an aggregate of 29,801,987 shares of its common stock in exchange of all of the issued and outstanding capital stock of DZHL (the "Merger Transaction"). The Reporting Shares issued to the Reporting Person represent the pro rata ownership interest of the Reporting Person, as a shareholder of DZHL, in DZHL at the time of the Merger Transaction, or 52.5% of the issued and outstanding capital stock of DZHL.

Item 4. Purpose of Transaction

The Reporting Person acquired the Reporting Shares as a result of the Merger Transaction. Such Reporting Person's prior ownership interest in DZHL was acquired for investment purposes. Depending on general market and economic conditions affecting the Issuer and other relevant factors, the Reporting Person may purchase additional securities of the Issuer or dispose of some or all of securities from time to time in open market transactions, private transactions or otherwise.

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(a) The Reporting Person has no plan or proposal which relates to or which would have the effect of any acquisition of additional, or disposition of any, securities of the Issuer.

(b) The Reporting Person has no plan or proposal which relates to or would result in an extraordinary transaction involving the Issuer or any subsidiary of the Issuer.

(c) The Reporting Person has no plan or proposal which relates to or would result in a sale or transfer of a material amount of the assets of the Issuer or any subsidiary of the Issuer.

(d) Except as otherwise contemplated by the Merger Transaction, the Reporting Person is not currently aware of any plan or proposal which relates to or would result in any change to the present board of directors or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board.

(e) The Reporting Person has no plan or proposal which relates to or would result in a material change in the Issuer's present capitalization or dividend policy.

(f) The Reporting Person has no plan or proposal which relates to or would result in a material change in the business or corporate structure of the Issuer.

(g) The Reporting Person has no plan or proposal which relates to or would result in a change in the Issuer's charter, by-laws or instruments corresponding thereto which may impede the acquisition of the Issuer by any person.

(h) The Reporting Person has no plan or proposal which relates to or would result in causing a class of securities of the Issuer to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association.

(i) The Reporting Person has no plan or proposal which relates to or would result in a class of equity securities of the Issuer becoming eligible for termination or registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended.

(j) The Reporting Person has no plan or proposal which relates to or would result in any action similar to those described in paragraphs (a) through (i) above.

Item 5. Interest in Securities of the Issuer

(a) Following the Merger Transaction, the Reporting Person owns an aggregate of 15,646,043 shares of the Common Stock, constituting 39% of the issued and outstanding shares of the Issuer's Common Stock based upon the 40,101,987 shares of Issuer's Common Stock issued and outstanding as of October 30, 2007.

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(b) The Reporting Person has sole power to vote or direct to vote of the Shares and the sole power to dispose or to direct the disposition of the Shares.

(c) Other than in connection with the Merger Transaction described in Item

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3 above, the Reporting Person has not effected any transaction involving the Issuer's securities within the sixty (60) preceding days.

(d) No person other than the Reporting Person has the right to receive or the right to direct the receipt of dividends from, or the proceeds from the sale of, the Shares.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Other the Merger Transaction contemplated by the Merger Agreement to which the Reporting Person, as a shareholder of DZHL, is a party, the Reporting Person has no contract, arrangement, understanding or relationship with any person with respect to the Shares.

Item 7. Material to be filed as Exhibits

None

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SIGNATURE

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

November 9, 2007

/s/ Zhenyong Liu

Zhenyong Liu

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