VPR BRANDS, LP.

FORM 10-K
(Annual Report)

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

Form 10-K

(Mark One)

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

For the fiscal year ended: December 31, 2016

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

For the transition period from _______________ to ________________

Commission file number: **000-54435**

VPR BRANDS, LP

(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**45-1740641** (I.R.S. Employer Identification No.)
3001 Griffin Road, Ft. Lauderdale, FL (Address of principal executive offices)	**33312** (Zip Code)

Registrant's telephone number, including area code:
(954) 684-8288

4401 NW 167 TH Street, Miami, FL 33055
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act:

Common units representing limited partner interests
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Sec. 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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.

Large accelerated filer		Accelerated filer	
Non-Accelerated Filer	(Do not check if smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

As of June 30, 2016, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $2,638,000. For purposes of this disclosure, shares of common stock held by persons who hold more than 5% of the outstanding shares of common stock and shares held by executive officers and directors of the registrant have been excluded because such persons may be deemed to be affiliates. This determination of executive officer or affiliate status is not necessarily a conclusive determination for other purposes.

The number of the registrant's voting and non-voting common units representing limited partner interests outstanding as of April 17, 2017 was 50,099,233.

Documents Included by reference: None

VPR Brands, LP

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In this Annual Report on Form 10-K, unless the context otherwise requires, the terms "VPR Brands," the Company," "we," "our" and or "us," refer to VPR Brands, LP

PART I

Item 1.

DESCRIPTION OF BUSINESS

Our Business

We are a company engaged in the electronic cigarette and personal vaporizer industry. We own a portfolio of electronic cigarette and personal vaporizer patents (the "Patents") which are the basis for our efforts to:

- Design, market and distribute a line of e liquids under the "HELIUM" brand;
- Design, market and distribute electronic cigarettes;
- Prosecute and enforce our patent rights;
- License our intellectual property; and
- Develop private label manufacturing programs.

Electronic Cigarettes and Personal Vaporizers

"Electronic cigarettes" or "e-cigarettes," are battery-powered products that enable users to inhale nicotine vapor without smoke, tar, ash, or carbon monoxide. Electronic cigarettes look like traditional cigarettes and, regardless of their construction are comprised of three functional components:

- a mouthpiece, which is a small plastic cartridge that contains a liquid nicotine solution;
- the heating element that vaporizes the liquid nicotine so that it can be inhaled; and
- the electronics, which include: a lithium-ion battery, an airflow sensor, a microchip controller and an LED, which illuminates to indicate use.

When a user draws air through the electronic cigarette, the air flow is detected by a sensor, which activates a heating element that vaporizes the solution stored in the mouthpiece /cartridge, the solution is then vaporized and it is this vapor that is inhaled by the user. The cartridge contains either a nicotine solution or a nicotine free solution, either of which may be flavored.

Personal vaporizers are similar in form and function to electronic cigarettes but typically have a larger form factor and are used to vaporize solutions that are not nicotine based and may include flavors and or flavor combinations.

Our Electronic Cigarettes, Personal Vaporizers

Electronic Cigarettes

We have developed a line of electronic cigarette e liquids which are currently sold under the brand name "Helium." We plan to develop a complete line of disposable and rechargeable electronic cigarettes and personal vaporizers. Our electronic cigarettes will be available in multiple sizes, puff counts, flavors and nicotine strengths.

Disposable electronic cigarettes feature a one-piece construction that houses all the components and is utilized until the nicotine or nicotine free solution is depleted.

Rechargeable electronic cigarettes feature a rechargeable battery and replaceable cartridge. The cartridges are changed when the solution is depleted from use.

Personal Vaporizers

Personal Vaporizers or vaporizers typically feature a tank and a chamber, a heating element and a battery. The vaporizer user fills the tank with a liquid solution or the chamber with wax, dry herb or leaf. The vaporizer battery can be recharged and the tank and chamber can be refilled.

Our Patents

We own a portfolio of U.S. and Chinese issued patents, which include:

- Electronic Cigarette, Patent 8,205,622 as issued by the United States Patent and Trademark Office on May 14, 2012,
- Multifunctional Electronic Inhaler, Patent ZL2011-2-0096290.6 as issued by the Patent Office Of The People's Republic Of China on 11/23/2011,
- Electronic Pipe, Patent ZL2008-2-0123801.7 as issued by the Patent Office Of The People's Republic Of China on September 2, 2009,
- Atomizer for Electronic Cigarette, Patent ZL2008-2-0109333.8 as issued by the Patent Office Of The People's Republic Of China on May 20, 2009,
- Electronic Cigarette, Patent ZL2009-2-0106627.x as issued by the Patent Office Of The People's Republic Of China on January 3, 2010,
- Disposable Integrated E-Atomizing Inhaler, Patent ZL2008-2-0124683.1 as issued by the Patent Office Of The People's Republic Of China on January 13, 2010,
- Electronic Atomizer, Patent ZL2008-3-0084421.2 as issued by the Patent Office Of The People's Republic Of China on May 27, 2009, and
- Electronic Cigar, Patent ZL2008-3-0132968.5 as issued by the Patent Office Of The People's Republic Of China on October 10, 2009.

The Market for Electronic Cigarettes, US, China

Electronic cigarettes are generally marketed as an alternative to traditional tobacco burning cigarettes. Because electronic cigarettes offer a “smoking” experience without the burning of tobacco leaf, electronic cigarettes offer users the ability to satisfy their nicotine cravings without the byproducts of smoke, tar, ash or carbon monoxide. In many cases electronic cigarettes are not subject to the use prohibitions of tobacco-burning cigarettes and therefore may be used in more places than conventional cigarettes, however, certain states, cities, businesses, providers of transportation and public venues in the U.S. have already banned the use of electronic cigarettes, while others are considering banning the use of electronic cigarettes. We cannot provide any assurances that the use of electronic cigarettes will not be banned anywhere traditional tobacco burning cigarette use is banned.

Global Market

The global e-cigarette market is expected to grow over $50 billion by 2025, at an estimated compound annual growth rate (“CAGR”) of 22.36% from 2015 to 2025. The market will witness a staggering growth until 2017, by when most of the regulatory and policy framework will fall into place. The growth rate will significantly increase thereafter, with significant revenue generation from evolving markets of Asia Pacific (“APAC”) and Europe.

Moreover, while disposable e-cigarettes dominated the global e-cigarette product market till 2014, rechargeable e-cigarettes, followed by personal vaporizers and mods will soon take over the top market positions in terms of revenue generation. The U.S. market will continue with its dominance through the forecast period, however, China is expected to grow at the fastest CAGR to become the second largest revenue generating country by the end of 2025.

Distribution and Sales

The distribution and sales strategy for our products is tailored to the characteristics of each market, whether it be geographical or demographical.

Our sales and distribution channels are:

- Direct Sales and Distribution, where we have set up our own distribution directly to retailers.
- Single independent distributors who are responsible for distribution within a single market.
- Exclusive Territory and Exclusive Channel Distribution, where distributors have an exclusive territory within a country or an exclusive right to sell within a distribution channel (e.g. gas station).
- Distribution through wholesalers, where we supply either national or regional wholesalers who then service retailers.
- Internet/E-commerce Sales, where we sell directly to end users through one of our internet websites and or landing pages.

Business Strategy

VPR Brands is a holding company, whose assets include issued U.S. and Chinese patents for atomization related products including technology for medical marijuana vaporizers and electronic cigarette products and components. The company is also engaged in product development for the vapor or vaping market, including e-liquids. Electronic cigarettes (also known as ecigs or e-cigs) are electronic devices which deliver nicotine through atomization, or vaping of e-liquids and without smoke and other chemicals constituents typically found in traditional tobacco burning cigarette products.

Our portfolio of electronic cigarette and personal vaporizer patents (the "Patents") are the basis for our efforts to:

- Design, market and distribute a line of e liquids under the "HELIUM" brand;
- Design, market and distribute electronic cigarettes;
- Prosecute and enforce our patent rights;
- License our intellectual property; and
- Develop private label manufacturing programs.

Our branded electronic cigarette e-liquids: HELIUM

We design, develop and market electronic cigarette e liquids sold under the Helium brand. Our electronic cigarette e liquids are marketed as an alternative to tobacco burning cigarettes. We launched the Helium brand in limited U.S. markets in the first quarter of 2016 and grow distribution through third party distributors. Shortly after our U.S. launch we plan to introduce our electronic cigarette brand to the Chinese market. China is the largest producer and consumer of tobacco products in the world, however we believe that Chinese consumption of electronic cigarettes trails U.S. adoption and use. We believe that an opportunity exists to develop and expand our business and our Helium brand electronic cigarette e-liquids in China.

On March 4, 2016, the Company announced a new e-liquid innovation, namely Helium Hi Definition E-Liquid, that is chilled 20 degrees below room temperature by mini-chillers or desktop chillers designed by the Company to maintain optimum flavor, freshness and aroma by cooling the e-liquids (reducing the escape of molecules from the mixture of e-liquids into the headspace). Helium Hi Definition E-Liquid will come in (i) a 50ml, squeezable bottle with a drip tip, for our mini chillers, (ii) a 180ml bottle for our personal desktop chiller, or (iii) a sample pack of the 5 flavors offered which are a one-time use in 2ml tubes that are air tight. Helium Hi Definition E-Liquids were available for pre-orders on March 15, 2016 on VapeHelium.com and will be available for sale in Vape shops in the United States by April 1, 2016.

Patent Rights

We are evaluating our options and conducting investigations to determine if and which parties may be infringing our intellectual property, both in the United States of American and in the Peoples Republic of China. In the U.S., we are exploring legal options and strategies related to prosecuting infringers and pursuing available remedies.

License our Technology

In light of recent lawsuits filed against several electronic cigarette companies, we believe that an opportunity exists to license our patented technology to companies named in those lawsuits and others who may be seeking an alternative to the electronic cigarette technologies which are or may be subject to patent litigation.

Private label

As an extension of our plan to license our technology to other electronic cigarette companies, we plan to offer private label manufacturing programs for electronic cigarette companies that would rather purchase a finished manufactured product, rather than simply purchasing a license to manufacture their products using our technology. We believe that we have a greater understanding of the manufacturing process than a licensee would and that we can better oversee the manufacturing process of our patented technologies and offer a more reliable and higher quality product through our supply chain than can otherwise be achieved by third parties.

Corporate Information

We were incorporated in New York on July 19, 2004, as Jobsinsite.com, Inc. Our articles of incorporation were amended on August 5, 2004, to change our name to Jobsinsite, Inc. On June 18, 2009, we merged with a Delaware corporation and became Jobsinsite, Inc. On July 1, 2009, we filed articles of conversion with the secretary of state of Delaware and became Soleil Capital L.P., a Delaware limited partnership. On September 2, 2015, we amended our articles of incorporation to change our name to VPR Brands, LP. We are managed by Soleil Capital Management LLC, a Delaware limited liability company.

The Company is engaged in various monetization strategies of a portfolio of patents the Company owns in both the US and China, covering electronic cigarette, electronic cigar and personal vaporizer patents. We currently market a brand of electronic cigarette e liquids marketed under the brand "Helium" in the United States and are undertaking efforts to establish distribution of our electronic cigarette e liquids brand in China. We are currently also identifying electronic cigarette companies that may be infringing our patents and exploring options to license and or enforce our patents.

Since our inception, the Company has generated nominal revenues through the sale of software items related to the job search industry and in 2009 management actively explored opportunities to manage private capital, specifically the Company had plans to sponsor and manage limited partnerships organized for the purpose of exploring opportunities to acquire securities in secondary transactions of venture backed businesses and dispensing capital to seed stage venture capital opportunities. As a result of the Company's new business direction and in an effort to establish operations in the venture capital and private equity industry, the Company has reorganized the business and restructured the Company as a public limited partnership. In 2013, management identified an opportunity to acquire a portfolio of electronic cigarette and personal vaporizers patents. In connection with this transaction the Company's business objectives pivoted and the Company is now focusing its efforts on the electronic cigarette and personal vaporizer industry and is pursuing plans to commercialize and monetize its portfolio of electronic cigarette and personal vaporizer patents. Prior to the Company's decision to design, develop and market electronic cigarette e liquids sold under the Helium brand in March 2016, the Company had designed, developed and marketed electronic cigarettes sold under the RED brand.

On December 27, 2013, the Company entered into a patent acquisition agreement (the "Purchase Agreement"), by and among the Company and Guocheng "Greg" Pan, a natural person, pursuant to which the Company agreed to purchase certain electronic cigarette and personal vaporizer patents owned and invented by Mr. Pan (the "Purchased Assets"). Under the terms of the Purchase Agreement and in consideration for the acquisition of the Purchased Assets, the Company issued to Mr. Pan (and certain of his designees) 10,501,700 common units representing limited partnership units of the Company and a warrant to purchase 2,000,000 common units representing limited partnership units of the Company. The warrants entitle Mr. Pan (or his designees) to purchase common units of the Company at $0.15 per common unit with an expiration date ten years from the effective date of the Purchase Agreement.

The patents were originally valued based on number of shares issued, warrants issued, valuation of the traded stock at the time of issuance and similar patents sold during the year. Based on these assumptions the Company has valued the assets purchased at approximately $5.5 million at the time of purchase. During the year ended December 31, 2014 the Company determined due to lack of sales and projected sales and completion in the industry the value of the patent should be significantly reduced. As a result the Company has written off the entire patent.

In April 2015, the Company issued 25,000 of the Company's Common Units to Gordon Hung in exchange for services for the Company valued at $12,500.

On May 29, 2015, the Company, entered into a Share Purchase Agreement with Kevin Frija ("Frija Share Purchase Agreement") for a private placement ("Private Placement") of up to 50,000,000 common units representing limited partnership interest of the Company. The Private Placement has been expected to occur in multiple tranches. For the first tranche, on June 4, 2015, the Company issued 10,000,000 shares of its Common Units to Kevin Frija at a purchase price of $0.01 per share, resulting in gross proceeds of $100,000 to the Company. In subsequent tranches, Kevin Frija has the right to buy an additional 40,000,000 Common Units at a purchase price of $0.01 per share. The Company has been expecting to receive gross proceeds of $400,000 in the aggregate upon the closing of the subsequent tranches of the Private Placement, which is expected to be completed by September, 2016. No placement agent has participated in the Private Placement.

In connection with the Share Purchase Agreement, the Company has named Kevin Frija chief executive officer and chairman of the board of directors of the Company and as a manager of the Company's general partner, Soleil Capital Management LLC (the "General Partner"). Contemporaneous with Mr. Frija's appointment as chief executive officer and chairman of the board of Directors, the Company's current chief executive officer and chairman of the board of directors, Messrs. Jon Pan and Greg Pan, respectively, have resigned from their respective positions. Notwithstanding, Mr. Greg Pan continues to serve as a member of the board of directors of the Company and as a manager of the General Partner and Mr. Jon Pan continues to serve as a consultant to the Company. In consideration and as severance, for Jon Pan's resignation as chief executive officer, the Company and the General Partner have entered into that certain Share Purchase Agreement with Jon Pan wherein the Company agreed to grant Jon Pan the right to purchase 10,000,000 of the Company's Common Units, at a price of $0.01 per share.

In August 2015, the Company issued 1,980,000 of the Company's common unit to the former CEO, Jon Pan in exchange for repayment of funds advanced of $8,000 and future consulting services totaling $11,800. The Company will amortize the prepaid expenses over the next 15 months starting October 1, 2015.

On September 2, 2015, in accordance with authority granted to the General Partner under the Company's Limited Partnership Agreement, the General Partner changed the Company's name ("Name Change") from Soleil Capital L.P. to VPR Brands, LP by filing an amendment to the Company's Certificate of Limited Partnership with the Delaware Secretary of State. Accordingly, on September 10, 2015, the Company's General Partner also amended the Company's Limited Partnership Agreement to reflect the Name Change from Soleil Capital L.P. to VPR Brands, LP. On September 17, 2015, the Financial Industry Regulatory Authority (FINRA) approved the Name Change and the Company's new trading symbol VPRB.

The Company, Soleil Capital Management LLC and Greg Pan entered into a Termination of Share Purchase Agreement on August 18, 2015, which terminated the Share Purchase Agreement, dated June 1, 2015, among the Company, Soleil Capital Management LLC and Greg Pan.

On December 9, 2015, Kevin Frija sold an aggregate of 9,000,000 of his shares of Common Units at a sale price of $0.01 per share (for an aggregate of $90,000) to Jacob Levy (1,000,000 shares), Nissim Levy (1,000,000 shares), Sara Morad (1,000,000 shares), Yaron Edery (1,000,000 shares), Barry Rub (2,000,000 shares), Hannah Frija (2,000,000 shares), and Ralph Frija (1,000,000 shares).

On March 28, 2016, Mr. Frija exercised a right to buy 15,000,000 shares of the Common Units at a purchase price of $0.01 per share, resulting in 15,000,000 shares of Common Units issued to Mr. Frija in exchange for gross proceeds of $150,000 to the Company, pursuant to the terms of the Frija Share Purchase Agreement , leaving a balance of 25,000,000 shares of Common Units to purchase at $0.01 per share under the right to buy under the Frija Share Purchase Agreement.

On April 29, 2016, the Company issued an aggregate of 720,000 common units, valued at $0.02 per common unit (for an aggregate of $14,400), to four consultants as total compensation paid-in-advance for services related to product development, creative direction and sales and marketing to be provided under their respective consulting agreements with the Company.

On May 23, 2016 ($20,000) and May 31, 2016 ($20,000) and June 16, 2016 ($10,000), pursuant to the terms of the Frija Share Purchase Agreement, Mr. Frija exercised a right to buy 5,000,000 Common Units at a purchase price of $0.01 per unit, resulting in 5,000,000 Common Units issued to Mr. Frija in exchange for total gross proceeds of $50,000 to the Company, leaving a balance of 20,000,000 Common Units to purchase at $0.01 per unit (an aggregate purchase price of $200,000) under the right to buy under the Frija Share Purchase Agreement.

On July 29, 2016, the Company entered into an Asset Purchase Agreement (the "Purchase Agreement") with Vapor Corp. ("Vapor") and the Company' Chief Executive Officer, Kevin Frija (the former Chief Executive Officer of Vapor), pursuant to which Vapor sold Vapor's wholesale operations and inventory related thereto (collectively, "Assets") to the Company, which Vapor's business is operated at 3001 Griffin Road, Dania Beach, Florida 33312 . The Vapor acquisition and the line of business was accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of the exchange, of assets given and liabilities incurred or assumed in exchange for the business line acquired. The acquiree's identifiable assets and liabilities are recognized at their fair values at the acquisition date.

The Company entered into a Securities Purchase Agreement (the "SPA") with DiamondRock, LLC, an unaffiliated third party ("DiamondRock"), pursuant to which the Company sold to Diamond Rock a $500,000 convertible promissory note (the "Note") for a purchase price of $475,000, reflecting an original issue discount of $25,000. The transactions under the SPA closed on November 29, 2016, and the Note was issued on that date.

The Note permits the Company to make additional borrowings under the Note. On November 29, 2016, DiamondRock advanced the first tranche to the Company in the amount of $71,250, which reflected the first borrowing in the amount of $75,000, less the prorated portion of the original issue discount.

Amounts advanced under the Note bear interest at the rate of 8% per year, and the maturity date for each tranche is 12 months from the funding of the applicable tranche. The Company may prepay any amount outstanding under the Note prior to the actual maturity date for a 35%.

DiamondRock has the right to convert the outstanding and unpaid principal amount and accrued and unpaid interest of the respective tranche of the Note into shares of common stock of the Company, subject to the limitation that DiamondRock may not complete a conversion if doing so would cause DiamondRock to own in excess of 4.99% of the Company's outstanding shares of common stock, provided that DiamondRock may waive that limitation and increase the ownership cap to up to 9.99%. The conversion price for any conversion under the Note is equal to the lesser of (i) $0.50 and (ii) 65% of the volume weighted average trading price of the Company's common over the 7 trading days ending on the last complete trading day prior to the date of the conversion. In addition, in the event that the Company enters into certain transactions with other parties that provide for a conversion price at a larger discount (than 35%) to the trading price of the Company's common stock, or provides for a longer look-back period, then the conversion price and look-back period under the Note will be adjusted to be such lower conversion price and longer look-back period, as applicable.

If at any time while the Note is outstanding, the Company enters into a transaction structured in accordance with, based upon, or related or pursuant to, in whole or in part, Section 3(a)(10) of the Securities Act of 1933, as amended (covering certain exchange transactions), then a liquidated damages charge of 25% of the outstanding principal balance of the Note at that time will be assessed and will become immediately due and payable to DiamondRock, either in the form of cash payment or as an addition to the balance of the Note, as determined by mutual agreement of the Company and DiamondRock.

The Note also contains a right of first refusal such that, if at any time while the Note is outstanding, the Company has a bona fide offer of capital or financing from any 3rd party that the Company intends to act upon, then the Company must first offer such opportunity to DiamondRock to provide such capital or financing on the same terms. The SPA and the Note contain customary representations, warranties and covenants for transactions of this type.

On November 28, 2016, the Company and Kevin Frija, the Company's Chief Executive Officer, entered into a Termination of Certain Provisions of Share Purchase Agreement (the "Frija Termination Agreement"), pursuant to which the Company and Mr. Frija terminated, to the extent not already completed, the rights and obligations of the parties under Section 2 and Section 3 of the Share Purchase Agreement entered into between them on May 29, 2015.

The Frija Termination Agreement operated to terminate, to the extent not already completed, all of the options, rights and obligations of the parties under Section 2 and Section 3 of the Frija SPA, which sections provided for the sale of up to 50,000,000 shares of the Company's common units ("Common Units") by the Company to Mr. Frija at a price of $0.01 per Share.

The sales under the Frija SPA had been expected to occur in multiple tranches. The following sales have occurred under the Frija SPA, all at a price of $0.01 per Common Unit:

(i) June 4, 2015 - 10,000,000 Common Units, for gross proceeds of $100,000 to the Company;

(ii) March 28, 2016 - 15,000,000 Common Units, for gross proceeds of $150,000 to the Company;

(iii) May 23, 2016 - 200,000 Common Units, for gross proceeds to the Company of $20,000;

(iv) May 31, 2016 - 200,000 Common Units, for gross proceeds to the Company of $20,000; and

(v) June 16, 2016 - 100,000 Common Units, for gross proceeds to the Company of $10,000.

No additional sales have been completed under the Frija SPA and thus the Frija Termination Agreement operated to terminate the Company's and Mr. Frija's rights and obligations with respect to the remaining 20,000,000 Common Units available for sale under the Frija SPA.

Contemporaneous with Mr. Frija's appointment as Chief Executive Officer and Chairman of the Board of Directors on June 5 th , 2015, the Company's prior Chief Executive Officer, Mr. Jon Pan. resigned from his position as Chief Executive Officer of the Company. In connection with, and in consideration and as severance for, Mr. Pan's resignation as Chief Executive Officer, the Company and Mr. Pan entered into a Share Purchase Agreement on June 1, 2015 wherein the Company agreed to grant Mr. Pan the right to purchase 10,000,000 Common Units, at a price of $0.01 per Common Unit as disclosed in the Company's Quarterly Report on Form 10-Q filed on August 19, 2015 (the "Pan SPA"). Mr. Pan currently continues to serve as a consultant to the Company

On November 28, 2016, the Company and Mr. Pan entered into a Termination Agreement (the "Pan Termination Agreement"), pursuant to which the Company and Mr. Pan terminated, to the extent not already completed, the rights and obligations of the parties under Section 1 and Section 2 of the Pan SPA.

The Pan Termination Agreement operated to terminate, to the extent not already completed, all of the options, rights and obligations of the parties under Section 1 and Section 2 of the Pan SPA, which sections provided for the sale of up to 10,000,000 Common Units by the Company to Mr. Pan at a price of $0.01 per Common Unit. Through November 28, 2016, no Common Units had been sold to Mr. Pan, and thus the Pan Termination Agreement operated to terminate the Company's and Mr. Pan's rights and obligations with respect to all 10,000,000 Common Units available for sale under the Pan SPA.

To the extent not terminated by the Frija Termination Agreement and the Pan Termination Agreement, the Frija SPA and the Pan SPA, respectively, remain in full force and effect.

No placement agent has participated in the sales under the Frija SPA or the Pan SPA. No termination fees were incurred by the Company pursuant to either the Frija Termination Agreement or the Pan Termination Agreement.

On March 13, 2017, the Company entered into an agreement with MAPH Enterprises, LLC ("MAPH") pursuant to which MAPH agreed to provide certain business advisory and consulting services in exchange for payment by the Company of $75,000 and the issuance by the Company of 600,000 restricted shares of Company common stock. The term of the agreement begins on March 13, 2017 and ends on May 1, 2017. Either party may terminate the agreement prior to its expiration upon written notice to the other party upon (a) the failure of any party to cure a material default under the Engagement Letter within five business days after receiving written notice of such default from the terminating party; (b) the bankruptcy or liquidation of either party; (c) the use by any party of any insolvency laws; (d) the performance of MAPH's services under the Engagement Letter; and (e) the appointment of a receiver for all or a substantial portion of either parties' assets or business. If terminated, MAPH shall not be required to perform any additional services beyond the termination date and all fees described in the agreement shall be deemed earned in full.

Competition

Competition in the electronic cigarette industry is intense. We compete with other sellers of electronic cigarettes, the nature of our competitors is varied as the market is highly fragmented and the barriers to entry into the business are low. Our direct competitors sell products that are substantially similar to ours and through the same channels through which we sell our electronic cigarette products. We compete with these direct competitors for sales through distributors, wholesalers and retailers, including but not limited to national chain stores, tobacco shops, gas stations, travel stores, shopping mall kiosks, in addition to direct to public sales through the internet, mail order and telesales. As a general matter, we have access to and market and sell the similar electronic cigarettes as our competitors and since we sell our products at substantially similar prices as our competitors.

Part of our business strategy focuses on the establishment of contractual relationships with distributors. We are aware that e-cigarette competitors in the industry are also seeking to enter into such contractual relationships. In many cases, competitors for such contracts may have greater management, human, and financial resources than we do for entering into such contracts and for attracting distributor relationships. Furthermore, certain of our electronic cigarette competitors may have better control of their supply and distribution, be, better established, larger and better financed than our Company.

We also compete against “big tobacco”, U.S. cigarette manufacturers of both conventional tobacco cigarettes and electronic cigarettes like Altria Group, Inc., Lorillard, Inc. and Reynolds American, Inc. We compete against “big tobacco” who offers not only conventional tobacco cigarettes and electronic cigarettes but also smokeless tobacco products such as “snus” (a form of moist ground smokeless tobacco that is usually sold in sachet form that resembles small tea bags), chewing tobacco and snuff. “Big tobacco” has nearly limitless resources, global distribution networks in place and a customer base that is fiercely loyal to their brands. Furthermore, we believe that “big tobacco” will devote more attention and resources to developing and offering electronic cigarettes as the market for electronic cigarettes grows. Because of their well-established sales and distribution channels, marketing expertise and significant resources, “big tobacco” is better positioned than small competitors like us to capture a larger share of the electronic cigarette market.

We may also face competition from other patent holders, including but not limited to, Imperial Tobacco Group Plc, Europe’s second-biggest tobacco company, who in September, 2013 acquired a portfolio of electronic cigarette patents from buy Dragonite International Ltd.’s (formerly Ruyan Group Holdings Limited) for $75 million, as we attempt to negotiate and contract with other electronic cigarette companies to license our intellectual property.

Manufacturing

We depend on third party manufacturers for our electronic cigarettes, vaporizers and accessories. Our customers associate certain characteristics of our products including the weight, feel, draw, unique flavor, packaging and other attributes of our products to the brands we market, distribute and sell. Any interruption in supply and/or consistency of our products may adversely impact our ability to deliver our products to our wholesalers, distributors and customers and otherwise harm our relationships and reputation with customers, and have a materially adverse effect on our business, results of operations and financial condition.

Although we believe that several alternative sources for our products are available, any failure to obtain the components, chemical constituents and manufacturing services necessary for the production of our products would have a material adverse effect on our business, results of operations and financial condition.

Source and Availability of Raw Materials

We believe that an adequate supply of product and raw materials will be available to us as needed and from multiple sources and suppliers.

Intellectual Property

We own a portfolio of issued electronic cigarette and personal vaporizer related patents. Our Patents, listed below are issued by the United State Patent and Trademark Office and the Patent Office of the People’s Republic of China. Our Patents include:

- Electronic Cigarette, Patent 8,205,622 as issued by the United States Patent and Trademark Office on May 14, 2012,
- Multifunctional Electronic Inhaler, Patent ZL2011-2-0096290.6 as issued by the Patent Office of The People's Republic of China on 11/23/2011,
- Electronic Pipe, Patent ZL2008-2-0123801.7 as issued by the Patent Office of The People's Republic Of China on September 2, 2009,
- Atomizer for Electronic Cigarette, Patent ZL2008-2-0109333.8 as issued by the Patent Office of The People's Republic of China on May 20, 2009,
- Electronic Cigarette, Patent ZL2009-2-0106627.x as issued by the Patent Office of The People's Republic of China on January 3, 2010,
- Disposable Integrated E-Atomizing Inhaler, Patent ZL2008-2-0124683.1 as issued by the Patent Office of The People's Republic of China on January 13, 2010,
- Electronic Atomizer, Patent ZL2008-3-0084421.2 as issued by the Patent Office of The People's Republic of China on May 27, 2009, and
- Electronic Cigar, Patent ZL2008-3-0132968.5 as issued by the Patent Office of The People's Republic of China on October 10, 2009.

In addition as per the acquisition of certain assets from Vapor Corp the Company the Company has acquired various trademarks and domains. The following is the list of trademarks:

Trademark	Application No.	Application Date	Registration No.	Registration Date
VAPORIN				
B-BUZZ'N	86856758	12/22/15N/A		N/A
CHILLER B	86856798	12/22/15	5012851	2-Aug-16
ECIGTRONICS	85371221	7/14/11	4191835	14-Aug-12
EZSMOKER	77681034	3/2/09	3800589	8-Jun-10
FIFTY-ONE	77514632	7/3/08	3762126	23-Mar-10
FUMARE	85419589	9/10/11	4302950	12-Mar-13
GOLDMINE	85495797	12/15/11	4186101	7-Aug-12
GREENLINE	85495369	12/14/11	4186059	7-Aug-12
GREEN PUFFER	77683491	3/4/09	3800608	8-Jun-10
HONEY STICK	86711441	7/31/15	4877766	29-Dec-15
HOOKAH STIX	85432021	9/26/11	4388693	20-Aug-13
KRAVE	77598996	10/23/08	3753097	23-Feb-10
MINIMAX	85714681	8/28/12	4385494	13-Aug-13
RED LINE	85495799	12/15/11	4186102	7-Aug-12
SMOKE STAR	77846705	10/12/09	3795716	1-Jun-10
THE BEE KEEPER	86856822	12/22/15	5012853	2-Aug-16
THE B-HIGH'V	86856819	12/22/15	5017261	9-Aug-16
THE BUMBLER	86856830	12/22/15	5012854	2-Aug-16
THE TRIO	77956805	3/11/10	3876177	16-Nov-10
VAPE NAKED	86693699	7/15/15	5043802	20-Sep-16
VAPOR X	85200284	12/17/10	4005660	2-Aug-11
VAPORE	85419587	9/10/11	4306905	19-Mar-13
VX	86043664	8/21/13	4542479	3-Jun-14

The following are the website domains acquired:

Greenecig.com
Greenpuffer.com
Mrecig.com
Nicstics.com
Onedollarecig.com
Onedollarecigs.com
Smokeexchange.com
Smokegenius.com
www.vaporin.com
www.kraveit.com
www.vapehoneystick.com
www.ivaporx.com

Government Regulation

Pursuant to a December 2010, decision, by the U.S. Court of Appeals for the District of Columbia Circuit, in Sottera, Inc. v. Food &Drug Administration, 627 F.3d 891 (D.C. Cir. 2010), the United States Food and Drug Administration (the "FDA") is permitted to regulate electronic cigarettes as "tobacco products" under the Family Smoking Prevention and Tobacco Control Act of 2009 (the "Tobacco Control Act").

Under this Court decision, the FDA is not permitted to regulate electronic cigarettes as “drugs” or “devices” or a “combination product” under the Federal Food, Drug and Cosmetic Act unless they are marketed for therapeutic purposes.

Because we do not market our electronic cigarettes for therapeutic purposes, our electronic cigarettes are subject to being classified as “tobacco products” under the Tobacco Control Act. The Tobacco Control Act grants the FDA broad authority over the manufacture, sale, marketing and packaging of tobacco products, although the FDA is prohibited from issuing regulations banning all cigarettes or all smokeless tobacco products, or requiring the reduction of nicotine yields of a tobacco product to zero.

The Tobacco Control Act also requires establishment, within the FDA’s new Center for Tobacco Products, of a Tobacco Products Scientific Advisory Committee to provide advice, information and recommendations with respect to the safety, dependence or health issues related to tobacco products.

The Tobacco Control Act imposes significant new restrictions on the advertising and promotion of tobacco products. For example, the law requires the FDA to finalize certain portions of regulations previously adopted by the FDA in 1996 (which were struck down by the Supreme Court in 2000 as beyond the FDA’s authority). As written, these regulations would significantly limit the ability of manufacturers, distributors and retailers to advertise and promote tobacco products, by, for example, restricting the use of color, graphics and sound effects in advertising, limiting the use of outdoor advertising, restricting the sale and distribution of non-tobacco items and services, gifts, and sponsorship of events and imposing restrictions on the use for cigarette or smokeless tobacco products of trade or brand names that are used for non-tobacco products. The law also requires the FDA to issue future regulations regarding the promotion and marketing of tobacco products sold or distributed over the internet, by mail order or through other non-face-to-face transactions in order to prevent the sale of tobacco products to minors.

It is likely that the Tobacco Control Act could result in a decrease in tobacco product sales in the United States, including sales of our electronic cigarettes.

On April 24, 2014 the Food and Drug Administration released a proposed set of deeming regulations on electronic cigarettes and other nicotine and tobacco based products. The proposed regulations include the following requirements:

- Manufacturers would need to register each of their manufacturing facilities with the FDA, submit a product list including a list of ingredients, and report any harmful and potentially harmful constituents.

- Retailers would not be allowed to provide free samples of electronic cigarettes to adults.

- The minimum age to purchase electronic cigarettes in addition to other deemed tobacco products would be 18 years old and retailers will be required to verify through photographic identification the legal minimum age of a customer who is younger than 27 years old.

- For newer tobacco products that were not on the market as of February 15, 2007, manufacturers of these products would need to submit what is called a premarket tobacco application (PMTA) to the FDA within 24 months following the effective date of the final deeming regulations. If a PMTA application is filed with the FDA during this 24 month period, then the manufacturer can continue to market its products unless and until the FDA responds to the application.

- The FDA would require under a new health warning on the packaging and advertisements for electronic cigarettes which would read: “WARNING: This product contains nicotine derived from tobacco. Nicotine is an addictive chemical.”

- The proposed deeming regulation does not ban flavors for electronic cigarettes.

- In the proposed deeming regulations, the FDA acknowledges that the agency does not have sufficient scientific data about e-cigarettes to determine what effect they have on the public health. The FDA will continue to analyze the potential benefits and harms of e-cigarettes and is seeking additional scientific data to determine how e-cigarettes should be regulated given the fact that the products may be lower risk than combustible tobacco products. The FDA may consider additional regulations on e-cigarettes in the future.

- The deeming regulations do not include a ban on the Internet sale of e-cigarettes. In addition, the regulations do not restrict or prohibit television advertising of e-cigarettes.

E-cigarette manufacturers are required to complete and file a premarket tobacco application to continue to sell their products. This application procedure is a complicated, expensive and time consuming process. The FDA estimates that it will take a manufacturer approximately 5,000 hours to complete one premarket tobacco application for a tobacco product (electronic cigarette), which would include conducting scientific studies on the new product and submitting all of the relevant paperwork.

The FDA is accepting comments on the deeming regulations for a period of 75 days, which ends on July 9, 2014. These comments will be important since industry recommendations and data provided to the FDA would all be taken into consideration by the agency in establishing the final rules and regulations for electronic cigarette products.

From a timing perspective, the process to finalize the deeming regulations may take many months and as long as two years.

We cannot predict the impact the regulations may have on our company specifically or the electronic cigarette industry generally, and the effect on our business, results of operations and financial condition the regulation will have.

In this regard, total compliance and related costs are not possible to predict and depend substantially on the future requirements imposed by the FDA under the Tobacco Control Act. Costs, however, could be substantial and could have a material adverse effect on our business, results of operations and financial condition. In addition, failure to comply with the Tobacco Control Act and with FDA regulatory requirements could result in significant financial penalties and could have a material adverse effect on our business, financial condition and results of operations and ability to market and sell our products. At present, we are not able to predict whether the Tobacco Control Act will impact us to a greater degree than competitors in the industry, thus affecting our competitive position.

State and local governments currently legislate and regulate tobacco products, including what is considered a tobacco product, how tobacco taxes are calculated and collected, to whom and by whom tobacco products can be sold and where tobacco products may or may not be smoked. Certain states and cities have enacted laws which preclude the use of electronic cigarettes where traditional tobacco burning cigarettes cannot be used and others have proposed legislation that would categorize electronic cigarettes as tobacco products, equivalent to their tobacco burning counterparts. If the use of electronic cigarettes is banned anywhere the use of traditional tobacco burning cigarettes is banned, electronic cigarettes may lose their appeal as an alternative to cigarettes; which may have the effect of reducing the demand for our products and as a result have a material adverse effect on our business, results of operations and financial condition.

At present, neither the Prevent All Cigarette Trafficking Act (which prohibits the use of the U.S. Postal Service to mail most tobacco products and which amends the Jenkins Act, which would require individuals and businesses that make interstate sales of cigarettes or smokeless tobacco to comply with state tax laws) nor the Federal Cigarette Labeling and Advertising Act (which governs how cigarettes can be advertised and marketed) apply to electronic cigarettes. The application of either or both of these federal laws to electronic cigarettes would have a material adverse effect on our business, results of operations and financial condition.

The Tobacco industry expects significant regulatory developments to take place over the next few years, driven principally by the World Health Organization's Framework Convention on Tobacco Control ("FCTC"). The FCTC is the first international public health treaty on tobacco, and its objective is to establish a global agenda for tobacco regulation with the purpose of reducing initiation of tobacco use and encouraging cessation. Regulatory initiatives that have been proposed, introduced or enacted include:

- the levying of substantial and increasing tax and duty charges;
- restrictions or bans on advertising, marketing and sponsorship;
- the display of larger health warnings, graphic health warnings and other labeling requirements;
- restrictions on packaging design, including the use of colors and generic packaging;
- restrictions or bans on the display of tobacco product packaging at the point of sale, and restrictions or bans on cigarette vending machines;

- requirements regarding testing, disclosure and performance standards for tar, nicotine, carbon monoxide and other smoke constituents levels;
- requirements regarding testing, disclosure and use of tobacco product ingredients;
- increased restrictions on smoking in public and work places and, in some instances, in private places and outdoors;
- elimination of duty free allowances for travelers; and
- encouraging litigation against tobacco companies.

On January 28, 2016, President Obama signed the Child Nicotine Poisoning Prevention Act of 2015, legislation that "requires the packaging of liquid nicotine containers for use in electronic cigarettes to be subject to existing child poisoning prevention packaging standards."

"Liquid nicotine container" is described in the bill to: (1) include a package from which nicotine in a solution or other form is accessible through normal and foreseeable use by a consumer and that is used to hold soluble nicotine in any concentration; and (2) exclude a sealed, pre-filled, and disposable container of nicotine in a solution or other form in which such container is inserted directly into an electronic cigarette, electronic nicotine delivery system, or other similar product, if the nicotine in the container is inaccessible through customary or reasonably foreseeable handling or use, including reasonably foreseeable ingestion or other contact by children.

The definition covers bottles of refillable nicotine-containing e-liquid sold directly to consumers for use in "open-system" electronic vaping devices, but not packaging for zero-nicotine e-liquid, according to a report by The National Law Review.

Special packaging requirements also would not apply to "closed-system" e-cigarettes (cigalikes) where the e-liquid is not intended to come into contact with or be handled by the consumer, said the report.

The new bill, which would take effect 180 days after it was signed into law, does not limit or preempt the U.S. Food & Drug Administration's (FDA) authority to regulate e-cigarettes, and the FDA would still be empowered to impose its own packaging requirements, the report said.

If electronic cigarettes are subject to one or more significant regulatory initiates enacted under the FCTC, our business, results of operations and financial condition could be materially and adversely affected.

Employees

As of March 29, 2017, we have nineteen (19) employees. None of our employees is represented by a collective bargaining agreement and we believe that our relationship with our employees is good.

Item 1A. Risk Factors

Various portions of this report contain forward-looking statements that involve risks and uncertainties. Actual results, performance or achievements could differ materially from those anticipated in these forward-looking statements as a result of certain risk factors, including those set forth below and elsewhere in this report. These risk factors are not presented in the order of importance or probability of occurrence. For purposes of these risk factors, the term "electronic cigarettes" is deemed to include "vaporizers."

Risks Related to Our Business

We have incurred losses in the past and cannot assure you that we will be successful and or achieve profitable operations.

As of December 31, 2016, we had an accumulated deficit of $(6,013,832) which we have incurred since our inception. To date we have explored various business opportunities, without success and can give no assurances that we will be successful in our current operations in the electronic cigarette industry.

Our business is difficult to evaluate because we are a new enterprise with relatively no operating history .

We have no relevant operating history in the electronic cigarette industry upon which an investor can make an evaluation of the likelihood of our success. Owners of our securities must consider the uncertainties, expenses and difficulties frequently encountered by companies such as ours that are in the early stages of development. Our operations may never generate significant revenues and we may never achieve profitable operations or positive investment returns. An investor should consider the likelihood of our future success to be highly speculative in light of our limited operating history, as well as the problems, limited resources, expenses, risks and complications frequently encountered by similarly situated companies in the early stages of development.

Our management team lacks experience in managing a public company and the obligations incident to being a public company will place significant demands on our management.

Our officers lack experience in running a public company. Our success is substantially dependent on the performance of our executive officers. In particular, our success depends substantially on the continued efforts of our executive officers and our Board of Directors.

As a public reporting company, we are required to comply with the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC, including periodic reports, disclosures and more complex accounting rules. As directed by Section 404 of Sarbanes-Oxley, the SEC adopted rules requiring public companies to include a report of management on a company's internal control over financial reporting in their Annual Report on Form 10-K. In addition, the independent registered public accounting firm auditing our financial statements must attest to and report on the effectiveness of our internal control over financial reporting. Based on current rules, we are required to report under Section 404(a) of Sarbanes-Oxley regarding the effectiveness of our internal control over financial reporting. If we are unable to conclude that we have effective internal control over our financial reporting as required by Section 404(a), investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our common stock. Further, our auditors are required, under Section 404(b) of Sarbanes-Oxley, to report on the effectiveness of our internal control over financial reporting.

Currently, we do not have key person life insurance on Mr. Frija, our sole executive officer and a board member, or Greg Pan, a board member, and may be unable to obtain such insurance in the near future due to high cost or other reasons. The loss of the services of Mr. Frija, Mr. Pan or any of our key employees could have a material adverse effect on our business, if we are unable to find suitable replacements.

We cannot predict our future capital needs and we may not be able to secure additional financing.

We have limited cash on hand of $83,785 as of December 31, 2016. Any cash on hand is currently not generating any revenue from operations. We expect to raise capital required to operate our business through public or private equity offerings, debt financings and or corporate collaborations.

There can be no assurance that any such funding will be available to us at terms acceptable to the Company. Further, we currently have no credit facility or similar financing currently available and any debt financing, if available, may involve restrictive covenants, which may limit our operating flexibility with respect to certain business matters. If additional funds are raised through the issuance of equity securities, the percentage ownership of our existing stockholders will be reduced and our stockholders will experience additional dilution in net tangible book value per common unit. If adequate funds are not available on acceptable terms, we may be unable to successfully market our products, take advantage of future opportunities, repay debt obligations as they become due or respond to competitive pressures, any and all of which would have an adverse effect on our business.

Our operating history makes it difficult to accurately predict our future success.

We acquired our portfolio of electronic cigarette patents on December 27, 2013. Prior to that we operated as a venture capital firm and prior to that we operated in the job search space. Because we have a very limited operating history in the electronic cigarette industry, it is difficult to accurately predict our future sales and appropriately budget our expenses. Additionally, our operations will be subject to risks inherent in the establishment of a developing new business, including, among other things, efficiently deploying our capital, developing our products, developing and implementing our marketing campaigns and strategies and developing brand awareness and acceptance of our products. Our ability to generate future sales will be dependent on a number of factors, many of which are beyond our control, including the pricing of competing products, overall demand for our products, changes in consumer preferences, market competition and government regulation. If we do not generate sales as anticipated, we could incur significant losses and may not be able to cover our operating expenses in a timely manner if at all.

A United States Federal Court decision permits the United States Food and Drug Administration to regulate electronic cigarettes as "tobacco products" under the Family Smoking Prevention and Tobacco Control Act of 2009 and the United States Food and Drug Administration has indicated that it intends to do so.

Based on the December 2010 U.S. Court of Appeals for the D.C. Circuit's decision in *Sottera, Inc. v. Food & Drug Administration* , 627 F.3d 891 (D.C. Cir. 2010), the United States Food and Drug Administration (the "FDA") is permitted to regulate electronic cigarettes as "tobacco products" under the Family Smoking Prevention and Tobacco Control Act of 2009 (the "Tobacco Control Act").

Under this Court decision, the FDA is not permitted to regulate electronic cigarettes as "drugs" or "devices" or a "combination product" under the Federal Food, Drug and Cosmetic Act unless they are marketed for therapeutic purposes.

Because we do not market our electronic cigarettes for therapeutic purposes, our electronic cigarettes are subject to being classified as "tobacco products" under the Tobacco Control Act. The Tobacco Control Act grants the FDA broad authority over the manufacture, sale, marketing and packaging of tobacco products, although the FDA is prohibited from issuing regulations banning all cigarettes or all smokeless tobacco products, or requiring the reduction of nicotine yields of a tobacco product to zero. Among other measures, the Tobacco Control Act (under various deadlines):

- increases the number of health warnings required on cigarette and smokeless tobacco products, increases the size of warnings on packaging and in advertising, requires the FDA to develop graphic warnings for cigarette packages, and grants the FDA authority to require new warnings;
- requires practically all tobacco product advertising to eliminate color and imagery and instead consist solely of black text on white background;
- imposes new restrictions on the sale and distribution of tobacco products, including significant new restrictions on tobacco product advertising and promotion as well as the use of brand and trade names;
- bans the use of "light," "mild," "low" or similar descriptors on tobacco products;
- gives the FDA the authority to impose tobacco product standards that are appropriate for the protection of the public health (by, for example, requiring reduction or elimination of the use of particular constituents or components, requiring product testing, or addressing other aspects of tobacco product construction, constituents, properties or labeling);

- requires manufacturers to obtain FDA review and authorization for the marketing of certain new or modified tobacco products;
- requires pre-market approval by the FDA for tobacco products represented (through labels, labeling, advertising, or other means) as presenting a lower risk of harm or tobacco-related disease;
- requires manufacturers to report ingredients and harmful constituents and requires the FDA to disclose certain constituent information to the public;
- mandates that manufacturers test and report on ingredients and constituents identified by the FDA as requiring such testing to protect the public health, and allows the FDA to require the disclosure of testing results to the public;
- requires manufacturers to submit to the FDA certain information regarding the health, toxicological, behavioral or physiologic effects of tobacco products;
- prohibits use of tobacco containing a pesticide chemical residue at a level greater than allowed under federal law;
- requires the FDA to establish "good manufacturing practices" to be followed at tobacco manufacturing facilities;
- requires tobacco product manufacturers (and certain other entities) to register with the FDA; and
- grants the FDA the regulatory authority to impose broad additional restrictions.

The Tobacco Control Act also requires establishment, within the FDA's new Center for Tobacco Products, of a Tobacco Products Scientific Advisory Committee to provide advice, information and recommendations with respect to the safety, dependence or health issues related to tobacco products.

As indicated above, the Tobacco Control Act imposes significant new restrictions on the advertising and promotion of tobacco products. For example, the law requires the FDA to finalize certain portions of regulations previously adopted by the FDA in 1996 (which were struck down by the Supreme Court in 2000 as beyond the FDA's authority). As written, these regulations would significantly limit the ability of manufacturers, distributors and retailers to advertise and promote tobacco products, by, for example, restricting the use of color, graphics and sound effects in advertising, limiting the use of outdoor advertising, restricting the sale and distribution of non-tobacco items and services, gifts, and sponsorship of events and imposing restrictions on the use for cigarette or smokeless tobacco products of trade or brand names that are used for non-tobacco products. The law also requires the FDA to issue future regulations regarding the promotion and marketing of tobacco products sold or distributed over the internet, by mail order or through other non-face-to-face transactions in order to prevent the sale of tobacco products to minors.

It is likely that the Tobacco Control Act could result in a decrease in tobacco product sales in the United States, including sales of our electronic cigarettes.

On April 24, 2014 the Food and Drug Administration released a proposed set of deeming regulations on electronic cigarettes and other nicotine and tobacco based products.

For a description of risks related to other government regulations, please see " *Risks Related to Government Regulation* " in this Section.

The recent development of electronic cigarettes has not allowed the medical profession to study the long-term health effects of electronic cigarette use.

Because electronic cigarettes were recently developed, the medical profession has not had a sufficient period of time to study the long-term health effects of electronic cigarette use. Currently, therefore, there is no way of knowing whether or not electronic cigarettes are safe for their intended use. If the medical profession were to determine conclusively that electronic cigarette usage poses long-term health risks, electronic cigarette usage could decline, which could have a material adverse effect on our business, results of operations and financial condition.

Our business, results of operations and financial condition could be adversely affected if we are taxed like other tobacco products or if we are required to collect and remit sales tax on certain of our internet sales.

Presently the sale of electronic cigarettes is not subject to federal, state and local excise taxes like the sale of conventional cigarettes or other tobacco products, all of which have faced significant increases in the amount of taxes collected on their sales. Should federal, state and local governments and or other taxing authorities impose excise taxes similar to those levied against conventional cigarettes and tobacco products on our products, it may have a material adverse effect on the demand for our products, as consumers may be unwilling to pay the increased costs for our products.

We may be unable to establish the systems and processes needed to track and submit the excise and sales taxes we collect through Internet sales, which would limit our ability to market our products through our websites which would have a material adverse effect on our business, results of operations and financial condition. States such as New York, Hawaii, Rhode Island and North Carolina have begun collecting sales taxes on Internet sales where companies have used independent contractors in those states to solicit sales from residents of that state. The requirement to collect, track and remit sales taxes based on independent affiliate sales may require us to increase our prices, which may affect demand for our products or conversely reduce our net profit margin, either of which would have a material adverse effect on our business, results of operations and financial condition.

The market for electronic cigarettes is a niche market, subject to a great deal of uncertainty and is still evolving.

Electronic cigarettes, having recently been introduced to market, are at an early stage of development, represent a niche market and are evolving rapidly and are characterized by an increasing number of market entrants. Our future sales and any future profits are substantially dependent upon the widespread acceptance and use of electronic cigarettes. Rapid growth in the use of, and interest in, electronic cigarettes is recent, and may not continue on a lasting basis. The demand and market acceptance for these products is subject to a high level of uncertainty. Therefore, we are subject to all of the business risks associated with a new enterprise in a niche market, including risks of unforeseen capital requirements, failure of widespread market acceptance of electronic cigarettes, in general or, specifically our products, failure to establish business relationships and competitive disadvantages as against larger and more established competitors.

We face intense competition and our failure to compete effectively could have a material adverse effect on our business, results of operations and financial condition.

Competition in the electronic cigarette and related e liquids industry is intense. We compete with other sellers of electronic cigarettes, most notably Lorillard, Inc., Altria Group, Inc. and Reynolds American Inc., big tobacco companies, through their electronic cigarettes business segments; the nature of our competitors is varied as the market is highly fragmented and the barriers to entry into the business are low.

We compete primarily on the basis of product quality, brand recognition, brand loyalty, service, marketing, advertising and price. We are subject to highly competitive conditions in all aspects of our business. The competitive environment and our competitive position can be significantly influenced by weak economic conditions, erosion of consumer confidence, competitors' introduction of low-priced products or innovative products, cigarette excise taxes, higher absolute prices and larger gaps between price categories, and product regulation that diminishes the ability to differentiate tobacco products.

Our principal competitors are “big tobacco”, U.S. cigarette manufacturers of both conventional tobacco cigarettes and electronic cigarettes like Altria Group, Inc., Lorillard, Inc. and Reynolds American Inc. We compete against “big tobacco” who offers not only conventional tobacco cigarettes and electronic cigarettes but also smokeless tobacco products such as “snus” (a form of moist ground smokeless tobacco that is usually sold in sachet form that resembles small tea bags), chewing tobacco and snuff. Furthermore, we believe that “big tobacco” will devote more attention and resources to developing and offering electronic cigarettes as the market for electronic cigarettes grows. Because of their well-established sales and distribution channels, marketing expertise and significant resources, “big tobacco” is better positioned than small competitors like us to capture a larger share of the electronic cigarette market. We also compete against numerous other smaller manufacturers or importers of cigarettes. There can be no assurance that we will be able to compete successfully against any of our competitors, some of whom have far greater resources, capital, experience, market penetration, sales and distribution channels than us. If our major competitors were, for example, to significantly increase the level of price discounts offered to consumers, we could respond by offering price discounts, which could have a materially adverse effect on our business, results of operations and financial condition.

Sales of conventional tobacco cigarettes have been declining, which could have a material adverse effect on our business.

The overall U.S. market for conventional tobacco cigarettes has generally been declining in terms of volume of sales, as a result of restrictions on advertising and promotions, funding of smoking prevention campaigns, increases in regulation and excise taxes, a decline in the social acceptability of smoking, and other factors, and such sales are expected to continue to decline. In 2014, a national drug store chain, namely CVS Health, ceased selling tobacco products. If other national drug store chains also decide to cease selling tobacco products, cigarette sales could decline further. While the sales of electronic cigarettes have been increasing over the last several years, the electronic cigarette market is only developing and is a fraction of the size of the conventional tobacco cigarette market. A continual decline in cigarette sales may adversely affect the growth of the electronic cigarette market, which could have a material adverse effect on our business, results of operations and financial condition.

Our Patents and our ability to enforce them.

We have a portfolio of issued US and Chinese Patents, however we cannot provide any assurances that our patents will not be challenged and if challenged, will be upheld and deemed valid. Furthermore our efforts to enforce our patent may be costly and there can be no assurances that should we seek to prosecute and enforce our patents, that we will be victorious and even if we are victorious, we cannot provide assurances that our efforts would result in damages, licensing fees or removing the infringing products from the market. Moreover, if we are not able to retain counsel on a contingency basis, we may be unable to pursue prosecution of the infringers of our Patents.

We may not be able to adequately protect our intellectual property rights in China or elsewhere, which could harm our business and competitive position.

We believe that patents, trademarks, trade secrets and other intellectual property we use and are developing are important to sustaining and growing our business. We utilize third party manufacturers to manufacture our products in China, where the validity, enforceability and scope of protection available under intellectual property laws are uncertain and still evolving. Implementation and enforcement of Chinese intellectual property-related laws have historically been deficient, ineffective and hampered by corruption and local protectionism. Accordingly, we may not be able to adequately protect our intellectual property in China, which could have a material adverse effect on our business, results of operations and financial condition. Furthermore, policing unauthorized use of our intellectual property in China and elsewhere is difficult and expensive, and we may need to resort to litigation to enforce or defend our intellectual property or to determine the enforceability, scope and validity of our proprietary rights or those of others. Such litigation and an adverse determination in any such litigation, if any, could result in substantial costs and diversion of resources and management attention, which could harm our business and competitive position.

Electronic cigarettes face intense media attention and public pressure.

Electronic cigarettes are new to the marketplace and since their introduction certain members of the media, politicians, government regulators and advocate groups, including independent medical physicians have called for an outright ban of all electronic cigarettes, pending regulatory review and a demonstration of safety. A partial or outright ban would have a material adverse effect on our business, results of operations and financial condition.

We rely on our CEO and may experience difficulty in attracting and hiring qualified new personnel in some areas of our business.

The loss of our CEO or any of our key employees could adversely affect our business. As a member of the tobacco industry, we may experience difficulty in identifying and hiring qualified executives and other personnel in some areas of our business. This difficulty is primarily attributable to the health and social issues associated with the tobacco industry. The loss of services of any key employees or our inability to attract, hire and retain personnel with requisite skills could restrict our ability to develop new products, enhance existing products in a timely manner, sell products or manage our business effectively. These factors could have a material adverse effect on our business, results of operations and financial condition.

We may experience product liability claims in our business, which could adversely affect our business.

The tobacco industry in general has historically been subject to frequent product liability claims. As a result, we may experience product liability claims from the marketing and sale of electronic cigarettes. Any product liability claim brought against us, with or without merit, could result in:

- liabilities that substantially exceed our product liability insurance, which we would then be required to pay from other sources, if available;
- an increase of our product liability insurance rates or the inability to maintain insurance coverage in the future on acceptable terms, or at all;
- damage to our reputation and the reputation of our products, resulting in lower sales;
- regulatory investigations that could require costly recalls or product modifications;
- litigation costs; and
- the diversion of management's attention from managing our business.

Any one or more of the foregoing could have a material adverse effect on our business, results of operations and financial condition.

If we experience product recalls, we may incur significant and unexpected costs and our business reputation could be adversely affected.

We may be exposed to product recalls and adverse public relations if our products are alleged to cause illness or injury, or if we are alleged to have violated governmental regulations. A product recall could result in substantial and unexpected expenditures that could exceed our product recall insurance coverage limits and harm to our reputation, which could have a material adverse effect on our business, results of operations and financial condition. In addition, a product recall may require significant management time and attention and may adversely impact on the value of our brands. Product recalls may lead to greater scrutiny by federal or state regulatory agencies and increased litigation, which could have a material adverse effect on our business, results of operations and financial condition.

Product exchanges, returns and warranty claims may adversely affect our business.

If we are unable to maintain an acceptable degree of quality control of our products we will incur costs associated with the exchange and return of our products as well as servicing our customers for warranty claims. Any of the foregoing on a significant scale may have a material adverse effect on our business, results of operations and financial condition.

Adverse economic conditions may adversely affect the demand for our products.

Electronic cigarettes are new to market and may be regarded by users as a novelty item and expendable as such demand for our products may be extra sensitive to economic conditions. When economic conditions are prosperous, discretionary spending typically increases; conversely, when economic conditions are unfavorable, discretionary spending often declines. Any significant decline in economic conditions that affects consumer spending could have a material adverse effect on our business, results of operations and financial condition.

We rely, significantly, on the efforts of third party agents to generate sales of our products.

We rely, significantly, on the efforts of independent distributors to purchase and distribute our products to wholesalers and retailers. No single distributor currently accounts for a material percentage of our sales and we believe that should any of these relationships terminate we would be able to find suitable replacements and do so on a timely basis. However, any loss of distributors or our ability to timely replace any given distributor could have a material adverse effect on our business, financial condition and results of operations.

We rely, in part, on the efforts of independent salespersons who sell our products to distributors and major retailers and Internet sales affiliates to generate sales of products. No single independent salesperson or Internet affiliate currently accounts for a material percentage of our sales and we believe that should any of these relationships terminate we would be able to find suitable replacements and do so on a timely basis. However, any loss of independent sales persons or Internet sales affiliates or our ability to timely replace any one of them could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to establish sustainable relationships with large retailers or national chains.

We believe the best way to develop brand and product recognition and increase sales volume is to establish relationships with large retailers and national chains. We currently do not have any established relationships with large retailers and or national chains and we cannot provide any assurances that we will be successful in our efforts to establish such relationships and or if we would be able to pay the costs associated with establishing such national accounts. Our inability to develop and sustain relationships with large retailers and national chains will impede our ability to develop brand and product recognition and increase sales volume and, ultimately, require us to pursue and rely on local and more fragmented sales channels, which will have a material adverse effect on our business, results of operations and financial condition.

We may not be able to adapt to trends in our industry.

We may not be able to adapt as the electronic cigarette industry and customer demand evolves, whether attributable to regulatory constraints or requirements, a lack of financial resources or our failure to respond in a timely and/or effective manner to new technologies, customer preferences, changing market conditions or new developments in our industry. Any of the failures to adapt for the reasons cited herein or otherwise could make our products obsolete and would have a material adverse effect on our business, financial condition and results of operations.

We depend on third party manufacturers for our products.

We depend on third party manufacturers for our electronic cigarettes, vaporizers and accessories. Our customers associate certain characteristics of our products including the weight, feel, draw, unique flavor, packaging and other attributes of our products to the brands we market, distribute and sell. Any interruption in supply and/or consistency of our products may adversely impact our ability to deliver our products to our wholesalers, distributors and customers and otherwise harm our relationships and reputation with customers, and have a materially adverse effect on our business, results of operations and financial condition.

Although we believe that several alternative sources for the components, chemical constituents and manufacturing services necessary for the production of our products are available, any failure to obtain any of the foregoing would have a material adverse effect on our business, results of operations and financial condition.

We rely on Chinese manufacturers to produce our products.

Our manufacturers are based in China. Certain Chinese factories and the products they export have been the source of safety concerns and recalls, which is generally attributed to lax regulatory, quality control and safety standards. Should Chinese factories continue to draw public criticism for exporting unsafe products, whether those products relate to our products or not we may be adversely affected by the stigma associated with Chinese production, which could have a material adverse effect on our business, results of operations and financial condition.

We may be unable to promote and maintain our brands.

We believe that establishing and maintaining our brand is a critical aspect of attracting and expanding a large customer base. Promotion and enhancement of our brands will depend largely on our success in continuing to provide high quality products. If our customers and end users do not perceive our products to be of high quality, or if we introduce new products or enter into new business ventures that are not favorably received by our customers and end users, we will risk diluting our brand identities and decreasing their attractiveness to existing and potential customers.

Moreover, in order to attract and retain customers and to promote and maintain our brand equity in response to competitive pressures, we may have to increase substantially our financial commitment to creating and maintaining a distinct brand loyalty among our customers. If we incur significant expenses in an attempt to promote and maintain our brands, our business, results of operations and financial condition could be adversely affected.

We expect that new products and/or brands we develop will expose us to risks that may be difficult to identify until such products and/or brands are commercially available.

We are currently developing, and in the future will continue to develop, new products and brands, the risks of which will be difficult to ascertain until these products and/or brands are commercially available. For example, we are developing new formulations, packaging and distribution channels. Any negative events or results that may arise as we develop new products or brands may adversely affect our business, financial condition and results of operations.

If we are unable to manage our anticipated future growth, our business and results of operations could suffer materially.

Our operating results depend to a large extent on our ability to successfully manage our anticipated growth. To manage our anticipated growth, we believe we must effectively, among other things:

- hire, train, and manage additional employees;
- expand our marketing and distribution capabilities;
- increase our product development activities;

- add additional qualified finance and accounting personnel; and
- implement and improve our administrative, financial and operational systems, procedures and controls.

If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities or develop new products, and we may fail to satisfy product requirements, maintain product quality, execute our business plan or respond to competitive pressures, any of which could have a material adverse effect on our business, results of operations and financial condition.

We may face competition from foreign importers who do not comply with government regulation.

We may face competition from foreign sellers of electronic cigarettes that may illegally ship their products into the United States for direct delivery to customers. These market participants will not have the added cost and expense of complying with U.S. regulations and taxes and as a result will be able to offer their product at a more competitive price than us and potentially capture market share. Moreover, should we be unable to sell certain of our products during any regulatory approval process we have no assurances that we will be able to recapture those customers that we lost to our foreign domiciled competitors during any "blackout" periods, during which we are not permitted to sell our products. This competitive disadvantage may have a material adverse effect on our business, results of operations and our financial condition.

Our results of operations could be adversely affected by currency exchange rates and currency devaluations.

Our functional currency is the U.S. dollar; substantially all of our purchases and sales are currently generated in U.S. dollars. However, our manufacturers and suppliers are located in China. Fluctuations in exchange rates between our respective currencies could result in higher production and supply costs to us which would have a material adverse effect on our results of operations if we are not willing or able to pass those costs on to our customers.

Going concern report of independent certified public accountants.

Our limited history of operations and our absence of revenues to date raise substantial doubt about our ability to continue as a going concern. In this regard, see the Report of Independent Certified Public Accountants accompanying our audited financial statements appearing elsewhere herein which cites substantial doubt about our ability to continue as a going concern. There can be no assurance that we will achieve profitability or generate positive cash flow in the future. As a result of these and other factors, there can be no assurance that the proposed activities will be successful or that the Company will be able to achieve or maintain profitable operations. If we fail to achieve profitability, its growth strategies could be materially and adversely affected.

We depend on our General Partner and its managers Messrs. Kevin Frija and Greg Pan.

Our performance is directly correlated to the performance of our General Partner. Due in part to our size, the loss of the services of Messrs. Frija and Pan would have a material adverse effect on us, including on a short term basis, and until a replacement could be found, the continuity of our operations.

We do not carry any "key man" insurance that would provide us with proceeds in the event of the death or disability of any of our principals.

Rights of limited partners are significantly different than rights of shareholders of a corporation.

We are organized as a limited partnership. Members of limited partnerships, also known as limited partners, have different rights than shareholders of a corporation. Due to our structure as a limited partnership, your rights as a stakeholder are governed by our operating agreement. For example, limited partners do not elect persons to our board of directors. Our General Partner has limited call rights to our securities; please read carefully the Agreement of Limited Partnership of VPR Brands which governs the relationship between us and our unit-holders.

Our General Partner, Soleil Capital Management LLC, is solely responsible for our operations.

The current managers of our General Partner are Kevin Frija, who is our current executive officer, Chairman, and a director, and Greg Pan, who is a director. Through the General Partner, Messrs. Frija and Pan manage all of our operations and activities. Our General Partner's limited liability company agreement establishes a board of directors that will be responsible for the oversight of our business and operations. Our General Partner's board of directors will be elected in accordance with its limited liability company agreement, where Mr. Frija (or, following his withdrawal, death or disability, any successor founder designated by him), will have the power to appoint and remove the directors of our General Partner. Following the withdrawal, death or disability of Kevin Frija (and any successor founder), the power to appoint and remove the directors of our General Partner will revert to the members of our General Partner who hold a majority in interest in our General Partner. Our common unit-holders do not elect our General Partner or its board of directors and, unlike the holders of common stock in a corporation, will have only limited voting rights on matters affecting our business and therefore limited ability to influence decisions regarding our business. Furthermore, if our common unit holders are dissatisfied with the performance of our General Partner, they will have little ability to remove our General Partner.

Our ability to retain our management is critical to our success and our ability to grow depends on our ability to attract additional key personnel.

Our success depends on our ability to attract and retain managers, executive officers and qualified personnel. We anticipate that it will be necessary for us to attract and retain key personnel in order to develop our business and pursue our growth strategy. The market for qualified managers is extremely competitive and as such our inability to attract and retain key personnel would adversely affect in the short term, our continuity of operations and in the long term our profitability.

The control of our General Partner may be transferred to a third party without common unitholder consent.

Our General Partner may transfer its General Partner interest to a third party in a merger or consolidation without the consent of our common unitholders. Furthermore, at any time, the members of our General Partner may sell or transfer all or part of their limited liability company interests in our General Partner without the approval of the common unitholders, subject to certain restrictions as described elsewhere in this annual report. A new general partner and/or owner could have different business objectives and/or philosophies then our current business objectives and/or philosophies, employ individuals who are less experienced in our current business, be unsuccessful in identifying new opportunities in our current area of business or have a track record that is not as successful as VPR Brand's track record. If any of the foregoing were to occur, we could experience difficulty in operating our business, and the value of our business, our results of operations and our financial condition could materially suffer.

If we were treated as a corporation for U.S. federal income tax or state tax purposes, then our distributions to our common unitholders would be substantially reduced and the value of our common units would be adversely affected.

If we were treated as a corporation for U.S. federal income tax purposes, we would pay U.S. federal income tax on our taxable income at the corporate tax rate. Distributions to our common unitholders would generally be taxed again as corporate distributions, and no income, gains, losses, deductions or credits would flow through to you. Because a tax would be imposed upon us as a corporation, our distributions to our common unitholders would be substantially reduced, likely causing a substantial reduction in the value of our common units.

Current law may change, causing us to be treated as a corporation for U.S. federal or state income tax purposes or otherwise subjecting us to entity level taxation. See "-The U.S. Congress recently considered legislation that, if enacted, would have (a) for taxable years beginning ten years after the date of enactment, precluded us from qualifying as a partnership or required us to hold carried interest through taxable subsidiary corporations and (b) taxed individual holders of common units with respect to certain income and gains at increased rates. If any similar legislation were to be enacted and apply to us, we could incur a material increase in our tax liability and a substantial portion of our income could be taxed at a higher rate to the individual holders of our common units." For example, because of widespread state budget deficits, several states are evaluating ways to subject partnerships to entity level taxation through the imposition of state income, franchise or other forms of taxation. If any state were to impose a tax upon us as an entity, our distributions to our common unitholders would be reduced.

Our common unitholders may be subject to U.S. federal income tax on their share of our taxable income, regardless of whether they receive any cash distributions from us.

Each unitholder will be required to take into account its allocable share of items of income, gain, loss and deduction of the Partnership. Distributions to a unitholder will generally be taxable to the unitholder for U.S. federal income tax purposes only to the extent the amount distributed exceeds the unitholder's tax basis in the unit. That treatment contrasts with the treatment of a shareholder in a corporation. For example, a shareholder in a corporation who receives a distribution of earnings from the corporation will generally report the distribution as dividend income for U.S. federal income tax purposes. In contrast, a holder of our units who receives a distribution of earnings from us will not report the distribution as dividend income (and will treat the distribution as taxable only to the extent the amount distributed exceeds the unitholder's tax basis in the units), but will instead report the holder's allocable share of items of our income for U.S. federal income tax purposes. As a result, our common unitholders may be subject to U.S. federal, state, local and possibly, in some cases, foreign income taxation on their allocable share of our items of income, gain, loss, deduction and credit (including our allocable share of those items of any entity in which we invest that is treated as a partnership or is otherwise subject to tax on a flow through basis) for each of our taxable years ending with or within your taxable year, regardless of whether or not a common unitholder receives cash distributions from us.

Our common unitholders may not receive cash distributions equal to their allocable share of our net taxable income or even the tax liability that results from that income. In addition, certain of our holdings, including holdings, if any, in a Controlled Foreign Corporation, or "CFC," and a Passive Foreign Investment Company, or "PFIC," may produce taxable income prior to the receipt of cash relating to such income, and common unitholders that are U.S. taxpayers will be required to take such income into account in determining their taxable income. In the event of an inadvertent termination of our partnership status for which the IRS has granted us limited relief, each holder of our common units may be obligated to make such adjustments as the IRS may require to maintain our status as a partnership. Such adjustments may require persons holding our common units to recognize additional amounts in income during the years in which they hold such units.

Risks Associated with Our Common Units

There is no established public market for our common units and if a market for our common units does not develop, our investors will be unable to sell their shares.

Our common limited partnership units are currently listed on the Pink Sheets of the OTC Markets Group, Inc. under the stock ticker symbol "VPRB.PK," however there is no established public market for our membership Units and such a market may not develop or be sustained.

Further, the Pink Sheets of the OTC Markets Group, Inc. is not a listing service or exchange, but is instead a dealer quotation service for subscribing members. If our common units are not quoted on the Pink Sheets of the OTC Markets Group, Inc. or if a public market for our common units does not develop, then investors may not be able to resell the common units that they currently hold and or have purchased and may lose all of their investment.

Because we do not intend to make any dividends or distributions on our securities, investors seeking income should not purchase our securities.

We currently do not anticipate making any distributions on our securities at any time in the near future. We may never pay cash distributions on our securities. Any credit agreements which we may enter into with institutional lenders may restrict our ability to make distributions. Whether we make distributions in the future will be at the discretion of our General Partner and will be dependent upon our financial condition, results of operations, capital requirements and any other factors that our General Partner decides is relevant. (See “Dividend Policy.”)

Since there is no established market for our securities, if a market ever develops for our securities, the price of our securities is likely to be highly volatile. If no market develops holders of our securities may have difficulty selling their securities and may not be able to sell their securities at all.

There is no public market for our securities and we cannot assure you that a market will develop or that any holders of our securities will be able to liquidate his investment without considerable delay, if at all. A trading market may not develop in the future, and if one does develop, it may not be sustained. If an active trading market does develop, the market price of our securities is likely to be highly volatile. The market price of our securities may also fluctuate significantly in response to the following factors, most of which are beyond our control:

- variations in our quarterly operating results;
- changes in securities analysts estimates of our financial performance;
- changes in general economic conditions and in the electronic cigarette industry;
- changes in market valuations of similar companies;
- announcements by us or our competitors of relevant news items and or business developments; and,
- the loss of key management.

The equity markets have, on occasion, experienced significant price and volume fluctuations that have affected the market prices for many companies’ securities and that have often been unrelated to the operating performance of these companies. Any such fluctuations may adversely affect the market price of our common units, regardless of our actual operating performance. As a result, security holders may be unable to sell their securities, or may be forced to sell them at a loss.

Because we can issue additional common units, purchasers of our units may incur immediate dilution and may experience further dilution.

Our General Partner, controls our board of directors has the authority to cause our company to issue additional membership units without the consent of any of our unit holders. Consequently, our unit holders may experience more dilution in their ownership of our company in the future.

Our securities fall under penny stock rules. Trading of our units may be restricted by the Securities and Exchange Commission’s penny stock regulations which may limit a unitholder’s ability to buy and sell our units.

Our securities fall under penny stock rules. The Securities and Exchange Commission has adopted Rule 15g-9 which generally defines “penny stock” to be any equity security that has a market price (as defined) less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and “accredited investors”. The term “accredited investor” refers generally to institutions with assets in excess of $5,000,000 or individuals with a net worth in excess of $1,000,000 or annual income exceeding $200,000 or $300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the Securities and Exchange Commission which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules; the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for our units that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common units.

Financial Industry Regulatory Authority (FINRA) sales practice requirements may also limit a unitholder's ability to buy and sell our units.

In addition to the "penny stock" rules promulgated by the Securities and Exchange Commission, FINRA rules require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common units, which may limit your ability to buy and sell our units and have an adverse effect on the market for our units.

Volatility in our common stock price may subject us to securities litigation.

The market for our common stock is characterized by significant price volatility when compared to seasoned issuers, and we expect that our share price will continue to be more volatile than a seasoned issuer for the indefinite future. In the past, plaintiffs have often initiated securities class action litigation against a company following periods of volatility in the market price of its securities. We may, in the future, be the target of similar litigation. Securities litigation could result in substantial costs and liabilities to us and could divert our management's attention and resources from managing our operations and business.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results. As a result, we could become subject to sanctions or investigations by regulatory authorities and/or stockholder litigation, which could harm our business and have an adverse effect on our stock price.

As a public reporting company, we are required to comply with the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC, including periodic reports, disclosures and more complex accounting rules. As directed by Section 404 of Sarbanes-Oxley, the SEC adopted rules requiring public companies to include a report of management on a company's internal control over financial reporting in their Annual Report on Form 10-K. Based on current rules, we are required to report under Section 404(a) of Sarbanes-Oxley regarding the effectiveness of our internal control over financial reporting. If we determine that we have material weaknesses, it may be necessary to make restatements of our consolidated financial statements and investors will not be able to rely on the completeness and accuracy of the financial information contained in our filings with the SEC and this could potentially subject us to sanctions or investigations by the SEC or other regulatory authorities or stockholder litigation.

Future sales of our common units may depress our stock price.

As of April 17, 2017, we had 50,099,233 shares of our common units representing limited partnership interests outstanding. Approximately 1,900,100 of the 50,969,233 outstanding common units are eligible for resale without restriction in the public market. These represent shares owned by individuals with less than 5% ownership of the outstanding common units. If any significant number of the 1,900,100 units are sold, such units could have a depressive effect on the market price of our stock. The remaining units are eligible, and some of the units underlying the warrants and options upon issuance will be eligible, to be offered from time to time in the public market pursuant to Rule 144 of the Securities Act, and any such sale of these units may have a depressive effect as well. We are unable to predict the effect, if any, that the sale of units, or the availability of shares for future sale, will have on the market price of the units prevailing from time to time. Sales of substantial amounts of units in the public market, or the perception that such sales could occur, could depress prevailing market prices for the units. Such sales may also make it more difficult for us to sell equity securities or equity-related securities in the future at a time and price, which we deem appropriate.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

Lease Agreement

As a result of the July 2016 acquisition, the Company negotiated a three-year lease for its office and warehouse facility, in Fort Lauderdale, FL. The lease requires monthly payments as follows:

November 15, 2016-June 14, 2017	$8,390
June 15, 2017-December 14, 2017	$8,690
December 15, 2017 to June 15, 2018	$9,090
June 15, 2018-December 14, 2018	$9,590
December 15, 2018 to June 14, 2019	$10,190
June 15, 2019 to November 15, 2019	$10,690

Item 3. Legal Proceedings

There are no current, pending or threatened legal proceedings against the Company.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market Price of and Dividends on the Registrant's Common Equity and Related Unitholder Matters

Our membership units are currently listed on the Pink Sheets of the OTC Markets Group, Inc. under the ticker symbol "VPRB," however there is no established public market for our securities and such a market may not develop or be sustained. The Company's common equity is quoted at a bid price of $1.01 and an ask price of $1.01.

Holders

As of March 29, 2017, there were 35 shareholders of record. However, we believe that there are more beneficial holders of our common stock as beneficial holders may hold their stock in "street" name.

Dividends and Cash Distribution Policy

We have never paid dividends and as a development stage entity we have no assets or free cash flow from operations to distribute to our common unit-holders. If we are successful in developing our business, Our intention is to distribute, from time to time, and on a pro-rata basis, to our common unit-holders VPR Brands' net after-tax share of our annual adjusted cash flow from operations in excess of amounts determined by our General Partner to be necessary or appropriate to provide for the conduct of our business and to make appropriate investments in our business.

Under the Delaware Limited Partnership Act, we may not make a distribution to a partner if after the distribution all our liabilities, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specific property of the partnership, would exceed the fair value of our assets. If we were to make such an impermissible distribution, any limited partner who received a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Limited Partnership Act would be liable to us for the amount of the distribution for three years.

Additionally, by paying cash distributions rather than investing that cash in our businesses, we might risk slowing the pace of our growth, or not having a sufficient amount of cash to fund our operations, new investments or unanticipated capital expenditures, should the need arise.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Description of Common Units

Our common units represent limited partner interests in us. The holders of our common units are entitled to participate in our distributions and exercise the rights or privileges available to limited partners under our partnership agreement.

Transfer Agent and Registrar

Island Stock Transfer is the registrar and transfer agent for our common units. The registrar and transfer agent is located at 15500 Roosevelt Blvd, Clearwater, FL 33760.

Item 6. Selected Financial Data

Not required for smaller reporting companies.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

In addition to historical information, this report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. You can generally identify forward-looking statements as statements containing the words “believe,” “expect,” “will,” “anticipate,” “intend,” “estimate,” “project,” “assume” or other similar expressions, although not all forward-looking statements contain these identifying words. All statements in this report regarding our future strategy, future operations, projected financial position, estimated future revenue, projected costs, future prospects, and results that might be obtained by pursuing management’s current plans and objectives are forward-looking statements. You should not place undue reliance on our forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond our control. Important risks that might cause our actual results to differ materially from the results contemplated by the forward-looking statements are contained in “ *Item 1A. Risk Factors* ” and “ *Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations* ” of this report and in our subsequent filings with the SEC. Our forward-looking statements are based on the information currently available to us and speak only as of the date on which this report was filed with the SEC. We expressly disclaim any obligation to issue any updates or revisions to our forward-looking statements, even if subsequent events cause our expectations to change regarding the matters discussed in those statements. Over time, our actual results, performance or achievements will likely differ from the anticipated results, performance or achievements that are expressed or implied by our forward-looking statements, and such difference may be significant and materially adverse to our stockholders.

You should read the following Management’s Discussion and Analysis together with our financial statements and notes to those financial statements included elsewhere in this report. This discussion contains forward-looking statements that are based on our management’s current expectations, estimates and projections about our business and operations. Our actual results may differ from those currently anticipated and expressed in such forward-looking statements.

Overview

The Company was incorporated in New York on July 19, 2004, as Jobsinsite.com, Inc. The Company’s articles of incorporation were amended on August 5, 2004, to change our name to Jobsinsite, Inc. On June 18, 2009, we merged with a Delaware corporation and became Jobsinsite, Inc. On July 1, 2009 we filed articles of conversion with the secretary of state of Delaware and became Soleil Capital L.P., a Delaware limited partnership. On September 2, 2015, we amended our articles of incorporation to change our name to VPR Brands, LP. We are managed by Soleil Capital Management LLC, a Delaware limited liability company.

On December 27, 2013, the Company entered into a patent acquisition agreement (the “Purchase Agreement”), by and among VPR Brands and Guocheng “Greg” Pan, a natural person, pursuant to which VPR Brands agreed to purchase certain electronic cigarette and personal vaporizer patents owned and invented by Mr. Pan (the “Purchased Assets”). Under the terms of the Purchase Agreement and in consideration for the acquisition of the Purchased Assets, VPR Brands issued to Mr. Pan (and certain of his designees) 10,501,700 common units representing limited partnership units of VPR Brands and a warrant to purchase 2,000,000 common units representing limited partnership units of VPR Brands. The warrants entitle Mr. Pan (or his designees) to purchase VPR Brands common units at $0.15 per common unit with an expiration date ten years from the effective date of the Purchase Agreement.

The patents were originally valued based on number of shares issued, warrants issued, valuation of the traded stock at the time of issuance and similar patents sold during the year. Based on these assumptions the Company has valued the assets purchased at approximately $5.5 million at the time of purchase. During the year ended December 31, 2014 the Company determined due to lack of sales and projected sales and completion in the industry the value of the patent should be significantly reduced. As a result the Company has written off the entire patent.

On May 29, 2015, the Company, entered into a Share Purchase Agreement with Kevin Frija (“Frija Share Purchase Agreement”) for a private placement (“Private Placement”) of up to 50,000,000 common units representing limited partnership interest of the Company. The Private Placement has been expected to occur in multiple tranches. For the first tranche, on June 4, 2015, the Company issued 10,000,000 shares of its Common Units to Kevin Frija at a purchase price of $0.01 per share, resulting in gross proceeds of $100,000 to the Company.

In subsequent tranches, Kevin Frija has the right to buy an additional 40,000,000 Common Units at a purchase price of $0.01 per share. The Company has been expecting to receive gross proceeds of $400,000 in the aggregate upon the closing of the subsequent tranches of the Private Placement, which is expected to be completed by September, 2016. No placement agent has participated in the Private Placement.

In connection with the Share Purchase Agreement, the Company named Kevin Frija chief executive officer and chairman of the board of directors of the Company and as a manager of the Company's General Partner. Contemporaneous with Mr. Frija's appointment as chief executive officer and chairman of the board of Directors, the Company's current chief executive officer and chairman of the board of directors, Messrs. Jon Pan and Greg Pan, respectively, have resigned from their respective positions. Notwithstanding, Mr. Greg Pan continues to serve as a member of the board of directors of the Company and as a manager of the General Partner and Mr. Jon Pan continues to serve as a consultant to the Company. In consideration and as severance, for Jon Pan's resignation as chief executive officer, the Company and the General Partner have entered into that certain Share Purchase Agreement with Jon Pan wherein the Company agreed to grant Jon Pan the right to purchase 10,000,000 of the Company's Common Units, at a price of $0.01 per share.

On September 2, 2015, in accordance with authority granted to the General Partner under the Company's Limited Partnership Agreement, the General Partner changed the Company's name ("Name Change") from Soleil Capital L.P. to VPR Brands, LP by filing an amendment to the Company's Certificate of Limited Partnership with the Delaware Secretary of State. Accordingly, on September 10, 2015, the Company's General Partner also amended the Company's Limited Partnership Agreement to reflect the Name Change from Soleil Capital L.P. to VPR Brands, LP. On September 17, 2015, the Financial Industry Regulatory Authority (FINRA) approved the Name Change and the Company's new trading symbol VPRB.

On December 9, 2015, Kevin Frija sold an aggregate of 9,000,000 of his shares of Common Units at a sale price of $0.01 per share (for an aggregate of $90,000) to Jacob Levy (1,000,000 shares), Nissim Levy (1,000,000 shares), Sara Morad (1,000,000 shares), Yaron Edery (1,000,000 shares), Barry Rub (2,000,000 shares), Hannah Frija (2,000,000 shares), and Ralph Frija (1,000,000 shares).

On March 28, 2016, Mr. Frija exercised a right to buy 15,000,000 shares of the Common Units at a purchase price of $0.01 per share, resulting in 15,000,000 shares of Common Units issued to Mr. Frija in exchange for gross proceeds of $150,000 to the Company, pursuant to the terms of the Frija Share Purchase Agreement , leaving a balance of 25,000,000 shares of Common Units to purchase at $0.01 per share under the right to buy under the Frija Share Purchase Agreement.

On July 29, 2016, the Company entered into an Asset Purchase Agreement (the "Purchase Agreement") with Vapor Corp. ("Vapor") and the Company' Chief Executive Officer, Kevin Frija (the former Chief Executive Officer of Vapor), pursuant to which Vapor sold Vapor's wholesale operations and inventory related thereto (collectively, "Assets") to the Company, which Vapor's business is operated at 3001 Griffin Road, Dania Beach, Florida 33312 (the "Dania Beach Premises"). The transactions contemplated by the Purchase Agreement closed on July 29, 2016.

On November 28, 2016, the Company entered into a Securities Purchase Agreement (the "SPA") with DiamondRock, LLC, an unaffiliated third party ("DiamondRock"), pursuant to which the Company sold to Diamond Rock a $500,000 convertible promissory note (the "Note") for a purchase price of $475,000, reflecting an original issue discount of $25,000. The transactions under the SPA closed on November 29, 2016, and the Note was issued on that date.

The Note permits the Company to make additional borrowings under the Note. On November 29, 2016, DiamondRock advanced the first tranche to the Company in the amount of $71,250, which reflected the first borrowing in the amount of $75,000, less the prorated portion of the original issue discount.

Amounts advanced under the Note bear interest at the rate of 8% per year, and the maturity date for each tranche is 12 months from the funding of the applicable tranche. The Company may prepay any amount outstanding under the Note prior to the actual maturity date for a 35% premium (thus paying 135% of the amount owed for that particular maturity).

DiamondRock has the right to convert the outstanding and unpaid principal amount and accrued and unpaid interest of the respective tranche of the Note into shares of common stock of the Company, subject to the limitation that DiamondRock may not complete a conversion if doing so would cause DiamondRock to own in excess of 4.99% of the Company's outstanding shares of common stock, provided that DiamondRock may waive that limitation and increase the ownership cap to up to 9.99%. The conversion price for any conversion under the Note is equal to the lesser of (i) $0.50 and (ii) 65% of the volume weighted average trading price of the Company's common over the 7 trading days ending on the last complete trading day prior to the date of the conversion. In addition, in the event that the Company enters into certain transactions with other parties that provide for a conversion price at a larger discount (than 35%) to the trading price of the Company's common stock, or provides for a longer look-back period, then the conversion price and look-back period under the Note will be adjusted to be such lower conversion price and longer look-back period, as applicable.

If at any time while the Note is outstanding, the Company enters into a transaction structured in accordance with, based upon, or related or pursuant to, in whole or in part, Section 3(a)(10) of the Securities Act of 1933, as amended (covering certain exchange transactions), then a liquidated damages charge of 25% of the outstanding principal balance of the Note at that time will be assessed and will become immediately due and payable to DiamondRock, either in the form of cash payment or as an addition to the balance of the Note, as determined by mutual agreement of the Company and DiamondRock.

The Note also contains a right of first refusal such that, if at any time while the Note is outstanding, the Company has a bona fide offer of capital or financing from any 3rd party that the Company intends to act upon, then the Company must first offer such opportunity to DiamondRock to provide such capital or financing on the same terms. The SPA and the Note contain customary representations, warranties and covenants for transactions of this type.

On November 28, 2016, the Company and Kevin Frija, the Company's Chief Executive Officer, entered into a Termination of Certain Provisions of Share Purchase Agreement (the "Frija Termination Agreement"), pursuant to which the Company and Mr. Frija terminated, to the extent not already completed, the rights and obligations of the parties under Section 2 and Section 3 of the Share Purchase Agreement entered into between them on May 29, 2015.

The Frija Termination Agreement operated to terminate, to the extent not already completed, all of the options, rights and obligations of the parties under Section 2 and Section 3 of the Frija SPA, which sections provided for the sale of up to 50,000,000 shares of the Company's common units ("Common Units") by the Company to Mr. Frija at a price of $0.01 per Share.

The sales under the Frija SPA had been expected to occur in multiple tranches. The following sales have occurred under the Frija SPA, all at a price of $0.01 per Common Unit:

(i) June 4, 2015 - 10,000,000 Common Units, for gross proceeds of $100,000 to the Company;

(ii) March 28, 2016 - 15,000,000 Common Units, for gross proceeds of $150,000 to the Company;

(iii) May 23, 2016 - 200,000 Common Units, for gross proceeds to the Company of $20,000;

(iv) May 31, 2016 - 200,000 Common Units, for gross proceeds to the Company of $20,000; and

(v) June 16, 2016 - 100,000 Common Units, for gross proceeds to the Company of $10,000.

No additional sales have been completed under the Frija SPA and thus the Frija Termination Agreement operated to terminate the Company's and Mr. Frija's rights and obligations with respect to the remaining 20,000,000 Common Units available for sale under the Frija SPA.

Contemporaneous with Mr. Frija's appointment as Chief Executive Officer and Chairman of the Board of Directors on June 5 th, 2015, the Company's prior Chief Executive Officer, Mr. Jon Pan. resigned from his position as Chief Executive Officer of the Company. In connection with, and in consideration and as severance for, Mr. Pan's resignation as Chief Executive Officer, the Company and Mr. Pan entered into a Share Purchase Agreement on June 1, 2015 wherein the Company agreed to grant Mr. Pan the right to purchase 10,000,000 Common Units, at a price of $0.01 per Common Unit as disclosed in the Company's Quarterly Report on Form 10-Q filed on August 19, 2015 (the "Pan SPA"). Mr. Pan currently continues to serve as a consultant to the Company

On November 28, 2016, the Company and Mr. Pan entered into a Termination Agreement (the "Pan Termination Agreement"), pursuant to which the Company and Mr. Pan terminated, to the extent not already completed, the rights and obligations of the parties under Section 1 and Section 2 of the Pan SPA.

The Pan Termination Agreement operated to terminate, to the extent not already completed, all of the options, rights and obligations of the parties under Section 1 and Section 2 of the Pan SPA, which sections provided for the sale of up to 10,000,000 Common Units by the Company to Mr. Pan at a price of $0.01 per Common Unit. Through November 28, 2016, no Common Units had been sold to Mr. Pan, and thus the Pan Termination Agreement operated to terminate the Company's and Mr. Pan's rights and obligations with respect to all 10,000,000 Common Units available for sale under the Pan SPA.

To the extent not terminated by the Frija Termination Agreement and the Pan Termination Agreement, the Frija SPA and the Pan SPA, respectively, remain in full force and effect.

No placement agent has participated in the sales under the Frija SPA or the Pan SPA. No termination fees were incurred by the Company pursuant to either the Frija Termination Agreement or the Pan Termination Agreement.

On March 13, 2017, the Company entered into Agreement, dated March 11, 2017, (the "Agreement") with MAPH Enterprises, LLC ("MAPH") pursuant to which MAPH agreed to provide certain business advisory and consulting services in exchange for payment by the Company of $75,000 and the issuance by the Company of 600,000 restricted shares of Company common stock. The term of the Agreement begins on March 13, 2017 and ends on May 1, 2017. Either party may terminate the Agreement prior to its expiration upon written notice to the other party upon (a) the failure of any party to cure a material default under the Agreement within five business days after receiving written notice of such default from the terminating party; (b) the bankruptcy or liquidation of either party; (c) the use by any party of any insolvency laws; (d) the performance of MAPH's services under the Agreement; and (e) the appointment of a receiver for all or a substantial portion of either parties' assets or business. If terminated, MAPH shall not be required to perform any additional services beyond the termination date and all fees described in the Agreement shall be deemed earned in full.

Business Description

The Company is engaged in various monetization strategies of a portfolio of patents the Company owns in both the US and China, covering electronic cigarette, electronic cigar and personal vaporizer patents. We currently market a brand of electronic cigarette e liquids marketed under the brand "Helium" in the United States and are undertaking efforts to establish distribution of our electronic cigarette brand in China. We are currently also identifying electronic cigarette companies that may be infringing our patents and exploring options to license and or enforce our patents.

Since our inception the company has generated nominal revenues through the sale of software items related to the job search industry and in 2009 management actively explored opportunities to manage private capital, specifically the Company had plans to sponsor and manage limited partnerships organized for the purpose of exploring opportunities to acquire securities in secondary transactions of venture backed businesses and dispensing capital to seed stage venture capital opportunities. As a result of the Company's new business direction and in an effort to establish operations in the venture capital and private equity industry, the Company has reorganized the business and restructured the Company as a public limited partnership. In 2013, management identified an opportunity to acquire a portfolio of electronic cigarette and personal vaporizers patents. In connection with this transaction the Company's business objectives pivoted and the Company is now focusing its efforts on the electronic cigarette and personal vaporizer industry and is pursuing plans to commercialize and monetize its portfolio of electronic cigarette and personal vaporizer patents.

How We Plan to Generate Revenue

VPR Brands is a holding company, whose assets include issued U.S. and Chinese patents for atomization related products including technology for medical marijuana vaporizers and electronic cigarette products and components. The company is also engaged in product development for the vapor or vaping market, including e-liquids. Electronic cigarettes (also known as ecigs or e-cigs) are electronic devices which deliver nicotine through atomization, or vaping of e-liquids and without smoke and other chemicals constituents typically found in traditional tobacco burning cigarette products.

Our portfolio of electronic cigarette and personal vaporizer patents (the "Patents") are the basis for our efforts to:

- Design, market and distribute a line of e liquids under the "HELIUM" brand;
- Design, market and distribute electronic cigarettes;
- Prosecute and enforce our patent rights;
- License our intellectual property; and
- Develop private label manufacturing programs.

Our branded electronic cigarette e-liquids: HELIUM

We design, develop and market electronic cigarette e liquids sold under the Helium brand. Our electronic cigarette e liquids are marketed as an alternative to tobacco burning cigarettes. We launched the Helium brand in limited U.S. markets in the first quarter of 2016 and grow distribution through third party distributors. Shortly after our U.S. launch we plan to introduce our electronic cigarette brand to the Chinese market. China is the largest producer and consumer of tobacco products in the world, however we believe that Chinese consumption of electronic cigarettes trails U.S. adoption and use. We believe that an opportunity exists to develop and expand our business and our Helium brand electronic cigarette e-liquids in China.

On March 4, 2016, the Company announced a new e-liquid innovation, namely Helium Hi Definition E-Liquid, that is chilled 20 degrees below room temperature by mini-chillers or desktop chillers designed by the Company to maintain optimum flavor, freshness and aroma by cooling the e-liquids (reducing the escape of molecules from the mixture of e-liquids into the headspace). Helium Hi Definition E-Liquid will come in (i) a 50ml, squeezable bottle with a drip tip, for our mini chillers, (ii) a 180ml bottle for our personal desktop chiller, or (iii) a sample pack of the 5 flavors offered which are a one-time use in 2ml tubes that are air tight. Helium Hi Definition E-Liquids were available for pre-orders on March 15, 2016 on VapeHelium.com and will be available for sale in Vape shops in the United States by April 1, 2016.

On July 29, 2016, the Company entered into an Asset Purchase Agreement (the "Purchase Agreement") with Vapor Corp. ("Vapor") and the Company' Chief Executive Officer, Kevin Frija (the former Chief Executive Officer of Vapor), pursuant to which Vapor sold Vapor's wholesale operations and inventory related thereto (collectively, "Assets") to the Company, which Vapor's business is operated at 3001 Griffin Road, Dania Beach, Florida 33312 (the "Dania Beach Premises"). The transactions contemplated by the Purchase Agreement closed on July 29, 2016.

The Vapor Corp. asset acquisition will comprise almost all of the Company's revenue going forward.

Results of Operations for the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Revenues

Our revenue for the twelve months ended December 31, 2016 and 2015 was $1,580,676 and $342, respectively. Increase is a result of the asset acquisition from Vapor Corp. of its wholesale business.

Cost of Sales

Cost of sales for the year ended December 31, 2016 and 2015 was $1,099,824 and $146, respectively. Increase is a result of the asset acquisition from Vapor Corp. of its wholesale business.

Operating Expenses

Operating expenses for the year ended December 31, 2016 were $872,994 as compared to $93,643 for the year ended December 31, 2015. The increase in expenses is due to increased general, selling and administrative costs for the asset acquisition from Vapor Corp. Payroll made up $286,554 of the difference and professional fees another $156,285. The rest of the difference included travel expenses and marketing costs related to the Vapor Corp. asset acquisition. .

Net Loss

Net loss for the year ended December 31, 2016 was $(375,734) compared to a net loss of $(93,447) for the year ended December 31, 2015 The net loss has increased mainly as the result of the expense related to the increased expenses and interest expense from loans related to the acquisition.

Liquidity and Capital Resources

The Company used cash in operating activities of $445,686 for year ended December 31, 2016 as compared to $104,792 used in year ended December 31, 2015. Decrease in cash used is mainly a result of the loss for the year and cash spent on inventory for the Vapor Corp. items and loss for the year offset by accounts payable.

During the years ended December 31, 2016 and 2015 the Company was provided cash from financing activities of $540,022, of which $500,000 was proceeds of note from the Vapor Corp. asset purchase and $200,000 (sale of common units), offset by payments on the loans of $173,395. The Company had two separate private placements in 2016 and 2015.

Assets

At December 31, 2016 and December 31, 2015, we had total assets of $970,241 and $59,350, respectively. Assets consist of the cash accounts held by the Company, inventory and accounts receivable in 2016. In 2015 assets consisted of cash and advances to suppliers in the amount of $54,700 in 2015.

Liabilities

Our total liabilities were $1,103,440 at December 31, 2016, compared to $16,815 at December 31, 2015. The increase was primarily due to a increased accounts payable, customer deposits and notes payable related to the acquisition.

At this time, we have not secured or identified any additional financing to execute our plan of operations over the next 12 months. We do not have any firm commitments nor have we identified sources of additional capital from third parties or from shareholders. There can be no assurance that additional capital will be available to us, or that, if available, it will be on terms satisfactory to us. Any additional financing may involve dilution to our shareholders. In the alternative, additional funds may be provided from cash flow in excess of that needed to finance our day-to-day operations, although we may never generate this excess cash flow. If we do not raise additional capital or generate additional funds, implementation of our plans for expansion will be delayed. If necessary we may withdraw from certain growth strategies to conserve cash for continued operation.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to investors.

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide this information.

ITEM 8. Financial Statements and Supplementary Data

The financial information required by Item 8 begins on page F-1 through F-13.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as of December 31, 2016, the fiscal year end covered by this report, our management concluded its evaluation of the effectiveness of the design and operation of our disclosure controls and procedures.

Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including our Chief Executive Officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating and implementing possible controls and procedures.

Our management does not expect that our disclosure controls and procedures will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be 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, 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. The design of any system of controls 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.

With respect to the fiscal year ended December 31, 2016, under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934. Based upon our evaluation regarding the fiscal year ended December 31, 2016, our Chief Executive Officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of December 31, 2016 due to insufficient personnel to properly prepare, implement and monitor adequate controls and procedures.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act. Our management is also required to assess and report on the effectiveness of our internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404"). Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2015. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (1992)* . During our assessment of the effectiveness of internal control over financial reporting as of December 31, 2015, we identified the following material weakness:

Financial Reporting Process

Description of Material Weakness as of December 31, 2016

The Company did not maintain an effective financial reporting process to prepare financial statements in accordance with U.S. GAAP. Specifically, our process lacked timely and complete financial statement reviews and procedures to ensure all required disclosures were made in our financial statements. Also, the Company lacked documented procedures including documentation related to testing of internal controls and entity-level controls, disclosure review, and other analytics. Furthermore, the Company lacked sufficient personnel to properly segregate duties.

Therefore, our internal controls over financial reporting were not effective as of December 31, 2016.

A material weakness (within the meaning of PCAOB Auditing Standard No. 5) is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness; yet important enough to merit attention by those responsible for oversight of the Company's financial reporting.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to the rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

Changes in Internal Control over Financial Reporting

No changes were made to our internal control over financial reporting during the quarter ended December 31, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART III

Item 10. Directors and Executive Officers

The following table sets forth the names, ages and positions of the executive officers, directors and director nominees of our General Partner, Soleil Capital Management LLC.

Name	Age	Position with the Company	Since
Kevin Frija	43	Chief Executive Officer, President, Chairman of the Board and Director	June 5, 2015
Greg Pan	58	Director	December 26, 2013
Daniel Hoff	31	Chief Operating Officer	January 3, 2017

Mr. Kevin Frija

Mr. Kevin Frija was appointed on June 5, 2015 as the chief executive officer, president, chairman of the board of directors, and a director of the Company and as the chief executive officer, president, chairman of the board of directors, a director and a manager of the Company's General Partner. Prior to joining the Company, from June 2009 through March 2014, Mr. Frija served as chief executive officer and chairman of the board of directors, of Vapor Corp., a company Mr. Frija grew from $1 million in sales to $25 million and oversaw the up listing from the pink sheets to the NASDAQ, and, from June 2009 through February 2013, Mr. Frija also served as president of Vapor Corp. He has over 25 years of experience, particularly in the areas of sourcing, manufacturing, supply chain management, marketing, advertising, and licensing. Prior to Mr. Frija's involvement in Vapor Corp., he operated In Gear fashions , Inc. ("Ingear"), a swim and resort wear company based in Miami, Florida. Mr. Frija currently and on a limited basis assists Ingear in a managerial capacity. We believe Mr. Frija's past experience as chief executive officer and chairman of the board of directors of Vapor Corp. and his experience in the areas of sourcing, manufacturing, supply chain management, marketing and advertising will be valuable to the development and growth of our Company.

Mr. Guocheng "Greg" Pan

Mr. Greg Pan PhD has been a director of the Company and a director and a manager of the Company's General Partner since December 26, 2013. From December 26, 2013 to June 5, 2015, Mr. Pan served as non-executive Chairman of the Board of Directors of the Company and the Company's General Partner prior to resigning from such positions on June 5, 2015. Mr. Pan currently serves as chief executive officer and president of China Hanking Holdings (3788:HK) and Chairman of GreenWorld Technologies. Dr. Pan has obtained more than 25 years of experience in operations and management of various resource and investment companies. In addition to his broadly published papers and reports in the areas of resource modeling and economic evaluation, Mr. Pan has published over 20 patents in electronic cigarette technologies and vaporizing devices. Dr. Pan, graduated from Peking University in 1982, obtained a master degree in 1985 and a PhD from The University of Arizona in 1989. Mr. Pan is a citizen of the United States.

Daniel Hoff

Mr. Daniel Hoff has served as Chief Operating Officer ("COO") since January 3, 2017. Mr. Hoff previously served as a consultant to the Company since August 2016, serving as head of wholesale operations and Director of Alternative Products. He will retain these positions as COO. From 2007 until 2011, Mr. Hoff served as Finance & Accounting Manager at Vapor Corp., a company that designs, markets and distributes e-cigarettes, vaporizers, e-liquids and accessories. In this position, Mr. Hoff supervised corporate finance and accounting functions. From 2011 until 2014, Mr. Hoff served as Production & New Products Manager at Vapor Corp. and focused on supply chain management, product development and design and key vendor relations. From 2014 until July 2016, he served as Key Accounts Executive & Head of Alternative Products, building Vapor Corp.'s alternative products division and leading wholesale operations and key account management. We acquired Vapor Corp.'s wholesale operations and inventory in July 2016, at which time Mr. Hoff joined the Company as a consultant until his appointment as COO.

Family Relationships

None.

Partnership Management and Governance

Our General Partner manages all of our operations and activities. Our General Partner is authorized in general to perform all acts that it determines to be necessary or appropriate to carry out our purposes and to conduct our business. Our partnership agreement provides that our General Partner in managing our operations and activities is entitled to consider only such interests and factors as it desires, including its own interests, and will have no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting us or any limited partners, and will not be subject to any different standards imposed by the partnership agreement, the Delaware Limited Partnership Act or under any other law, rule or regulation or in equity. Our General Partner is wholly-owned and controlled by Kevin Frija. Our common unit-holders have only limited voting rights on matters affecting our business and therefore have limited ability to influence management's decisions regarding our business. The voting rights of our common unit-holders are limited as set forth in our partnership agreement and in the Delaware Limited Partnership Act.

Our General Partner does not receive any compensation from us for services rendered to us as our General Partner. Our General Partner is reimbursed by us for all expenses it incurs in carrying out its activities as General Partner of the Company, including compensation paid by the General Partner to its directors and the cost of directors' and officers' liability insurance obtained by the General Partner.

Our General Partner's limited liability company agreement establishes a board of directors that is responsible for the oversight of our business and operations. Our General Partner's board of directors is elected in accordance with its limited liability company agreement, which provides that the founders will have the power to appoint and remove the directors of our General Partner. The limited liability company agreement of our General Partner provides that at such time as the founders cease to be founders, such power will revert to the members of our General Partner holding a majority in interest in our General Partner. We refer to the board of directors of our General Partner as the "board of directors of our general partner." The board of directors of our General Partner has a total of two members; Mr. Kevin Frija and Mr. Greg Pan, respectively.

We do not currently maintain an audit committee, conflicts committee or an executive committee.

Board Composition

Our General Partner seeks to ensure that the board of directors of our General Partner will be composed of members whose particular experience, qualifications, attributes and skills, when taken together, will allow the board to satisfy its oversight responsibilities effectively. In identifying candidates for membership on the board of directors the board will take into account (a) minimum individual qualifications, such as strength of character, mature judgment, industry knowledge or experience and an ability to work collegially with the other members of the board of directors, and (b) all other factors he considers appropriate.

After conducting an initial evaluation of a candidate, the board will interview that candidate if he believes the candidate might be suitable to be a director. If, following such interview and any consultations with senior management, Mr. Frija believes a candidate would be a valuable addition to the board of directors, they would appoint that individual to the board of directors of our General Partner.

Director Compensation

We do not currently have any non-employee directors and no additional compensation is currently paid to in connection with his directorship over and above his employee based compensation.

Code of Ethics

The Company has a code of ethics, "Business Conduct: "Code of Conduct and Policy," that applies to all of the Company's employees, including its principal executive officer, principal financial officer and principal accounting officer, and the Board. The Company intends to disclose any changes in or waivers from its code of ethics by posting such information on its website or by filing a Form 8-K.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who beneficially own more than 10% of a registered class of our equity securities to file with the SEC initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common shares and other equity securities, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% stockholders are required by the SEC regulations to furnish us with copies of all Section 16(a) reports they file. Based on our review of the copies of such forms received by us, or written representations that no other reports were required, and to the best of our knowledge, we believe that all of our officers, directors, and owners of 10% or more of our common stock filed all required Forms 3, 4, and 5.

Item 11. Executive Compensation

Our compensation philosophy for our future manager and certain other employees is that compensation should be composed primarily of (1) annual cash payments tied to the performance of the applicable business unit(s) in which such employee works; (2) long-term carried interest tied to the performance of the investments made by the funds in the business unit in which such employee works or for which he or she has responsibility; (3) deferred equity awards reflecting the value of our common units; and (4) additional cash payments tied to extraordinary performance of such employee or other circumstances (for example, if there has been a change of role or responsibility).

We believe base salary should represent a significantly lesser component of total compensation. We believe the appropriate combination of annual cash payments and long-term carried interest or deferred equity awards encourage employees to focus on the underlying performance of our investment funds and objectives of our advisory clients, as well as the overall performance of the firm and interests of our common unit holders.

2016 SUMMARY COMPENSATION TABLE

Name & Principal Position	Year	Salary $	Bonus $	Unit Awards $	Option Awards $	Nonequity Incentive plan compensation $	Nonqualified deferred compensation earnings $	All Other Compensation $	Total $
Kevin Frija									
CEO and President	2016	$ 60,923	—	—	—	—	—	—	$ 60,923
	2015	—	—	—	—	—	—	—	

There are no stock option, retirement, pension, or profit sharing plans for the benefit of our officers and directors. We have not paid Mr. Frija any salary during the indicated years and no salary is being accrued. If we reach profitable operations and/or raise substantial additional funds in the future, our Board of Directors will determine whether it is in our best interests to provide a salary to our respective employees. We do not currently have an employment agreement with any of our employees.

Arrangements with Named Executive Officers

We currently do not have any compensation agreements with our named executive officer(s).

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table provides the names and addresses of each of our executive officers, each of our directors, all of our directors and executive officers as a group and each person known to own directly or beneficially more than 5% of our outstanding Common Units (as determined in accordance with Rule 13d-3 under the Exchange Act) as of March 29, 2017.

Name and address of beneficial owner	Common units Beneficially Owned(1)(3)	Percentage of Beneficial Ownership(1)(2)(3)
5% Unitholders		
Jonathan Pan, 787 Adeline Ave., San Jose, CA 95135 **(4)**	1,980,340	4.0%
Directors and Named Executive Officers		
Kevin Frija, 4401 NW 167th Street, Miami, FL 33055 **(5)**	26,589,408	53.490%
Guocheng Pan, 787 Adeline Ave., San Jose, CA 95135 **(6)**	10,381,360	21.0%
All Current Officers and Directors As a Group (2 persons) **(5)(6)**	38,951,108	79.90%

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Except as indicated by footnote, and subject to the community property laws where applicable, to the Company's knowledge the persons named in the table above have sole voting and investment power with respect to all shares of common units shown as beneficially owned by them.

(2) On April 17, 2017, there were 49,292,125 shares of our common units outstanding

(3) In determining the percent of voting units owned by a person (a) the numerator is the number of shares of common units beneficially owned by the person, including shares the beneficial ownership of which may be acquired within 60 days upon the exercise of rights to acquire (such as options or warrants) or conversion of convertible securities, and (b) the denominator is the total of (i) the 49,292,125 shares of common units outstanding (ii) any shares of common units which the person has the right to acquire within 60 days upon the exercise of rights to acquire (such as options or warrants) or conversion of convertible securities.

(4) Includes 2,000,000 shares of common units which Jon Pan has a right to acquire for $0.01 per share within 60 days of March 29, 2017 pursuant to the terms of that certain Share Purchase Agreement, dated June 1, 2015, between the Company and Jon Pan.

(5) Includes 25,000,000 shares of common units which Kevin Frija has a right to acquire for $0.01 per share within 60 days of March 29, 2017 pursuant to the terms of that certain Share Purchase Agreement, dated May 29, 2015, between the Company and Kevin Frija.

(6) Includes 2,000,000 shares of common units underlying a warrant issued by the Company to Greg Pan pursuant to a Purchase Agreement dated December 27, 2013 between the Company and Greg Pan which Greg Pan may exercise at a price of $0.15 per share at any time within ten years from the date of the Purchase Agreement.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Related Party Transactions

During years ended December 31, 2016 and 2015, the Company had made payments to related parties for expenses and reimbursement of costs.

During 2015 the Company paid $1,000 to Jon Pan Custom Management Company wholly owned by Jon Pan. Also during 2015 Jon Pan reimbursed the Company $4000 for prior expenses refunded to him. In addition, in 2016, the Company paid -0-. As of March 29, 2017, an aggregate of $-0- has been paid to Jon Pan Custom Management.

During 2014, the Company paid $5,200 to Greenworld Technologies (“Greenworld”) for sales and marketing costs for the Company. Greenworld is a marketing company wholly owned by Jon Pan. In addition, in 2016, the Company paid an additional $-0- to Greenworld for marketing expenses. The Company does not anticipate continuing using Greenworld in 2016.

During 2015, the Company paid InGear, Inc. $5,622 for expenses paid for by InGear and inventory that was used during the year. InGear, Inc. is a company owned by the CEO Kevin Frija. An additional $3,900 of expenses was accrued by the Company in 2015 and was paid in 2016. The total amount paid to InGear during 2016 was $23,393. The Company expects to continue to pay InGear, Inc. in 2017 for expenses paid for on the Company’s behalf.

Indemnification of Directors and Officers

Under our partnership agreement, in most circumstances we will indemnify the following persons, to the fullest extent permitted by law, from and against all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts: our general partner; any departing general partner; any person who is or was an affiliate of a general partner or any departing general partner; any person who is or was a member, partner, tax matters partner, officer, director, employee, agent, fiduciary or trustee of us or our subsidiaries, the general partner or any departing general partner or any affiliate of ours or our subsidiaries, the general partner or any departing general partner; any person who is or was serving at the request of a general partner or any departing general partner or any affiliate of a general partner or any departing general partner as an officer, director, employee, member, partner, agent, fiduciary or trustee of another person; or any person designated by our general partner. We have agreed to provide this indemnification to the extent such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the partnership, and with respect to any alleged conduct resulting in a criminal proceeding against such person, to deny indemnification if such person had reasonable cause to believe that his or her conduct was unlawful. We have also agreed to provide this indemnification for criminal proceedings. Any indemnification under these provisions will only be out of our assets. Unless it otherwise agrees, the general partner will not be personally liable for, or have any obligation to contribute or loan funds or assets to us to enable it to effectuate indemnification. We may purchase insurance against liabilities asserted against and expenses incurred by persons for our activities, regardless of whether we would have the power to indemnify the person against liabilities under our partnership agreement.

Director Independence

The company is currently traded on the Pink Sheets of the OTC Markets Group, Inc. The Pink Sheets do not have any director independence requirements. Mr. Frija is presently one of the two executive officers of the Company as well as a director of the Company and Mr. Pan is a manager of our General Partner which manages the Company as well as a director of the Company and as such we do not have an independent board of directors.

Other than as described above under this section "Certain Relationships and Related Transactions," since the beginning of our last fiscal year, we have not entered into any transactions, nor are there any currently proposed transactions, between us and a related party where the amount involved exceeds, or would exceed, the lesser of $120,000 or 1% of the average of the Company's total assets at year-end for the last two fiscal years, and in which any related person had or will have a direct or indirect material interest.

Item 14. Principal Accounting Fees and Services

The following table summarizes the aggregate fees for professional services provided by Paritz & Co. for the years ended December 31, 2016 and 2015.

	Year Ended December 31, 2016		
Audit Fees	$	25,000	(a)
Audit-Related Fees	$		
Tax Fees	$		(b)
Other	$		
	Year Ended December 31, 2015		
Audit Fees	$	9,400	(a)
Audit-Related Fees	$		
Tax Fees	$		(b)
Other	$		

(a) Audit Fees consisted of fees for (a) the audits of our consolidated and combined financial statements in our Annual Report on Form 10-K and services attendant to, or required by, statute or regulation; (b) reviews of the interim condensed consolidated and combined financial statements included in our quarterly reports on Form 10-Q; (c) comfort letters, consents and other services related to SEC and other regulatory filings.

(b) Tax Fees consisted of fees for services rendered for tax compliance and tax planning and advisory services.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Documents filed as part of this report:

(1) All financial statements

Financial Statements filed as part of this annual report are filed in accordance with Reg. 210.3-11 of Regulation S-X

(2) Financial Statement Schedules

All financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and notes thereto.

(b) Exhibits required by Item 601 of Regulation S-K

Exhibit Number	Description of Exhibit
3.1	State of Delaware Certificate of Limited Partnership of Soleil Capital L.P. (filed as Exhibit 10.5 to the Company's Form 10-Q for the quarter ended September 30, 2009).
3.2	State of Delaware Amendment to Certificate of Limited Partnership of Soleil Capital L.P. (filed as Exhibit 3.2 to the Company's Form 10-Q for the quarter ended September 30, 2015).
3.3	Agreement of Limited Partnership of Soleil Capital L.P. dated September 19, 2009 (filed as Exhibit 3.2 to the Company's Form 10-K for the fiscal year ended December 31, 2009).
3.4	First Amendment to Limited Partnership Agreement of Soleil Capital L.P., dated September 10, 2015 (filed as Exhibit 3.1 to the Company's Form 8-K filed on September 10, 2015).

10.1	Share Purchase Agreement, dated May 29, 2015, among Soleil Capital L.P., Soleil Capital Management LLC and Kevin Frija (filed as Exhibit 10.1 to the Company's Form 8-K filed on June 9, 2015).
10.2	Share Purchase Agreement, dated June 1, 2015, among Soleil Capital L.P., Soleil Capital Management LLC and Jon Pan (filed as Exhibit 10.1 to the Company's Form 10-Q for the quarter ended June 30, 2015).
10.3	Termination of Share Purchase Agreement, dated August 18, 2015, among Soleil Capital L.P., Soleil Capital Management LLC and Greg Pan (filed as Exhibit 10.2 to the Company's Form 10-Q for the quarter ended June 30, 2015).
21.1*	List of Subsidiaries.
31.1*	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.
31.2*	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer.
32.1*	Section 1350 Certifications of Chief Executive Officer and Principal Financial Officer.
101.INS*	XBRL Instance
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation
101.DEF*	XBRL Taxonomy Extension Definition
101.LAB*	XBRL Taxonomy Extension Labels
101.PRE*	XBRL Taxonomy Extension Presentation

* Filed herewith.

Paritz & Company, P.A.

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(201)342-7753
Fax: (201) 342-7598

The Board of Directors and Shareholders
VPR Brands, LP
Fort Lauderdale, Florida

We have audited the accompanying balance sheet of VPR Brands, LP as of December 31, 2016 and 2015, and the related consolidated statements of operations, partners' deficiency, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VPR Brands, LP as of December 31, 2016 and 2015, and the results of its operations and its cash flows for each of the years in the two year period ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements referred to above 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. As discussed in note 3 to the financial statements, the Company has incurred a net loss since inception, including a net loss of $375,734 for the year ended December 31, 2016 and has an accumulated deficit of $6,013,832 as of December 31, 2016. These factors, among others, raise substantial doubt regarding the Company's ability to continue as a going concern. Management's plans are also discussed in Note 3. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty

/s/ Paritz & Company, P.A.

Hackensack, New Jersey
April 17, 2017

VPR BRANDS, LP
BALANCE SHEETS

	December 31, 2016	December 31, 2015
ASSETS:		
Cash	$ 83,785	$ 4,650
Accounts Receivable	155,006	-
Inventory	380,854	-
Deposits	16,780	
Advances to supplier	-	54,700
TOTAL CURRENT ASSETS	636,425	59,350
Property and Equipment-Net	27,901	-
OTHER ASSETS:		
Intangible Assets-Net of Accumulated Amortization	305,915	-
TOTAL ASSETS	$ 970,241	$ 59,350
LIABILITIES AND PARTER'S (DEFICIT) EQUITY:		
CURRENT LIABILITIES:		
Accounts payable and Accrued Expenses	$ 163,086	$ -
Customer Deposits	120,760	-
Derivative Liability	104,572	-
Notes Payable-Current Portion	120,000	16,815
TOTAL CURRENT LIABILITIES	508,418	16,815
LONG TERM DEBT:		
Notes Payable, net of Debt Discount of $68,750	595,022	-
TOTAL LIABILITIES	1,103,440	16,815
PARTNERS' (DEFICIT) EQUITY:		
Partners' Capital 100,000,000 authorized; Common units, 49,292,125 and 29,292,125 issued and outstanding as of December 31, 2016 and December 31, 2015 respectively	5,880,633	5,680,633
Accumulated deficit	(6,013,832)	(5,638,098)
TOTAL PARTNERS' (DEFICIT) EQUITY	(133,199)	42,535
TOTAL LIABILITIES AND PARTNERS'(DEFICIT) EQUITY	$ 970,241	$ 59,350

See accompanying notes to Financial Statements

VPR BRANDS, LP
STATEMENTS OF OPERATIONS

	YEARS ENDED	
	December 31, 2016	**December 31, 2015**
SALES	$ 1,580,676	$ 342
COST OF SALES	(1,099,824)	(146)
	480,852	196
EXPENSES:		
Sales and marketing expense	126,143	21,128
General and administrative	682,466	72,515
TOTAL EXPENSES	808,609	93,643
NET OPERATING LOSS	(327,757)	(93,447)
OTHER INCOME (EXPENSE)		-
Interest Expense, net	(64,373)	-
Change in fair value of derivative liability	16,396	-
NET LOSS	(375,734)	-
LOSS PER COMMON UNIT	$ (0.01)	(0.00)
Weighted-Average Common Units Outstanding — Basic and Diluted	43,648,289	22,824,872

See accompanying notes to Financial Statements

VPR BRANDS, LP
STATEMENT OF CASH FLOWS

	YEARS ENDED	
	December 31, 2016	December 31, 2015
OPERATING ACTIVITIES:		
Net Loss	$ (375,734)	$ (93,447)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and Amortization	25,444	-
Deferred Rent	1,575	
Shares issued in exchange for services	-	32,300
Changes in operating assets and liabilities:		
Inventory	(202,678)	
Accounts Receivable	(150,758)	
Advances to Suppliers	54,700	
Deposits	(16,780)	
Customer Deposits	57,034	(54,700)
Accounts payable	161,511	11,055
NET CASH USED IN OPERATING ACTIVITIES	(445,686)	(104,792)
INVESTING ACTIVITIES		
Purchase of property and equipment	(15,201)	-
FINANCING ACTIVITIES:		
Proceeds from private placement offering of common units	200,000	100,000
Repayment of notes payable	(234,978)	-
Proceeds of notes payable	575,000	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	540,022	100,000
INCREASE (DECREASE) IN CASH	79,135	(4,792)
CASH - BEGINNING OF YEAR	4,650	9,442
CASH - END OF YEAR	$ 83,785	$ 4,650
Cash Paid for Interest	$64,373	-
Non-cash investing and financing activities		
Fair value of assets and liabilities acquired in business acquisition:		
Trademarks	$83,000	-
Domain	26,000	-
Fixed Assets	12,700	-
Intangilbe Asset-Goodwill	(1,777)	-
Customer Lists	124,700	-
Vendor Deposits	56,857	-
Inventory	178,716	-
Account Receivable	150,000	-
Notes Payable	(370,000)	-
Customer Deposits	(63,726)	-
Customer Credits	(296,936)	-

See accompanying notes to Financial Statements

VPR BRANDS, LP
STATEMENT OF CHANGES IN PARTNER'S (DEFICIT) EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	Common units	Partners' (Deficit) Equity	Accumulated Deficit	Total Partner's (Deficit) Equity
Balance at December 31, 2014	**17,287,125**	**$ 5,548,333**	**$ (5,544,651)**	**$ 3,682**
Common Units Issued in exchange for services	25,000	12,500		12,500
Common Units issued for prepaid consulting services	1,980,000	19,800		19,800
Private Placement	10,000,000	100,000		100,000
Net Loss			(93,447)	(93,447)
Balance at December 31, 2015	**29,292,125**	**5,680,633**	**(5,638,098)**	**42,535**
Shares Purchased	20,000,000	200,000		200,000
Net Loss			(375,734)	(375,734)
Balance at December 31, 2016	**49,292,125**	**$ 5,880,633**	**$ (6,013,832)**	**$ (133,199)**

See accompanying notes to Financial Statements

VPR BRANDS, LP
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 1. ORGANIZATION

VPR Brands, LP (the "Company", "we", "our") was incorporated in New York on July 19, 2004, as Jobsinsite.com, Inc. Our articles of incorporation were amended on August 5, 2004, to change our name to Jobsinsite, Inc. On June 18, 2009, we merged with a Delaware corporation and became Jobsinsite, Inc. On July 1, 2009 we filed articles of conversion with the secretary of state of Delaware and became Soleil Capital L.P., a Delaware limited partnership. On September 2, 2015, we amended our articles of incorporation to change our name to VPR Brands, LP. We are managed by Soleil Capital Management LLC, a Delaware limited liability company.

Business Description

VPR Brands, LP (the "Company", "we", "our") was incorporated in New York on July 19, 2004, as Jobsinsite.com, Inc. Our articles of incorporation were amended on August 5, 2004, to change our name to Jobsinsite, Inc. On June 18, 2009 we merged with a Delaware corporation and became Jobsinsite, Inc., and on July 1, 2009 we filed articles of conversion with the secretary of state of Delaware and became Soleil Capital L.P., a Delaware limited partnership. On September 2, 2015, we amended our articles of incorporation to change our name to VPR Brands, LP. We are managed by VPR Brands LP, a Delaware limited liability company.

The Company is engaged in various monetization strategies of a portfolio of patents the Company owns in both the US and China, covering electronic cigarette, electronic cigar and personal vaporizer patents. We currently market a brand of electronic cigarette e-liquids marketed under the brand "Helium" in the United States and are undertaking efforts to establish distribution of our electronic cigarette e-liquids brand in China. We are currently also identifying electronic cigarette companies that may be infringing our patents and exploring options to license and or enforce our patents.

On March 4, 2016, the Company announced a new e-liquid innovation, namely Helium Hi Definition E-Liquid, that is chilled 20 degrees below room temperature by mini-chillers or desktop chillers designed by the Company to maintain optimum flavor, freshness and aroma by cooling the e-liquids (reducing the escape of molecules from the mixture of e-liquids into the headspace). Helium Hi Definition E-Liquid will come in (i) a 50ml, squeezable bottle with a drip tip, for our mini chillers, (ii) a 180ml bottle for our personal desktop chiller, or (iii) a sample pack of the 5 flavors offered which are a one-time use in 2ml tubes that are air tight. Helium Hi Definition E-Liquids were available for pre-orders on March 15, 2016 on VapeHelium.com and have been available for sale in Vape shops in the United States since April 1, 2016.

On July 29, 2016, the Company entered into and closed an Asset Purchase Agreement (the "Purchase Agreement") with Vapor Corp. ("Vapor") and the Company' Chief Executive Officer, Kevin Frija (the former Chief Executive Officer of Vapor), pursuant to which Vapor sold Vapor's wholesale operations and inventory related thereto (collectively, "Assets") to the Company.

See note 4, Asset Purchase and Secured Borrowing for further details, concerning total considerations.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash

Cash includes all cash deposits and highly liquid financial instruments with an original maturity of three months or less.

Stock-Based Compensation

Share-based payments to employees, including grants of employee stock options are recognized as compensation expense in the financial statements based on their fair values, in accordance with FASB ASC Topic 718. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period). The Company had no common stock options or common stock equivalents granted or outstanding for all periods presented. The Company may issue shares as compensation in future periods for employee services.

The Company may issue restricted stock to consultants for various services. Cost for these transactions will be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The value of the common stock is to be measured at the earlier of: (i) the date at which a firm commitment for performance by the counterparty to earn the equity instruments is reached, or (ii) the date at which the counterparty's performance is complete. The Company may issue shares as compensation in future periods for services associated with the registration of the common shares.

Revenue recognition

The Company follows the guidance of the Securities and Exchange Commission's Staff Accounting Bulletin 104 for revenue recognition. Revenue is recognized when persuasive evidence of an arrangement exists; the delivery has occurred or services have been rendered; the fee is fixed or determinable; and collectability is reasonably assured.

Basic and Diluted Net Loss Per Share

Net loss per share was computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The weighted average number of shares was calculated by taking the number of shares outstanding and weighting them by the amount of time that they were outstanding. Diluted net loss per share for the Company is the same as basic net loss per share, as the inclusion of common stock equivalents would be anti-dilutive.

Income taxes

The Company is considered a partnership for income tax purposes. Accordingly, the partners report the Partnership's taxable income or loss on their individual tax returns.

Rent

The Company recognizes rent expense on a straight-line basis over the lease term. Deferred rent is included in accounts payable and accrued expenses on the accompanying balance sheets.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board or other standard setting bodies that may have an impact on the Company's accounting and reporting. The Company believes that such recently issued accounting pronouncements and other authoritative guidance for which the effective date is in the future either will not have an impact on its accounting or reporting or that such impact will not be material to its financial position, results of operations, and cash flow when implemented.

NOTE 3: GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has a net loss of $375,734 for the year ended December 31, 2016 and has an accumulated deficit of $6,013,832 at December 31, 2016. The continuation of the Company as a going concern is dependent upon, among other things, the continued financial support from its common unit holders, the ability of the Company to obtain necessary equity or debt financing, and the attainment of profitable operations. These factors, among others, raise substantial doubt regarding the Company's ability to continue as a going concern. There is no assurance that the Company will be able to generate revenues in the future. These financial statements do not give any effect to any adjustments that would be necessary should the Company be unable to continue as a going concern.

The Company plans to pursue equity funding to expand its brand. Through equity funding and the current operations including the acquisition of the Vapor line of business, the Company expects to meet its current capital needs. There can be no assurance that the Company will be able raise sufficient working capital. If the Company is unable to raise the necessary working capital through the equity funding it will be forced to continue relying on cash from operations in order to satisfy its current working capital needs.

NOTE 4: BUSINESS ACQUISITION AND SECURED BORROWING

On July 29, 2016, the Company entered into and closed on an Asset Purchase Agreement (the "Purchase Agreement") with Vapor Corp. ("Vapor") and the Company's Chief Executive Officer, Kevin Frija (the former Chief Executive Officer of Vapor), pursuant to which Vapor sold Vapor's wholesale operations and inventory related thereto (collectively, "Assets") to the Company.

The consideration consisted of:

- A secured, one-year promissory note from the Company to Vapor in the principal amount of $370,000 (the "Acquisition Note") bearing an interest rate of 4.5%, payable $10,000 per month, commencing on October 28, 2016, with a balloon payment of the remainder of principal and interest on July 29, 2017. Current balance including accrued interest is $288,171.

Notwithstanding the above, pursuant to the Purchase Agreement, Vapor continues to own its accounts receivable from its wholesale operations as of July 29, 2016. However, Vapor agreed to use its commercially reasonable efforts, consistent with standard industry practice, to collect such accounts receivable, and any and all amounts so collected (i) up to $150,000 (net of any refunds) in the aggregate shall be credited against payment of the Acquisition Note and (ii) in excess of $150,000 (up to $95,800) will be transferred to Mr. Frija as consideration for the transfer to Vapor by Mr. Frija of 1,405,910,203 shares of Vapor's common stock that he had acquired on the open market ("Retired Shares").

The Purchase Agreement contained customary representations, warranties, and covenants of the Company and Vapor. Vapor also agreed to a restrictive covenant prohibiting it from competing with the Company for a period of three years in the wholesale distribution of electronic cigarette products that comprise the Assets.

The Vapor acquisition and the line of business was accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of the exchange, of assets given and liabilities incurred or assumed in exchange for the business line acquired. The acquiree's identifiable assets and liabilities are recognized at their fair values at the acquisition date.

Assets acquired and liabilities assumed at fair value

Assets Acquired		
Trademarks	$	83,000
Domain	$	26,000
Property Plant and Equipment	$	12,700
Vendor Deposits	$	56,857
Employees	$	96,912
Customer Lists	$	124,700
Inventory	$	178,716
Accounts Receivable	$	150,000
Total Assets	$	728,885
Liabilities		
Notes Payable	$	(370,000)
Customer Deposits	$	(63,726)
Customer Returns (Pre-7/29)	$	(295,936)
	$	(729,662)

The Company is in the process of hiring a valuation firm to allocate the purchase price to the net assets acquired for the business unit acquired. The company anticipates this to be done prior to the filing of it's Form 10Q for the second quarter Ended June 30, 2017.

The following presents the unaudited pro-forma combined results of operations of the Company with Vapor Corp. as if the Acquisition occurred on January 1, 2015.

	YEARS ENDED	
	December 31, 2016	December 31, 2015
REVENUES	$ 4,715,846	$ 5,497,764
Cost of Sales	(3,932,388)	(5,842,342)
Gross Profit	783,458	(344,578)
EXPENSES:		
Selling, General and Administrative	2,075,787	4,049,467
Interest Expense	64,385	-
TOTAL EXPENSES	2,140,172	4,049,467
NET LOSS	(1,356,714)	(4,394,045)
LOSS PER COMMON UNIT	(0.03)	(0.19)
Weighted-Average Common Units Outstanding — Basic and Diluted	44,410,947	22,824,872

The unaudited pro-forma results of operations are presented for information purposes only and are based on estimated financial operations. The unaudited pro-forma results of operations are not intended to present actual results that would have been attained.

NOTE 5: PROPERTY AND EQUIPMENT-NET

	Estimated Useful Lives (Years)	December 31, 2016	December 31, 2015
Furniture and Fixtures	5	$ 30,296	$ -
Warehouse Equipment	5	130	-
		$ 30,426	$ -
Less accumulated depreciation		(2,525)	-
		$ 27,901	$ -

Depreciation expense amounted to $2,525 and $-0- for the years ended December 31, 2016 and 2015, respectively.

NOTE 6: RELATED PARTY

During the year ended December 31, 2016, the Company used the services of a related party owned by Kevin Frija the Company's CEO for travel and marketing costs and incurred cost of $21,393 which was reimbursed during the year.

NOTE 7: PARTNER EQUITY/COMMON UNITS

On May 29, 2015, the Company, entered into a Share Purchase Agreement with Kevin Frija ("Frija Share Purchase Agreement") for a private placement ("Private Placement") of up to 50,000,000 common units representing limited partnership interest of the Company.

The Private Placement has been expected to occur in multiple tranches. For the first tranche, on June 4, 2015, the Company issued 10,000,000 Common Units to Kevin Frija at a purchase price of $0.01 per unit, resulting in gross proceeds of $100,000 to the Company. In subsequent tranches, Kevin Frija has the right to buy an additional 40,000,000 Common Units at a purchase price of $0.01 per unit. The Company has been expecting to receive gross proceeds of $400,000 in the aggregate upon the closing of the subsequent tranches of the Private Placement, which is expected to be completed by September, 2016. No placement agent has participated in the Private Placement.

In connection with the Share Purchase Agreement, the Company named Kevin Frija chief executive officer and chairman of the board of directors of the Company and as a manager of the Company's general partner, VPR Brands LP (the "General Partner"). Contemporaneous with Mr. Frija's appointment as chief executive officer and chairman of the board of Directors, the Company's prior chief executive officer and chairman of the board of directors, Messrs. Jon Pan and Greg Pan, respectively, resigned from their respective positions. Notwithstanding, Mr. Greg Pan continues to serve as a member of the board of directors of the Company and as a manager of the General Partner and Mr. Jon Pan continues to serve as a consultant to the Company. In consideration his resignation as chief executive officer, the Company and the General Partner have entered into that certain Share Purchase Agreement with Jon Pan wherein the Company agreed to grant Jon Pan the right to purchase 10,000,000 of the Company's Common Units, at a price of $0.01 per unit.

The Company, VPR Brands LP and Greg Pan entered into a Termination of Share Purchase Agreement on August 18, 2015, which terminated the Share Purchase Agreement, dated June 1, 2015, among the Company, VPR Brands LP and Greg Pan.

In April 2015, the Company issued 25,000 of the Company's Common Units to a third party in exchange for consulting sales and marketing services for the Company valued at $12,500.

In August 2015, the Company issued 1,980,000 of the Company's Common Units to the former CEO, Jon Pan in exchange consulting services totaling $19,800.

On March 28, 2016, pursuant to the terms of the Frija Share Purchase Agreement, Mr. Frija exercised a right to buy 15,000,000 Common Units at a purchase price of $0.01 per unit, resulting in 15,000,000 Common Units issued to Mr. Frija in exchange for gross proceeds of $150,000 to the Company, leaving a balance of 25,000,000 Common Units to purchase at $0.01 per unit under the right to buy under the Frija Share Purchase Agreement.

On April 29, 2016, the Company issued an aggregate of 720,000 common units, valued at $0.02 per common unit (for an aggregate of $14,400), to four consultants as total compensation paid-in-advance for services related to product development, creative direction and sales and marketing to be provided under their respective consulting agreements with the Company.

On May 23, 2016 ($20,000) and May 31, 2016 ($20,000) and June 16, 2016 ($10,000), pursuant to the terms of the Frija Share Purchase Agreement, Mr. Frija exercised a right to buy 5,000,000 Common Units at a purchase price of $0.01 per unit, resulting in 5,000,000 Common Units issued to Mr. Frija in exchange for total gross proceeds of $50,000 to the Company, leaving a balance of 20,000,000 Common Units to purchase at $0.01 per unit (an aggregate purchase price of $200,000) under the right to buy under the Frija Share Purchase Agreement.

On August 18, 2016, the Company issued 660,000 of the Company's Common Units to employees and consultants of the Company. The common units were issued for services totaling $13,200.

On November 28, 2016, the Company and Kevin Frija, the Company's Chief Executive Officer, entered into a Termination of Certain Provisions of Share Purchase Agreement (the "Frija Termination Agreement"), pursuant to which the Company and Mr. Frija terminated, to the extent not already completed, the rights and obligations of the parties under Section 2 and Section 3 of the Share Purchase Agreement entered into between them on May 29, 2015.

The Frija Termination Agreement operated to terminate, to the extent not already completed, all of the options, rights and obligations of the parties under Section 2 and Section 3 of the Frija SPA, which sections provided for the sale of up to 50,000,000 shares of the Company's common units ("Common Units") by the Company to Mr. Frija at a price of $0.01 per Share.

The sales under the Frija SPA had been expected to occur in multiple tranches. The following sales have occurred under the Frija SPA, all at a price of $0.01 per Common Unit:

(i) June 4, 2015 - 10,000,000 Common Units, for gross proceeds of $100,000 to the Company;

(ii) March 28, 2016 - 15,000,000 Common Units, for gross proceeds of $150,000 to the Company;

(iii) May 23, 2016 - 200,000 Common Units, for gross proceeds to the Company of $20,000;

(iv) May 31, 2016 - 200,000 Common Units, for gross proceeds to the Company of $20,000; and

(v) June 16, 2016 - 100,000 Common Units, for gross proceeds to the Company of $10,000.

No additional sales have been completed under the Frija SPA and thus the Frija Termination Agreement operated to terminate the Company's and Mr. Frija's rights and obligations with respect to the remaining 20,000,000 Common Units available for sale under the Frija SPA.

Contemporaneous with Mr. Frija's appointment as Chief Executive Officer and Chairman of the Board of Directors on June 5 th , 2015, the Company's prior Chief Executive Officer, Mr. Jon Pan. resigned from his position as Chief Executive Officer of the Company. In connection with, and in consideration and as severance for, Mr. Pan's resignation as Chief Executive Officer, the Company and Mr. Pan entered into a Share Purchase Agreement on June 1, 2015 wherein the Company agreed to grant Mr. Pan the right to purchase 10,000,000 Common Units, at a price of $0.01 per Common Unit as disclosed in the Company's Quarterly Report on Form 10-Q filed on August 19, 2015 (the "Pan SPA"). Mr. Pan currently continues to serve as a consultant to the Company

On November 28, 2016, the Company and Mr. Pan entered into a Termination Agreement (the "Pan Termination Agreement"), pursuant to which the Company and Mr. Pan terminated, to the extent not already completed, the rights and obligations of the parties under Section 1 and Section 2 of the Pan SPA.

The Pan Termination Agreement operated to terminate, to the extent not already completed, all of the options, rights and obligations of the parties under Section 1 and Section 2 of the Pan SPA, which sections provided for the sale of up to 10,000,000 Common Units by the Company to Mr. Pan at a price of $0.01 per Common Unit. Through November 28, 2016, no Common Units had been sold to Mr. Pan, and thus the Pan Termination Agreement operated to terminate the Company's and Mr. Pan's rights and obligations with respect to all 10,000,000 Common Units available for sale under the Pan SPA.

To the extent not terminated by the Frija Termination Agreement and the Pan Termination Agreement, the Frija SPA and the Pan SPA, respectively, remain in full force and effect.

No placement agent has participated in the sales under the Frija SPA or the Pan SPA. No termination fees were incurred by the Company pursuant to either the Frija Termination Agreement or the Pan Termination Agreement.

NOTE 8: NOTES PAYABLE

In connection to the business acquisition there was a $500,000 loan from Vapor to the Company, a secured, 36-month promissory note from the Company to Vapor in the principal amount of $500,000 (the "Secured Promissory Note"; together with the Acquisition Note, are referred to herein as the "Notes") bearing an interest rate of prime plus 2% (which rate resets annually on July 29th), which payments thereunder are $14,000 per month, with such payments deferred and commencing on January 26, 2017, with subsequent installments payable on the same day of each month thereafter and in the 37th month (on July 29, 2019), a balloon payment for all remaining accrued interest and principal. Current balance including accrued interest is $504,747.

The Company entered into a Securities Purchase Agreement (the "SPA") with DiamondRock, LLC, an unaffiliated third party ("DiamondRock"), pursuant to which the Company may borrow up to a $500,000 convertible promissory note (the "Note") for a purchase price of $475,000, reflecting an original issue discount of $25,000. The transactions under the SPA closed on November 29, 2016, and the Note was issued on that date.

The Note permits the Company to make additional borrowings under the Note. On November 29, 2016, DiamondRock advanced the first tranche to the Company in the amount of $71,250, which reflected the first borrowing in the amount of $75,000, less the prorated portion of the original issue discount.

Amounts advanced under the Note bear interest at the rate of 8% per year, and the maturity date for each tranche is 12 months from the funding of the applicable tranche. The Company may prepay any amount outstanding under the Note prior to the actual maturity date for a 35% premium (thus paying 135% of the amount owed for that particular maturity).

DiamondRock has the right to convert the outstanding and unpaid principal amount and accrued and unpaid interest of the respective tranche of the Note into shares of common stock of the Company, subject to the limitation that DiamondRock may not complete a conversion if doing so would cause DiamondRock to own in excess of 4.99% of the Company's outstanding shares of common stock, provided that DiamondRock may waive that limitation and increase the ownership cap to up to 9.99%. The conversion price for any conversion under the Note is equal to the lesser of (i) $0.50 and (ii) 65% of the volume weighted average trading price of the Company's common over the 7 trading days ending on the last complete trading day prior to the date of the conversion. In addition, in the event that the Company enters into certain transactions with other parties that provide for a conversion price at a larger discount (than 35%) to the trading price of the Company's common stock, or provides for a longer look-back period, then the conversion price and look-back period under the Note will be adjusted to be such lower conversion price and longer look-back period, as applicable.

If at any time while the Note is outstanding, the Company enters into a transaction structured in accordance with, based upon, or related or pursuant to, in whole or in part, Section 3(a)(10) of the Securities Act of 1933, as amended (covering certain exchange transactions), then a liquidated damages charge of 25% of the outstanding principal balance of the Note at that time will be assessed and will become immediately due and payable to DiamondRock, either in the form of cash payment or as an addition to the balance of the Note, as determined by mutual agreement of the Company and DiamondRock.

The Note also contains a right of first refusal such that, if at any time while the Note is outstanding, the Company has a bona fide offer of capital or financing from any 3rd party that the Company intends to act upon, then the Company must first offer such opportunity to DiamondRock to provide such capital or financing on the same terms. The SPA and the Note contain customary representations, warranties and covenants for transactions of this type.

The following table summarizes the Company's convertible notes as of December 31, 2016 and 2015:

	December 31, 2016	December 31, 2015
Gross proceeds from notes	$ 75,333	$ -0-
Less: Debt discount	(68,750)	-0-
Value of note	$ 6,583	$ -0-

In addition the Company has one note outstanding related to the acquisition of assets from Vapor Corp.

As part of the acquisition the Company secured, one-year promissory note from the Company to Vapor in the principal amount of $370,000 (the "Acquisition Note") bearing an interest rate of 4.5%, which payments thereunder are $10,000 per month, with such payments deferred and commencing on October 28, 2016, with a balloon payment of the remainder of principal and interest on July 29, 2017. Current balance including accrued interest is $288,171.

In exchange for a $500,000 loan from Vapor to the Company, a secured, 36-month promissory note from the Company to Vapor in the principal amount of $500,000 (the "Secured Promissory Note"; together with the Acquisition Note, are referred to herein as the "Notes") bearing an interest rate of prime plus 2% (which rate resets annually on July 29th), which payments thereunder are $14,000 per month, with such payments deferred and commencing on January 26, 2017, with subsequent installments payable on the same day of each month thereafter and in the 37th month (on July 29, 2019), a balloon payment for all remaining accrued interest and principal. Current balance including accrued interest is $504,747.

NOTE 9: COMMITMENTS AND CONTINGENCIES

Lease Agreement

As a result of the July 2016 acquisition, the Company negotiated a three-year lease for its office and warehouse facility. The lease requires monthly payments as follows:

November 15, 2016-June 14, 2017	$	8,390
June 15, 2017-December 14, 2017	$	8,690
December 15, 2017 to June 15, 2018	$	9,090
June 15, 2018-December 14, 2018	$	9,590
December 15, 2018 to June 14, 2019	$	10,190
June 15, 2019 to November 15, 2019	$	10,690

Lease payments in the following years are:

	Year Ended December 31,	
	2017	$102,480
	2018	112,080
	2019	125,280
Total minimum lease payments		$339,840

As a result of the rent varying each year the rent expense is recorded on a straight line basis. As a result the Company has a liability for deferred rent for future rent expense.

Rent expense for the year ended December 31, 2016 and 2015 was $14,722 and $-0-, respectively.

Legal Matters

From time to time, we may be involved in litigation relating to claims arising out of our operations in the normal course of business. As of December 31, 2016, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of our operations and there are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to our interest.

NOTE 10: INCOME TAXES

The Company is a publically traded partnership. As a result no tax provision is recorded for state or federal income taxes. All income or losses pass-through to unit holders.

NOTE 11: SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the date the financial statements have been issues. Other then what is discussed below, there have been no other subsequent events

On March 13, 2017, the Company entered into an agreement with MAPH Enterprises, LLC (“MAPH”) pursuant to which MAPH agreed to provide certain business advisory and consulting services in exchange for payment by the Company of $75,000 and the Company to issue 600,000 restricted shares of Company common stock. The term of the agreement begins on March 13, 2017 and ends on May 1, 2017. Either party may terminate the agreement prior to its expiration upon written notice to the other party upon (a) the failure of any party to cure a material default under the Engagement Letter within five business days after receiving written notice of such default from the terminating party; (b) the bankruptcy or liquidation of either party; (c) the use by any party of any insolvency laws; (d) the performance of MAPH’s services under the Engagement Letter; and (e) the appointment of a receiver for all or a substantial portion of either parties’ assets or business. If terminated, MAPH shall not be required to perform any additional services beyond the termination date and all fees described in the agreement shall be deemed earned in full. These shares are anticipated to be issued in the second quarter of 2017.

As per the convertible note with Diamond Rock in November 2016 Diamond Rock has converted 87,108 shares in March 2017.

The Company issued 720,000 to 4 consultants and employees March 7, 2017 for services performed. The expense for the services were accrued in 2016.

To date for 2017 the Company borrowed an additional $75,000 under the Diamond Rock loan agreement. Terms of the loan are the same as described in Note 8.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VPR Brands, LP

Date: April 17, 2017

By: */s/ Kevin Frija*
Kevin Frija
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Name	Title	Date
/s/ Kevin Frija Kevin Frija	Chief Executive Officer and Director (principal executive officer, principal financial officer and principal accounting officer)	April 17, 2017
/s/Greg Pan Greg Pan	Director	April 17, 2017

Exhibit 21.1

VPR Brands, LP

Subsidiaries

Name	Jurisdiction of Incorporation
No subsidiaries	

Exhibit 31.1

CERTIFICATIONS

I, Kevin Frija, certify that:

1. I have reviewed this annual report on Form 10-K of VPR Brands, LP for the year ended December 31, 2016;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant 's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting , to the registrant 's auditors and the audit committee of the registrant 's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant 's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material , that involves management or other employees who have a significant role in the registrant 's internal control over financial reporting .

Date: April 17, 2017

/s/ Kevin Frija

Kevin Frija

Chief Executive Officer (principal executive officer)

Exhibit 31.2

CERTIFICATIONS

I, Kevin Frija, certify that:

1. I have reviewed this annual report on Form 10-K of VPR Brands, LP for the year ended December 31, 2016;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant 's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant , including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting , or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant 's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant 's internal control over financial reporting that occurred during the registrant 's most recent fiscal quarter (the registrant 's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant 's internal control over financial reporting ; and

5. The registrant 's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting , to the registrant 's auditors and the audit committee of the registrant 's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant 's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material , that involves management or other employees who have a significant role in the registrant 's internal control over financial reporting .

Date: April 17, 2017

/s/ Kevin Frija
Kevin Frija
Chief Executive Officer (principal financial officer)

Exhibit 32.1

CERTIFICATIONS PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the annual report of VPR Brands, LP (the "Company") on Form 10-K for the period ending December 31, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kevin Frija, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: April 17, 2017

/s/ Kevin Frija
Kevin Frija
Chief Executive Officer (principal executive officer and principal financial officer)