OTC Markets







OTC Pink Basic Disclosure Guidelines

OTC Pink Basic Disclosure Guidelines

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Current Name of Issuer:

Kona Gold Solutions, Inc.

Past Names of Issuer:

- Formerly=Union Equity, Inc. until 8-2015
- Formerly=PhaserTek Medical, Inc. until 11-04
- Formerly=Class-ique Talent Agency, Inc. until 1-02

2) Address of the issuer's principal executive offices

Company Headquarters

1591 Savannah Hwy
Suite 201
Charleston, SC 29407

Phone: 844-714-2224
Email: info@konagoldhemp.com
Website: www.konagoldhemp.com

IR Contact

1591 Savannah Hwy
Suite 201
Charleston, SC 29407
Phone: 844-714-2224
Email: info@konagoldhemp.com
FB: https://www.facebook.com/konagoldhemp
Twitter: https://twitter.com/konagoldhemp

3) Security Information

Trading Symbol: KGKG

Exact title and class of securities outstanding: Common Shares

- Current Issued Common Shares 75,965,449 as of 2/24/2016
- Outstanding Common Shares 75,965,449 as of 2/24/2016
- Current Issued Preferred Shares 1,788,000 as of 2/24/2016
- Current Outstanding Preferred Shares 1,788,000 as of 2/24/2016
- Float 14,031,197 as of 2/24/2016
- Cusip# 50050L 107
- Total Authorized for common shares 1,000,000,000
- Par value for common shares $0.0000001

Additional class of securities (if necessary):

Trading Symbol: KGKG
Exact title and class of securities outstanding: Series A and B Preferred Shares

- Par value for preferred shares $0.0000001
- Current Issued Preferred Shares 1,788,000 as of 1/5/2016
- Current Outstanding Preferred Shares 1,788,000 as of 1/5/2016
- Cusip# 50050L 107

Transfer Agent

Action Stock Transfer
2469 E. Fort Union Blvd, Suite 214
Salt Lake City, UT 84121
(801) 274-1088 voice
(801) 274-1099 fax
jb@actionstocktransfer.com
www.actionstocktransfer.com

Is the Transfer Agent registered under the Exchange Act?* Yes

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

N/A

Describe any trading suspension orders issued by the SEC in the past 12 months.

NONE

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

Capital Change=shares increased by 2.564 for 1 split. Ex-date=01/10/2002. Rec date=01/09/2002. Pay date=01/10/2002.

Capital Change=shares increased by 7 for 1 split Ex-date=05/17/2005. Rec date=04/27/2005. Pay date=05/16/2005.

Capital Change=shares decreased by 1 for 10000 split Pay date=09/22/2010.

Capital Change=shares decreased by 1 for 1500 split. Pay date=08/13/2015.

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);
   N/A

B. Any jurisdictions where the offering was registered or qualified;
   N/A

C. The number of shares offered;
   N/A

D. The number of shares sold;
   N/A

E. The price at which the shares were offered, and the amount actually paid to the issuer;
   N/A

F. The trading status of the shares; and
   N/A

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

H. N/A

5) Financial Statements

Kona Gold Solutions, Inc
Balance Sheet

	2012
Assets	
Current Assets	
Cash and Cash Equivalents	73,488.20
Short Term Investments	-
Due to from shareholders	
Net Receivables	-
Inventory	-
Other Current Assets	-
Total Current Assets	**73,488.20**
Artist and Programmers	
Web Site Purchase	
Long Term Investments	-
Property Plant and Equipment	7.00
Goodwill	-
Accumulated Depreciation	
Intangible Assets	-
Accumulated Amortization	-
Other Assets	-
Deferred Long Term Asset Charges	-
Total Assets	**73,495**
Liabilities	
Current Liabilities	
Accounts Payable	-
Short Term and Current Long Term Debt	-
Convertible Notes Payable - From December 31, 2012	73,468
Stockholders Advacne	
Other Current Liabilities	-
Total Current Liabilities	**73,468**
Long Term Debt	-
Other Liabilities	-
Deferred Long Term Liability Charges	-
Minority Interest	-
Negative Goodwill	-
Total Liabilities	**73,468**
Stockholders' Equity	
Misc. Stock Options Warrants	-
Redeemable Preferred Stock	-
Preferred Stock	-
Common Stock	20
Retained Earnings	-27
Additional Paid in Capital	
Treasury Stock	-
Accumulated Deficit	
Capital Surplus	34
Net Income	
Other Stockholder Equity	-
Total Stockholder Equity	**27**
Net Tangible Assets	**27**

Kona Gold Solutions, Inc.

Balance Sheet

	2013
Assets	
Current Assets	
Cash and Cash Equivalents	73,488.20
Short Term Investments	-
Due to from shareholders	
Net Receivables	-
Inventory	-
Other Current Assets	-
Total Current Assets	**73,488.20**
Artist and Programmers	
Web Site Purchase	
Long Term Investments	85.00
Property Plant and Equipment	7.00
Goodwill	-
Accumulated Depreciation	
Intangible Assets	-
Accumulated Amortization	-
Other Assets	-
Deferred Long Term Asset Charges	-
Total Assets	**73,580**
Liabilities	
Current Liabilities	
Accounts Payable	-
Short Term and Current Long Term Debt	-
Convertible Notes Payable - From December 31, 2012	73,468
Stockholders Advacne	
Other Current Liabilities	-
Total Current Liabilities	**73,468**
Long Term Debt	-
Other Liabilities	-
Deferred Long Term Liability Charges	-
Minority Interest	-
Negative Goodwill	-
Total Liabilities	**73,468**
Stockholders' Equity	
Misc. Stock Options Warrants	-
Redeemable Preferred Stock	-
Preferred Stock	-
Common Stock	20
Retained Earnings	-27
Additional Paid in Capital	
Treasury Stock	-
Accumulated Deficit	
Capital Surplus	119
Net Income	
Other Stockholder Equity	-
Total Stockholder Equity	**112**
Net Tangible Assets	**112**

Kona Gold Solutions, Inc.

Balance Sheet

	2014
Assets	
Current Assets	
Cash and Cash Equivalents	73,468
Short Term Investments	
Due to from shareholders	3,089
Net Receivables	
Inventory	
Other Current Assets	
Total Current Assets	**76,557**
Artist and Programmers	26,500
Web Site Purchase	26,490
Long Term Investments	
Property Plant and Equipment	8,850
Goodwill	
Accumulated Depreciation	(2,808)
Intangible Assets	
Accumulated Amortization	(3,680)
Other Assets	
Deferred Long Term Asset Charges	
Total Assets	**131,909**
Liabilities	
Current Liabilities	
Accounts Payable	314
Short Term and Current Long Term Debt	
Convertible Notes Payable - From December 31, 2012	73,468
Stockholders Advacne	7,685
Other Current Liabilities	
Total Current Liabilities	**81,467**
Long Term Debt	
Other Liabilities	
Deferred Long Term Liability Charges	
Minority Interest	
Negative Goodwill	
Total Liabilities	**81,467**
Stockholders' Equity	
Misc. Stock Options Warrants	
Redeemable Preferred Stock	
Preferred Stock	0
Common Stock	625
Retained Earnings	
Additional Paid in Capital	134,015
Treasury Stock	
Accumulated Deficit	(84,197)
Capital Surplus	
Net Income	
Other Stockholder Equity	
Total Stockholder Equity	**50,443**
Net Tangible Assets	**50,443**

Kona Gold Solutions, Inc.
Balance Sheet
Quarter Ending December 2015

	December 31, 2015
ASSETS	
Current Assets	
Wells Fargo	87,440
Accounts Receivable	
Inventory	
Due from Shareholder	
Total Current Assets	87,440
	-
Total Other Assets	-
Total Assets	$ 87,440
LIABILITIES AND STOCKHOLDER'S EQUITY	
Current Liabilities	
Accounts Payable	8,000
Total Current Liabilities	8,000
Long Term Liabilites	
Convertible Notes Payable - From December 31, 2012	73,468
Notes Payable - Related Parties	
Total Long Term Liabilities	73,468
Stockholder's Equity (Defecit)	
Preferred Stock	
Common Stock	
Common Stock (25,000,000 Common Stock)	
Retained Earnings	
Additional Paid in Capital	
Net Income	(20,088)
Capital Investment	26,000
Opening Balance	60
Deficit	
Total Equity	5971.82
Total Liabilities and Stockholder's Equity	87,440

Kona Gold Solutions, Inc.

Statements of Operations

Quarter Ending December 2015

	December 31, 2015
Revenue, net	$ -
Cost of Goods Sold	-
Gross Income	-
Expenses	
Accounting and Legal Fees	
Professional Fees	2,835
Office Supplies	79
Utilities	
Management Fees	3,000
Miscellaneous	
Merchant Services Fee	
Meals and Entertainment	
Product Development and Design	14,000
Advertising and Promotion	
Bank Service Charges	29
Travel Expense	20
Web Development and Hosting	125
Total Expenses	20,088
Net Income (Loss)	(20,088)

Kona Gold Solutions, Inc.
Statements of Operations
Quarter Ending December 2015

	December 31, 2015
Cash Flows From Operating Activities	
Net Income (Loss)	(20,088)
Adjustments to Reconcile Net Loss to Net Cash Used by Operating Activities	
Depreciation Expense	
Forgiveness of Debt	
Prepaid Expenses	
Accounts Receivable	
Inventory	
Accounts Payable	8,000
Deposits	
Stock Issued to Repay Debt	
Common Stock Issued for Services	
Net Cash Used by Operation Activities	(12,088)
Cash Flow from Investing Activities	
Increase Due to Related Party	
Purchase of FFE	
Net Cash Provided by Investing Activities	-
Cash Flows from Financing Activities	
Proceeds from Issuance of Common Stock	
Proceeds from Issuance of Preferred Stock	
Notes Payable	
Stockholder Contributions	
Capital Investment	26,000
Net Cash Provided by Financing Activities	26,000
Net Change in Cash	
Cash in Beginning of Period	60
Net cash increase for period	
Opening Balance Equity	
Cash at End of Period	$ 13,972
Supplemental Cash Flow Information	
Cash Paid During the Period for:	
Interest	
Income Taxes	

Kona Gold Solutions, Inc.
Statements of Stockholder's (Defecit)
Quarter Ending December 2015

	Preferred Stock Series A		Preferred Stock Series B		Common Stock				
	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Total
Balance, December 31, 2012	1,300,000	$0.00	491,000	$0.00	6,947,886,502	$695	$1,178,707	-$1,177,402	$0.00
Net Income									
Balance, December 31, 2013	1,300,000	0	491,000	0	6,947,886,502	695	1,178,707	-1,177,402	0
Shares Converted	0	0	-3,000	0	300,000,000	30	-30	0	0
Shares Canceled	0	0	0	0	-1,000,000,000	-100	100	0	0
Captial contribution by principal stockholder	0	0	0	0	0	0	148,055	0	148,055
Net loss	0	0	0	0	0	0	0	-146,655	-146,655
Balance, December 31, 2014	1,300,000	$0	488,000	$0	6,247,886,502	$625	$2,505,539	-$1,324,057	$1,400
Balance, December 31, 2015	1,300,000	$0	488,000	$0	75,965,449	$8	$2,505,539	-$1,324,057	$1,400

6) Describe the Issuer's Business, Products and Services

Kona Gold is a premier hemp company that intends to create products in the hemp niche market. Focusing on the energy drink, energy shot, energy patch, apparel, hair care, and hydroponic markets, Kona Gold is positioning itself to be a premiere lifestyle brand.

Industrial hemp was once a dominant crop on the American landscape. This hardy and renewable resource (one of the earliest domesticated plants known, with roots dating back to the Neolothic Age in China) was refined for various industrial applications, including paper, textiles, and cordage.

Over time, the use of industrial hemp has evolved into an even greater variety of products, including health foods, organic body care, clothing, construction materials, biofuels, plastic composites and more (according to one source, more than 25,000 products can be made from hemp).

In the U.S., the first hemp plantings were in Jamestown, Virginia, where growing hemp was actually mandatory. From then on hemp was used in everything from 19th century clipper ship sails to the covers of pioneer wagons. The Declaration of Independence was drafted on hemp paper, and even the finest Bible paper today remains hemp-based.

In the early 20th century, hemp-derived cellulose was promoted as an affordable and renewable raw material for plastics; Henry Ford even built a prototype car from biocomposite materials, using agricultural fiber such as hemp.

After that things started to go downhill. In 1937, the passage of "Marihuana Tax Act" occurred, and, despite the U.S. government's "Hemp for Victory" campaign during World War

II, misplaced fears that industrial hemp is the same as marijuana combined with targeted harassment by law enforcement discouraged farmers from growing hemp. The last crop was grown in Wisconsin in 1958, and by 1970 the Controlled Substances Act (CSA) formally prohibited cultivation (although the state of Hawaii is home to the first industrial hemp crop to be cultivated since the passage of the CSA).

The Situation Today

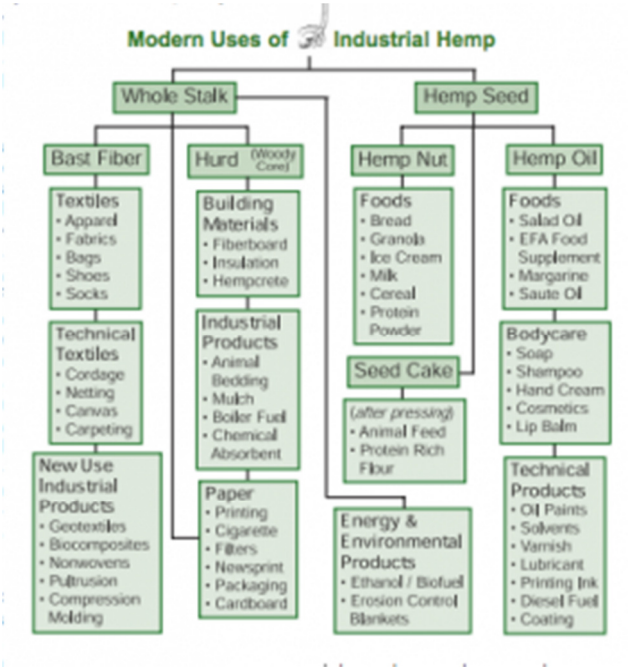
Sustainable hemp seed, fiber and oil are still used in raw materials by major companies, including Ford Motors, Patagonia, and The Body Shop, to make a wide variety of products. However, most hemp product manufacturers are forced to import hemp seed, oil and fiber from growers in Canada, Europe, and China because American farmers are prohibited by law from growing this low-input sustainable crop.

In 2012 the U.S. hemp industry was valued at an estimated $500 million in annual retail sales and growing for all hemp products, according to the Hemp Industries Association, a non-profit trade organization consisting of hundreds of hemp businesses.

Not only can hemp be used for an astonishing number of products, its net environmental benefit is impressive. Among the more salient features, hemp grows in a variety of climates and soil types, is naturally resistant to most pests, and grows very tightly spaced allowing it to outcompete most weeds. A natural substitute for cotton and wood fiber, hemp can also be pulped using fewer chemicals than wood because of its low lignin content. Its natural brightness can obviate the need to use chlorine bleach.

Why is this incredible plant illegal?

Because it is erroneously confounded with marijuana, and many policymakers believe that by legalizing hemp they are legalizing marijuana, which is not true. Canada, Britain, France, Germany, and Spain, along with over twenty other countries, cultivate and process industrial hemp without affecting the enforcement of marijuana laws.



In fact, industrial hemp and marijuana are different breeds of *Cannabis sativa*; hemp has no value as a recreational drug. Actually smoking large amounts of hemp flowers can produce a significant headache, but not a high.

To delve further in the details, in most western countries industrial hemp is distinguished from marijuana on the basis of THC (the chief intoxicant in marijuana) content, which allows the growing of industrial hemp for fiber and seed. Regulations in the E.U. and Canada (31 countries currently grow industrial hemp) limit THC levels in hemp flowers to 0.2 percent and 0.3 percent, respectively, and prevent attempts

to camouflage marijuana in hemp fields. Comparatively, THC levels in marijuana flowers are generally between 3 percent and 15 percent.

A hemp revival is beginning to gain momentum. Perception is beginning to shift in the U.S. Over the past several decades, there's been a resurgence of interest in hemp by a diverse but increasingly politically influential and unified group of businesses, farmers, nutritionists, activists, and green consumers.

What has to occur is a change in the federal policy to essentially revise the definition of "marijuana" so that the term excludes industrial hemp, and then enact specified procedures and requirements relating to growing industrial hemp and those who cultivate industrial hemp.

"A change in federal policy to once again allow hemp farming would mean instant job creation, among many other economic and environmental benefits," says Tom Murphy, the National Outreach Coordinator of Vote Hemp.

Current Federal and State Legislative Progress

The Industrial Hemp Farming Act of 2013 (H.R. 525) was recently introduced in the House with 28 original co-sponsors, and it was quickly joined by a companion bill in the Senate (S. 359) which was introduced by Senators Ron Wyden (D-OR), Rand Paul (R-KY), Jeff Merkley (D-OR), and Minority Leader Mitch McConnell (R-KY), underscoring the bipartisan support around the hemp issue.

If passed, the bills would remove federal restrictions on the domestic cultivation of industrial hemp, defined as the non-drug oilseed and fiber varieties of *Cannabis*. The full text of the bills, as well as status and co-sponsors, can be found online.

H.R. 525 is the fifth bill introduced in the U.S. House of Representatives in support of industrial hemp farming since the federal government outlawed it in the U.S. in 1971.

At the state level, the first hemp bill was introduced in Colorado in 1995. To date, 31 states have introduced pro-hemp legislation and 19 have passed such legislation.

- Eight states (Colorado, Maine, Montana, North Dakota, Oregon, Vermont, Washington and West Virginia) have defined industrial hemp as distinct and removed barriers to its production.
- Three states (Hawaii, Kentucky and Maryland) have passed bills creating commissions or authorizing hemp research;
- Nine states (California, Colorado, Illinois, Montana, New Hampshire, New Mexico, North Dakota, Vermont and Virginia) have passed hemp resolutions; and,
- Six states (Arkansas, Maine, Minnesota, New Mexico, North Carolina and Vermont) have passed hemp study bills.

However, despite state authorization to grow hemp, farmers in those states still risk raids by federal agents, prison time, and property and civil asset forfeiture if they plant the crop due to

the failure of federal policy to distinguish non-drug oilseed and fiber varieties of *Cannabis* (i.e., industrial hemp) from psychoactive drug varieties (i.e., "marihuana").

The Future of Hemp in the U.S.

Hemp is not a panacea for our social, economic, and environmental woes—no single crop can do that.

However, as we transition to a future that embraces more sustainable agriculture practices industrial hemp can help lead the way. With focused and sustained research and development, hemp could spur dramatic positive ecological and economic benefits. For instance, renewable, fast-growing hemp is a substitute for many unsustainable products like non-organic cotton (which currently uses more than 25 percent of the world's insecticides and more than 10 percent of the world's pesticides) and many plastic products.

In addition to supporting a federal policy change on industrial hemp, each of us can help grow the hemp marketplace by buying hemp products and also by staying informed and talking to our state and national representatives, and our friends and family, about the benefits of industrial hemp for the economy and the environment.

Hemp (from Old English *hænep*) is a commonly used term for high-growing industrial varieties of the *Cannabis* plant and its products, which include fiber, oil, and seed. Hemp is refined into products such as hemp seed foods, hemp oil, wax, resin, rope, cloth, pulp, paper, and fuel.

Hemp is not to be confused with the close relative of the herb *Cannabis* which is widely used as a drug, commonly known as marijuana. These variants are typically low-growing and have higher content of tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoids. The legality of *Cannabis* varies widely from country to country, and from state to state in the United States. In many countries regulatory limits for concentrations of psychoactive drug compounds, particularly THC, in hemp require the use of strains of the plant which are bred for low content.[1]

Hemp is used for many varieties of products including the manufacture of cordage of varying tensile strength, durable clothing and nutritional products. The *bast fibers* can be used in 100% hemp products, but are commonly blended with other organic fibers such as flax, cotton or silk, for apparel and furnishings, most commonly at a 55%/45% hemp/cotton blend. The inner two fibers of hemp are more woody and are more often used in non-woven items and other industrial applications, such as mulch, animal bedding and litter. The oil from the fruits ("seeds") oxidizes (commonly, though inaccurately, called "drying") to become solid on exposure to air, similar to linseed oil, and is sometimes used in the manufacture of oil-based paints, in creams as a moisturizing agent, for cooking, and in plastics. Hemp seeds have been used in bird feed mix as well.[2] A survey in 2003 showed that more than 95% of hemp seed sold in the EU was used in animal and bird feed.[3]

In modern times hemp is used for industrial purposes including paper, textiles, clothing, biodegradable plastics, construction (as with Hempcrete and insulation), body products, health food and bio-fuel.

Food

Hemp seeds can be eaten raw, ground into a meal, sprouted, made into hemp milk (akin to soy milk) and hemp juice, prepared as tea,[4] and used in baking. Roughly 30-35% of the mass of the seeds can be extracted as hempseed oil, which is rich in unsaturated fatty acids. The fresh leaves can also be consumed in salads. Products include cereals, frozen waffles, hemp milk ice cream, hemp tofu, and nut butters. A few companies produce value added hemp seed items that include the seed oils, whole hemp grain (which is sterilized by law in the United States, where they import it from China and Canada), dehulled hemp seed (the whole seed without the mineral rich outer shell), hemp flour, hemp cake (a by-product of pressing the seed for oil) and hemp protein powder. Even though hemp and marijuana are both made from the *Cannabis* plant, hemp seeds contain negligible levels of tetrahydrocannabinol (THC),[*citation needed*] which is the psychoactive substance in marijuana.

Market share

Within the UK, the Department for Environment, Food and Rural Affairs (Defra) has treated hemp as purely a non-food crop. Seed appears on the UK market as a legal food product, and cultivation licenses are available for this purpose. In North America, hemp seed food products are sold, typically in health food stores or through mail order. The United States Department of Agriculture has concluded that "the market potential for hemp seed as a food ingredient is unknown. However, it probably will remain a small market, like those for sesame and poppy seeds."[5] In 2011, the U.S. imported $11.5 million worth of legal hemp products, up from $1.4 million in 2000, most of that driven by growth in hemp seed and hemp oil used in food products.[6]

Hemp isn't just for hippies anymore.

Companies are spending more resources to keep up with the growing demand for the crop — which has been recognized for how it helps a variety of products, including clothing, biodegradable plastic, food and building materials.

Here are some facts about hemp, which has had a hazy reputation over the years:

What is hemp?

Many people still confuse hemp with marijuana.

Both are strains of the plant Cannabis satvia, but hemp won’t get a person high — because it has such a low count of tetrahydrocannabinol, or THC, the chemical that alters brain functions.

Hemp also has a high level of cannabidiol, an anti-psychoactive chemical that actually blocks a high.

Confusion in the law

Since hemp still contains THC, the U.S. federal government classified it as an illegal drug — and, until recently, was illegal to grow in the states.

It wasn't until the feds passed the 2014 Farm Bill that states were allowed to certify and register universities and state departments to grow industrial hemp for research purposes.

The federal bill gives each state the right to determine whether or not farmers can legally grow commercial hemp. So far, 22 states allow farmers to grow industrial hemp and seven states, including New York, allow research-related programs for the crop.

In January, the Industrial Hemp Farming Act of 2015 was introduced to the U.S. Senate and hopes to separate industrial hemp from the definition of marijuana.

But it is still waiting for a vote.

The root of hemp

Hemp has deep roots in the world's history.

Being used as early as 10,000 B.C. in China, hemp was a popular crop because it made paper, rigging for ships and clothing.

Even George Washington farmed hemp in Mount Vernon.

During World War II, the U.S. government turned to domestic hemp to create war goods when Japan cut off supplies.

But soon after the war, the government started its campaign against marijuana, and much of the hemp history and growing techniques vanished from the U.S. culture, Eric Steenstra, executive director of Hemp Industries Association, told the Daily News.

"The knowledge on how to grow hemp was lost," Steenstra said.

It wasn't until the feds passed the 2014 Farm Bill that states were allowed to certify and register universities and state departments to grow industrial hemp for research purposes.

Clothing that lasts

Hemp fiber is one of the most durable natural materials found around the world.

Hemp is a good textile for making clothing that feels good and soft like linen — but also durable, said Robert Jungmann, the founder of the hemp clothing line Jungmaven.

"Hemp is a natural resource that grows fast. (Deciding to use it) was like a big lightbulb," Jungmann said.

Although hemp clothing can be more expensive than cotton, Jungmann said, the clothing lasts years and is an investment that pays off.

Also, wearing hemp benefits the skin since it discourages growth of bad bacteria, Jungmann said.

A crop that gives back

Hemp is a hardy crop that requires no irrigation, no pesticides or synthetic fertilizers, and is harvested and processed by hand, said Adam Fetcher, spokesman for the clothing company Patagonia.

The low-impact plant also absorbs a substantial amount of carbon dioxide and returns it to the soil, Jungmann said.

A profitable import

Americans purchased an estimated $620 million of hemp products in 2014, Steenstra said.

All of the hemp used in these products was imported from other countries even if the product was made in the U.S.

Most of these imports were from China — the leading grower of hemp — Europe and Canada, Steenstra said.

A lucrative future

The hemp industry will take time to grow and is a long-term venture for a lot of companies, Steenstra said.

"People are making an investment in this to get the industry growing," Steenstra said.

Some argue that the industry will help to create jobs and improve the troubled farming industry in the states.

"It's really going to be tremendous for all of America, not just farmers," Colorado hemp farmer Ryan Loflin said.

"The future is honestly endless. I don't see a seal on this industry."

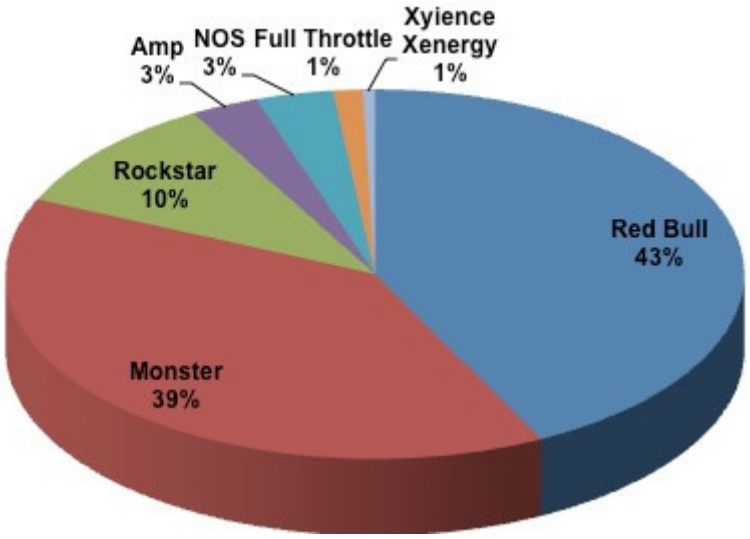
Energy Drink Market

Red Bull continues to dominate as the energy drink leader, but Monster has experienced huge growth in the last few years.

The energy drink market continues to grow even in light of the tough economy and increased health scrutiny. Soda sales have been declining steadily over the same period, while energy drink sales have been booming.

Despite recent FDA scrutiny regarding the safety of these beverages, 2013 energy drink sales are up 6.7% over last year in the USA alone.

Did your favorite energy drink make the list?



Energy Drink Brand Market Share 2014

USA Top Selling Energy Drink Brands

Rank	2014	2014 sales ($millions)	2013	2013 sales ($millions)	2012	2012 sales ($millions)	2011	2011 sales ($millions)	2010	2010 sal ($millio
1	**Red Bull**	2,883	**Red Bull**	3,433	**Red Bull**	2,950	**Red Bull**	2,300	**Red Bull**	2,200
2	**Monster**	2,476	**Monster**	3,147	**Monster**	2,600	**Monster**	1,900	**Monster**	1,500
3	**Rockstar**	647	**Rockstar**	821	**Rockstar**	780	**Rockstar**	660	**Rockstar**	400
4	**NOS**	294	**NOS**	274	**Amp**	300	**Amp**	330	**NOS**	200
5	**Amp**	212	**Amp**	239	**NOS**	250	**Doubleshot**	250	**Doubleshot**	180
6	**Full Throttle**	114	**Full Throttle**	104	**Full Throttle**	140	**NOS**	220	**Amp**	140
7	**Xyience Xenergy**	40	**Xyience Xenergy**	43	**Xyience Xenergy**	40	**Full Throttle**	130	**Full Throttle**	110
8	**Arizona Energy**	28	**VPX Redline**	–	**VPX Redline**	15	**Xyience Xenergy**	30	**–**	–
9	**Rip It**	22								
10	**Venom**	19								

* Although the energy drink market grew in 2014 with all the major brands showing increased sales as well, the data above doesn't reflect this. This is due to IRI² not having access to certain retailers' sales data. Pre 2013 data does not include Walmart sales so most numbers would be higher with that factored in. 2009 sales data is unavailable.

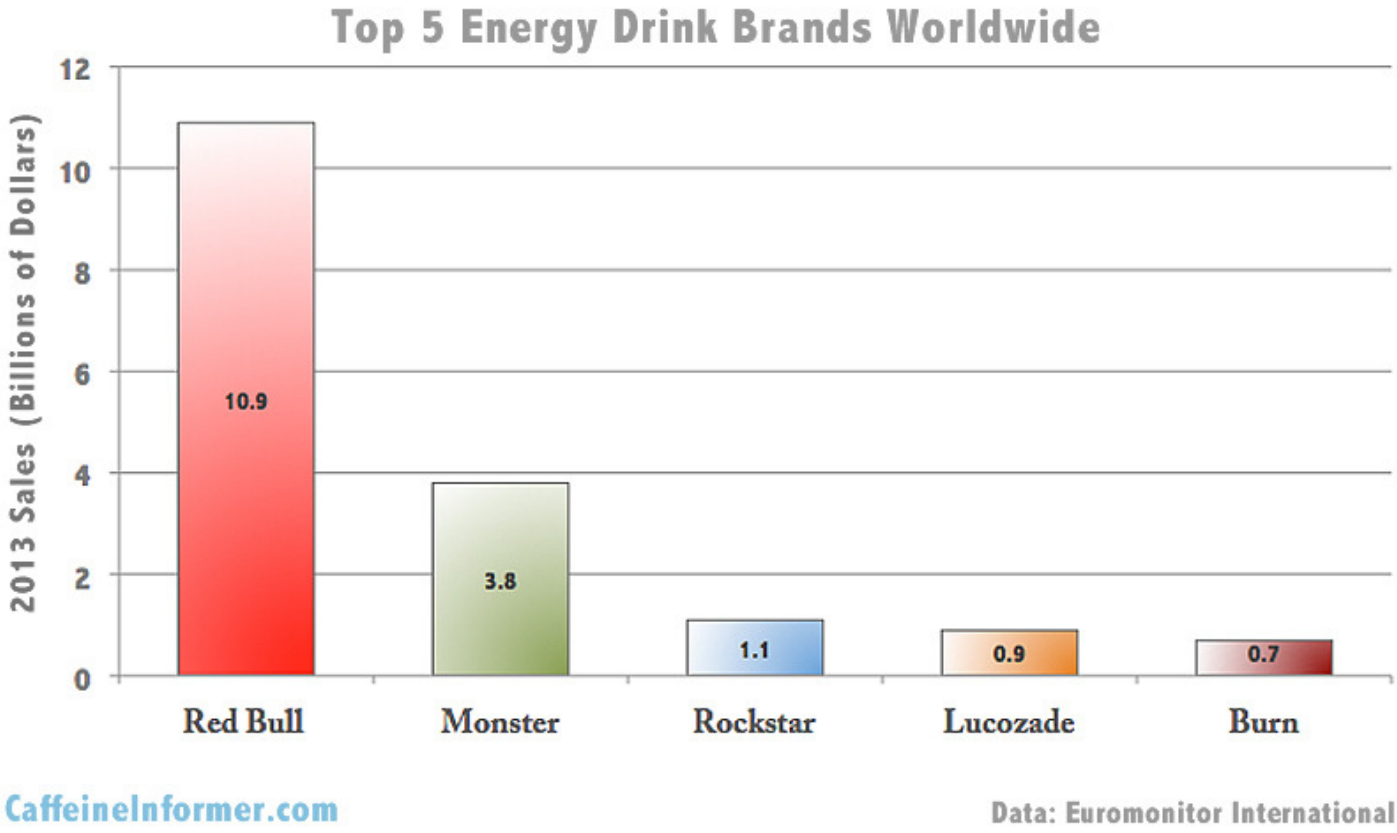
The top Monster drinks are: Monster Energy, Java Monster, Monster Mega Energy, and Monster Rehab.

In case you didn't read that correctly: Red Bull sold US$3.4 BILLION dollars of energy drink product in the 52 weeks prior to July 2013. Monster sold US$3.1 BILLION worth.

Advertisement

A huge part of energy drink popularity is in the sponsorship efforts, with top brands spending large sums of money to achieve brand placement. Xyience has definitely been lifting their marketing efforts and it's paying off with their recent entrance into the top 15 energy drinks ranking.

Based on worldwide sales figures here's how the energy drink brands stack up worldwide.



The data for the above graph was provided to us by Euromonitor International who tracks the worldwide sales of energy drinks and many other consumer products.

Red Bull has a sizable lead in the USA, but worldwide the energy drink giant has a massive lead over any other competitor.

Top Selling Energy Shot Brands



Rank	2015	2015 sales ($millions)	2014	2014 sales ($millions)	2013	2013 sales ($millions)	2012	2012 sales ($millions)	2011	2011 sales ($millions)
1	**5 Hour Energy**	725	**5 Hour Energy**	732	**5 Hour Energy**	1,114	**5 Hour Energy**	896	**5 Hour Energy**	996
2	**Stacker inc/6 hr. Power**	10	**Stacker inc/6 hr.**	11	**Stacker inc/6 Hour**	47	**6 Hour Power**	30	**6 Hour Power**	22

			Power		Power					
3	**Tweaker**	8.3	**Tweaker**	8	**Private Label**	17	**Red Bull Shot**	25	**Worx**	14
4	**RhinoRush**	3.7	**Street King**	3.7	**Worx Energy Shot**	7	**Monster Hitman**	10	**E6**	5
5	**Vital 4 U**	3.5	**Vital 4 U**	3.4	**Tweaker**	5	**Stacker 2**	4	**Stacker 2**	4
6	**Fuel In A Bottle**	3.3	**Fuel In A Bottle**	3	**Street King**	4.9	**Nitro 2 Go**	3.4	**Redline Power Rush**	3.5
7	**Street King**	3	**RhinoRush**	2.9	**E6 Energy Shot**	3.9	**Redline**	3.2	**Spike Double Shot**	3.2
8	**E6 Energy Shot**	2.5	**Nitro 2 Go**	2.68	**Rip It Energy Shot**	3.2	**Vital 4U**	3.1	**Vital 4U**	3
9	**Rip It Shot**	1.7	**E6 Energy Shot**	2.65						
10	**Nitro 2 Go**	1.4	**Worx Energy Shot**	1.3						

5 Hour Energy certainly has the energy shot market cornered with none of the others anywhere in the same universe as 5 Hour, but they seem to be losing their dominance in late 2014 as other brands gain market share. The energy shot market segment **was down 4.1% in 2014** compared to the same time period the previous year and in 2015 down again. It looks like some are losing their enthusiasm for the energy shot. [2]

Top Selling Energy Drink Mixes

Rank	2013	2013 sales ($millions)
1	**MIO Energy**	55
2	**Crystal Light Energy**	39.5
3	**Private Label**	36.7
4	**Propel Energy Drink Mix**	23
5	**Zipfizz**	12.5
6	**4C Energy Rush**	3.3
7	**Ecodrink**	1.5
8	**Splash**	.34

Which Companies Own Which Brands?

It's also interesting to note that some parent companies own several different brands of energy drinks. Here's a bit of the breakdown.

1. Coca Cola owns Nos, Burn, and Relentless but has given Monster Energy the rights to these brands.
2. Pepsi Co. owns Amp, Starbucks bottled drinks, Mountain Dew Kickstart but sold No Fear.
3. Monster also owns Worx Energy Shot.
4. Coca-Cola just bought a 17% Stake in the Monster Beverage Company. Monster will take over Coke's Energy Drink Brands and Coke takes over Monster's Hanson brand.
5. Rockstar is still flying solo, but is distributed by Pepsi.

(http://www.caffeineinformer.com/the-15-top-energy-drink-brands
http://www.caffeineinformer.com/the-15-top-energy-drink-brands)

Research and Markets (http://www.researchandmarkets.com/research/mbbjvv/global_energy) has announced the addition of the "Global Energy Drinks Market: Insights, Market Size, Share, Growth, Trends Analysis and Forecast to 2021" report to their offering.

The global energy drinks market was worth USD 39760.8 million in 2013 and it is expected to reach USD 61707.5 million by 2021 at a CAGR of 5.8% over the forecast period.

Raising health concerns and growing popularity of energy drinks are expected to boost the energy drinks market over the forecast period. Furthermore, significant growth in number of athlete and sports persons is likely to support the growth in this market in the near future. Energy drinks are being marketed as an important alternative to carbonated drinks therefore; there is a significant increase in the number of people switching from carbonated drinks to energy drinks over the last few years. Furthermore, energy drinks are gaining popularity among all the age groups due to the health benefits associated with them. One of the major restrains that is likely to limit the growth in this market is certain energy drinks including popular ones contain ingredients that are potentially harmful to children. Moreover, alcoholic energy drinks pose side effects on health hence are expected to experience sluggish growth over the forecast period. This in turn is likely to hamper the market size of energy drinks market in the world.

The report on global energy drinks market provides insights of drivers, restraints and opportunities, Porter's five forces analysis and value chain analysis of Energy Drinks market. Moreover, the study highlights current market trends and provides forecast from 2014 to 2021. The report also has highlighted future trends in the global energy drinks market that will impact the demand during the forecast period. Furthermore, the competitive landscape is provided for both global as well as regional markets. It helps analyze the current competitive situation as well as competitiveness over the past few years. The report also analyzes the distribution share in the regional markets such as North America, Europe, Asia Pacific, Latin America and Rest of the World.

The key investment market analysis provided in this report highlights key investing markets in the world. Moreover, the competitive analysis given in each regional market brings an insight on the market share of the leading players. Additionally, the analysis highlights rise and fall in the market shares of the key players in the market. This report will help manufacturers, suppliers and distributors to understand the present and future trends in this market and formulate their strategies accordingly.

A. the issuer's primary and secondary SIC Codes;

- 6722 - Management investment, open-ended

B. the issuer's fiscal year end date;

- 12/31

C. principal products or services, and their markets;

- Kona Gold Solutions, Inc. is currently in the process of developing a premier Hemp Infused Product line. Kona Gold LLC, the companies only subsidiary, has started the process of developing its Hemp Product line. Kona Gold will begin developing Hemp Energy Drinks, Energy Patches, Hemp Apparel, Hemp Shampoo as well as a Hydroponics division; please visit the Company's new website to view updates and new products www.konagoldhemp.com. Kona Gold's markets are the Hemp, Energy Drink, Apparel and Shampoo Markets.



Business Plan

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1.0 Executive Summary

Kona Gold, LLC is a premium hemp company that intends to develop, design, trademark, and market products related to hemp lifestyle niche markets. Kona Gold's energy drink and energy shot formula has already been created and is in the production phase. Two trademarks have been initially filed for that pertains to energy drinks and apparel. The company projects upwards of $12.8 million in sales in year three.

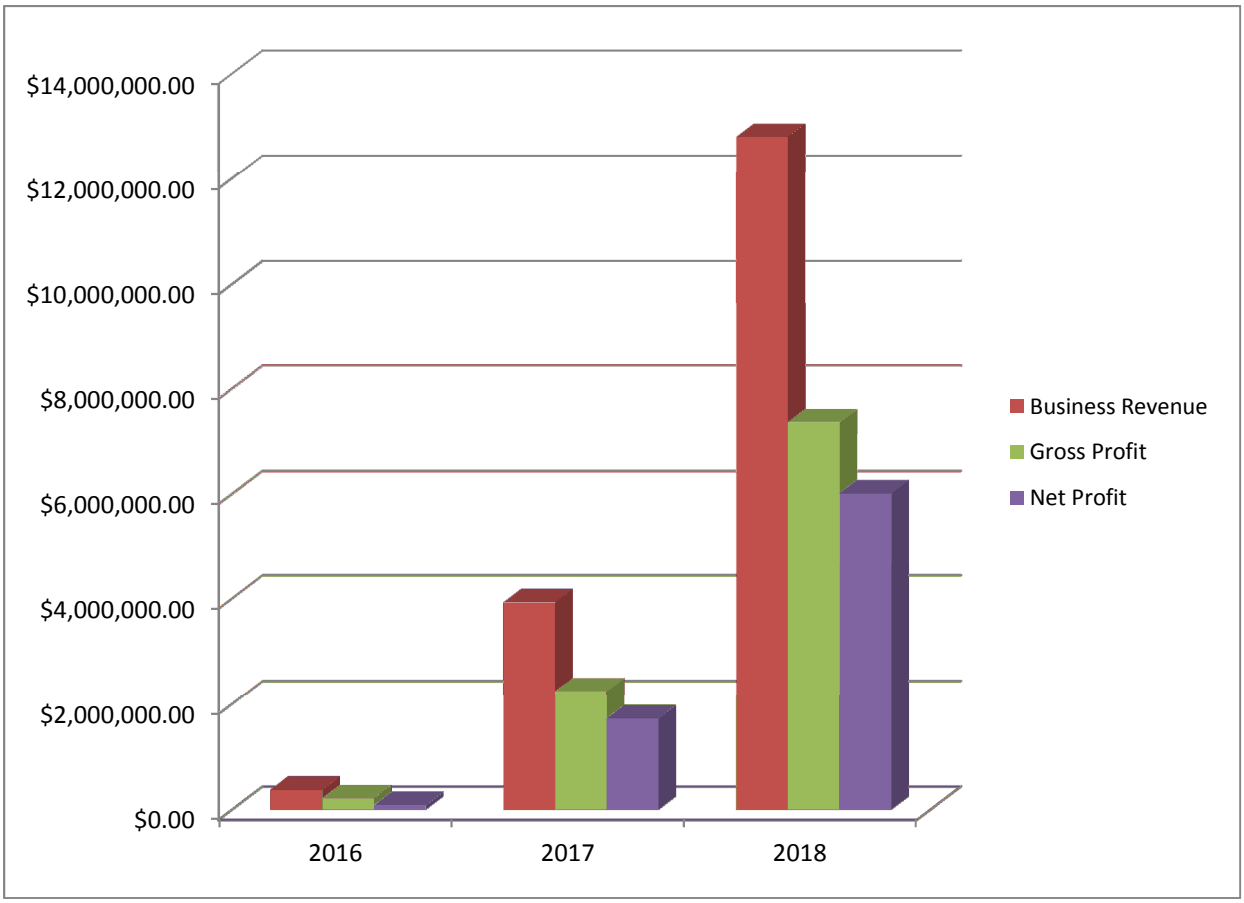
The market segments are clearly defined and all are subject to a high growth trend. The hemp market alone grew 24% in 2013 and is expected to increase on the same trajectory. There are many verticals in the hemp industry and Kona Gold plans on attacking several of those. What is lacking in the market is a premium brand, a brand that brings status, and that is where Kona Gold comes in.

This is a several hundred million dollar market and with significant growth potential. The company becomes mature in year three. The company is potentially profitable in year one if projected sales are met.

1.1 Mission

The mission of Kona Gold, LLC is to create a premium lifestyle brand with its product line. These products will be manufactured from the highest quality materials and superior craftsmanship. We will design and develop products that set the standard in their respective markets within the hemp industry.

Chart: Highlights



1.2 Keys to Success

The keys to success for Kona Gold, LLC are as follows:

1. Initial capitalization obtained.
2. All trademark applications filed.
3. The ability to generate early revenue from direct online sales.
4. Recruiting top-notch Sales Representatives.
5. Successful penetration into retail outlets.
6. Successful implementation of sales and marketing plan to U.S. energy drink market to obtain a minimum 4% market share in the third full year to generate $12.8 million in revenue.
7. Increased product development and continued market share gains to continue upward revenue growth.

1.3 Objectives

The principal objectives Kona Gold, LLC are as follows:

1. To achieve a 4% market penetration in the energy drink market by year three.
2. To achieve $12.8 million in revenue by year three.
3. To raise $500,000 in capital.

2.0 Company Summary



Kona Gold, LLC will develop and market energy drinks, energy shots, energy patches, and apparel through multiple distribution channels domestically. The company is currently selling energy drinks and shots via their website. They are also seeking to establish their corporate identity in the apparel and hydroponic products field. Growth strategy calls for the following objectives:

1. Continued product development.
2. Establish corporate identity, brand names, and trademarks.
3. Establish an advisory board.
4. Build staff, infrastructure, and retain consultants for trial and compliance issues.
5. Explore options for 2nd round financing (venture capital, corporate alliance, licensing, and public offering) to maximize value to shareholders.

2.1 Company Ownership

Kona Gold, LLC is a Delaware Limited Liability Company

Its founding shareholders are:

Robert Clark (30,000,000 shares)

2.2 Company Locations and Facilities

Kona Gold, LLC business offices/warehouse are at 1591 Savannah Hwy, Suite 201, Charleston, SC 29407. Their Phone is (844)714-2224. The offices/warehouse is leased month-to-month on a temporary basis. This business plan calls for the establishment of corporate offices and small-run manufacturing facilities. These facilities will be 5,000 sq. ft. initially expandable to 10,000 sq. ft.

3.0 Products

Kona Gold, LLC will initially market five distinct products.

1. Kona Gold 8.4oz energy drink
2. Kona Gold 2.0oz energy shot
3. Kona Gold energy patches
4. Kona Gold apparel (to include t-shirts and hats)
5. Kona Gold single plant hydroponic system

These five product areas may be more generally defined as follows:

1. **8.4oz energy drink – manufactured in cans**
   Kona Gold Energy Drink: Available in both regular and sugar-free, this great tasting energy drink will contain essential vitamins and ingredients that will give consumers the natural boost they are looking for.

2. **2.0oz energy shot – manufactured in small plastic containers**
   Kona Gold Energy Shots: Available in grape, berry, and orange, these great tasting energy shots will contain essential vitamins and ingredients like the energy drinks, but in a much smaller size, still providing that natural boost of energy consumers are looking for.

3. **Energy patches – small adhesive patches**
   Kona Gold Energy Patches: These self-adhesive small patches are a convenient way to maintain energy over a period of time. Once adhered to the body, the energy patch slowly provides essential vitamins and nutrients to the body provide and natural boost of energy.

4. **Apparel – men and women t-shirts and hats**
   Kona Gold Apparel: Only the finest textiles will be used in Kona Gold's apparel line, providing consumers with a premium fit and feel. Specialty inks and foils will be used on apparel products to compliment Kona Gold's branding and provide a premium look.

5. **Hydroponic Systems – single plant hydroponic systems**
   Kona Gold Hydroponic Systems: Assembled with the best components, the single plant hydroponic system can includes everything to successfully cultivate a single plant.

3.1 Product Description

A detailed description of Kona Gold, LLC's initial product line follows:

Energy Drinks

Kona Gold energy drinks are available in a 8.4oz can. Two varieties, regular and sugar-free, are available for consumptions. The cans consist of custom printing that reflect Kona Gold's branding and have a premium beverage appeal.

Energy Drink Ingredients: Filtered carbonated water, high fructose corn syrup, natural and artificial flavors, citric acid, sodium citrate, glucuronolactone, taurine, caffeine, potassium sorbate, sodium benzoate, sucralose, niacinamide, inositol, pantothenic acid, vitamin B6 (pyridoxine hydrochloride), vitamin B12 (cyanocobalamin).

Energy Drink Ingredients (Sugar-free): Filtered carbonated water, natural and artificial flavors, citric acid, sodium citrate, glucuronolactone, taurine, caffeine, potassium sorbate, sodium benzoate, sucralose, niacinamide, inositol, pantothenic acid, vitamin B6 (pyridoxine hydrochloride), vitamin B12 (cyanocobalamin).

Energy Drink Nutrition Facts:

- Calories 5
- Total Fat 0g
- Cholesterol 0mg
- Sodium 200mg
- Total Carbohydrate 28g
- Total Carbohydrate* 1g
- Sugars 27g
- Sugars* 0g
- Protein 0g
- Niacin 100%
- Vitamin B6 250%
- Vitamin B12 80%
- Pantothenic Acid 100%

*Sugar-free

Energy Shots

Kona Gold energy shots are available in 2oz plastic bottles. Three flavors, berry, grape and orange, are available for consumptions. The bottles consist of custom printing that reflect Kona Gold's branding and have a premium beverage appeal.

Energy Shot Ingredients: Filtered carbonated water, artificial flavor, potassium sorbate and sodium benzoate (to protect freshness), sucralose.

Energy Drink Nutrition Facts:

- Calories 0
- Niacin 20mg 100%
- Vitamin B6 2000%

- Folic Acid 400mcg 100%
- Vitamin B12 8333%
- Sodium 10mg <1%
- Energy Blend 2125mg
    - Taurine, Malic Acid, Caffeine, Glucuronolactone, N-Acetyl, L-Tyrosine, L-Phenylalanine
- Enzyme Blend 1mg
    - Amylase, Protease, Lipase, Cellulase, Lactase

3.2 Competitive Comparison

Red Bull continues to dominate as the energy drink leader with Monster experiencing huge growth in the last few years. Within the hemp energy market, Rocky Mountain High and Canna are the leaders. The energy drink market continues to grow even in light of the touch economy. Soda levels have been declining steadily over the same period, while energy drink sales have been booming.

Robert Clark, the founder of Kona Gold is aware of both its strengths and shortcomings of competing products. Kona Gold's energy products will be entering an already crowded market, but with their premium branding, their strategy is to capture an upscale market which will filter down. Many of the product advantages were highlighted in the previous section of this plan. To summarize the key advantages:

- Premium branding across all product lines
- Great tasting energy drinks and shots
- High quality apparel line
- Diverse product line in markets with continuous growth over the last several years
- Competitively priced products, but with premium branding.

Kona Gold's diverse product lines will enter the hemp market as a premium brand. Marketing efforts will be include celebrity figures that have a large outreach and social following. By positioning Kona Gold as a premium brand, all products will stand out in the growing hemp market.

3.3 Sales Literature

Initial Sales literature and line sheets for Kona Gold, LLC are being developed.

3.4 Sourcing

Kona Gold, LLC has partnered with multiple manufacturers in the United States and Korea to provide fulfillment of their products from the best, low cost sources.

These partners are integral to Kona Gold's success, providing the ability to scale as needed. Kona Gold will store all product in their warehouse located in Charleston, SC and Rockledge, FL.

3.5 Trademarks

Two trademarks, one for use of "kona gold" in the energy drink segment and use of "kona gold" in the clothing segment are in the process of being filed. No conflicts or other use of these names has been found in an initial search. Opinion of legal counsel is strong and firm that Kona Gold's trademark applications are enforceable and defensible.

Care has been taken to take into account all potential claims of Kona Gold products. All trademark application documents will be available for examination by potential investors.

3.6 Future Products

Plans for future product development by Kona Gold include expanding on the energy drink and apparel line and also to enter the skin and hair care market segments. These initiatives will be led by Robert Clark CEO for Kona Gold and an outside branding and product development firms yet to be determined. In addition, Kona Gold may seek to acquire products developed by others once it attains sufficient capitalization to do so. It is the objective of Kona Gold to both innovate and market its products. Once an industry reputation has been achieved and marketing channels opened expansion into other energy drink and apparel areas becomes potentially rewarding.

4.0 Market Analysis Summary

There are several key factors influencing discussion of Kona Gold's market growth. These factors include, but aren't limited to, the hemp industry growth, the change of laws surrounding marijuana, the energy drink, shot, and patch market growth, and apparel associated with the previously mentioned markets. In all cases, the trends are upwards in the favor of Kona Gold.

4.1 Market Segmentation

The potential customers of Kona Gold, LLC span across several markets. These markets include the energy drink, energy shot, energy patch, and apparel markets.

4.1.1 Hemp Industry

The Hemp Industries Association (HIA), a non-profit trade association consisting of hundreds of hemp businesses, has released final estimates of the size of the 2014 U.S. retail market for hemp products. Data from market research supports an estimate of total retail sales of hemp food and body care products in the United States at $200 million. Sales of popular hemp items like non-dairy milk, shelled seed, soaps and lotions have continued to skyrocket against the backdrop of the new hemp research provision in the Farm Bill, and increasing grassroots pressure to allow hemp to be grown domestically on a commercial scale once again for U.S. processors and manufacturers. The HIA has also reviewed

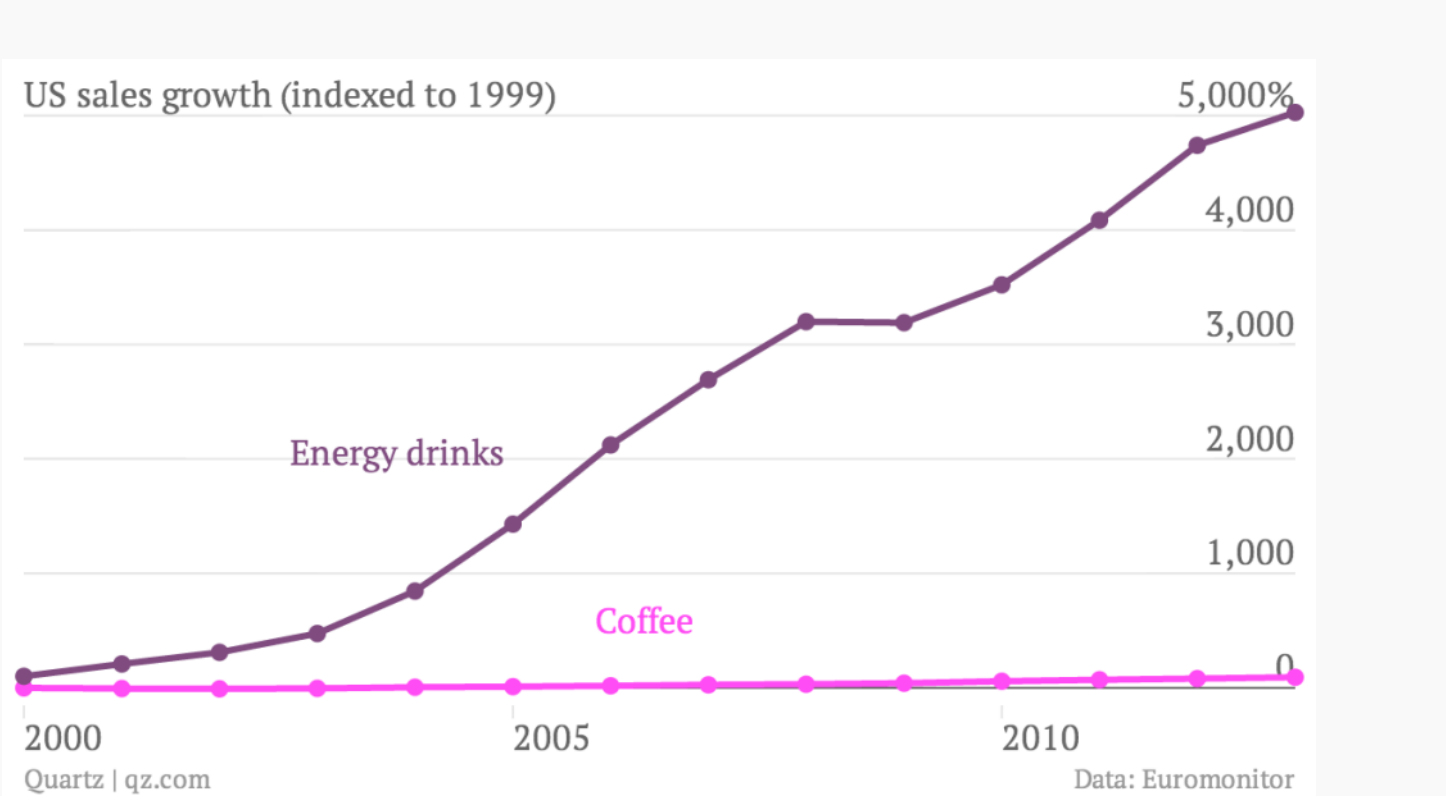
sales of clothing, auto parts, building materials and various other products, and estimates the total retail value of hemp products sold in the U.S. in 2014 to be at least $620 million.

The sales data on hemp foods and body care, collected by market research firm SPINS, was obtained from natural and conventional retailers, excluding Whole Foods Market, Costco and certain other key establishments, who do not provide sales data — and thus it underestimates actual sales by a factor of at least two and a half. According to the SPINS data, combined U.S. hemp food and body care sales grew in the sampled stores by 21.2% or $14,020,239, over the previous year ending December 31, 2014 to a total of just over $80,042,540. According to SPINS figures, sales in conventional retailers grew by 26.8% in 2014, while sales in natural retailers grew by 16.3%. Indeed, the combined growth of hemp retail sales in the U.S. continues steadily, as annual natural and conventional market percent growth has progressed from 7.3% (2011), to 16.5% (2012), to 24% (2013), to 21.2 in 2014.

4.1.2 Energy Drinks

A growing thirst for caffeinated "energy" drinks, which include the likes of Red Bull, Monster, and rockstar, has spurred a heart-thumping surge in sales. Globally, the energy drink industry has gone from a $3.8-billion business in 1999, to a $27.5-billion business last year, according to data from market research firm Euromonitor. That's a more than 620% jump.

But no one is crazier about the bubbly—and potentially dangerous—caffeine-packed cans than Americans. In the US, energy drink sales have grown by more than 5000% since 1999.



While the energy drink industry was much smaller circa 2000, it wasn't non-existent—the market raked in more than $350 million that year. Caffeinated sodas, like Jolt Cola, have existed for years. But the introduction of Red Bull in 1997, and the many other energy drinks that followed in its footsteps, have helped turn the industry from a big one into an enormous one.

The rise of Red Bull and Monster, which accounted for nearly 80% of US energy drink sales last year, is such that the energy drink category now legitimately rivals our old-fashioned caffeine delivery system—coffee. In 1999, coffee sales in the US outpaced energy drink sales by a factor of nearly 36 to 1. This past year, coffee sales came in at just above $12 billion in the US, while energy drink sales were just below $9 billion—a gap of less than 1.5 to 1.



It's not unreasonable to expect the two to eventually overlap. Over the next five years, energy drink sales are slated to continue growing at about twice the rate of coffee sales, according to Euromonitor. What's so cool about energy drinks? Well, obviously, they have caffeine—and plenty of it. Sometimes, they even have more than advertised. They have become staples at colleges, where under-slept students crave alertness. But they are also being heavily marketed as morning coffee alternatives, and are mixed with any number of alcohols at night. As Murray Carpenter notes in his book *Caffeinated*, there's plenty of precedent for the nightclub staple of Red Bull and vodka, or of convenience store canned drinks such as Four Loko, which originally contained roughly six beers and hefty amounts of caffeine and was banned in some US states. "Americans have had a long history of mixing alcohol and caffeine," Murray writes, citing coffee-flavored liquor such as Kahlua.

When it comes to drinks, consumers are looking for a bit more than deliciousness these days. "The question has become, 'what can a beverage do for you?' As opposed to merely, 'what does a beverage taste like?'" Jonas Feliciano, an industry analyst at Euromonitor told Quartz.

There's also the possibility that Americans are getting amped because it's seen as manly to down something that keeps the eyelids open a bit wider. "The macho image linked to energy drinks is a potential influence here," a report by market research firm Canadean noted earlier this year.

No matter the impetus, the success of the energy drink industry is undeniable. It has even inspired spinoffs and riffs. The energy shot market, which is dominated by 5-hour energy, is now an over-$1-billion business in the US in its own right. "Energy shots took off because of energy drinks," Chris Schmidt, a consumer health analyst at Euromonitor said. "If you're a white collar worker, you're not necessarily willing to down a big Monster energy drink, but you may drink an energy shot."

The industry is basically intent on reaching as many demographics as possible. Caffeine—or "energy," as it's more popularly branded—can now be found in everything from gum to mints, water, jellybeans, and even bacon maple lollipops.

4.1.3 Apparel

In 2014, menswear grew by 4.5 percent reaching US$440 billion in sales compared to 3.7 percent in womenswear with US$662 billion. By 2019, menswear will contribute close to US$40 billion in the global apparel market, offering opportunities for category development. Men's shirts, jeans and jackets and coats are forecast to be the top performers between 2014-2019.

The following chart illustrates the approximate total number of these buying groups that exist. This data is clearly definable and available.

Chart: Market Analysis (Pie)

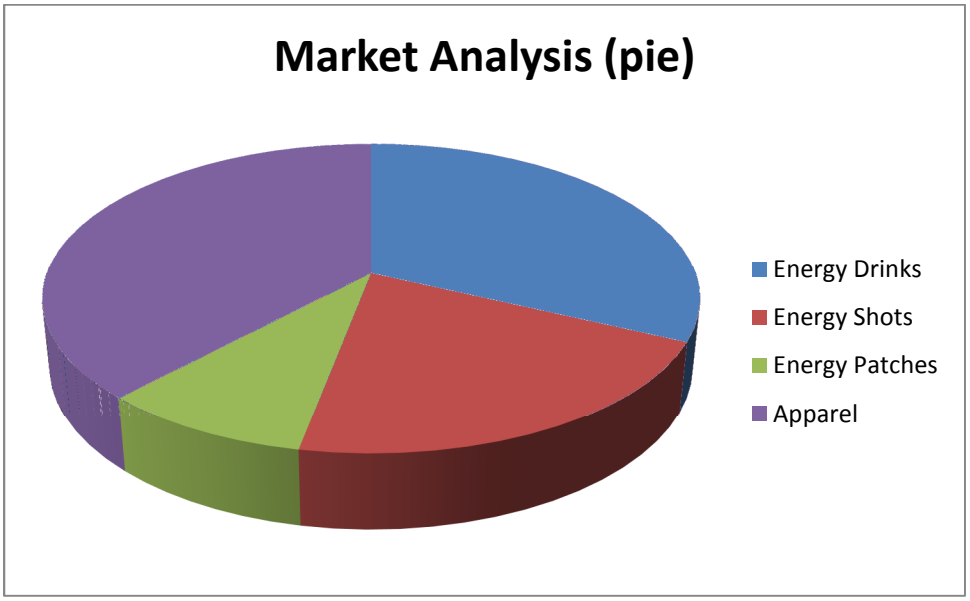


Table: Market Analysis

Market Analysis					
		2016	2017	2018	
Potential Customers	Growth				CAGR
Energy Drink Market	689%	25000	245000	975000	688.98%
Energy Shot Market	696%	16500	155000	700000	695.50%
Energy Patch Market	946%	6000	65000	525000	945.51%
Apparel Market	661%	12000	125000	350000	660.83%
Total	748%	20	155	540	747.71%

4.2 Industry Analysis

The hemp, energy drink, and apparel market segments in the United States have seen a rising trend in growth over the past 5 years. These markets are expected to see continual growth upward over the next 10 years.

4.2.1 Competition and Buying Patterns

Large companies with established brand names and distribution channels have a distinct advantage in the energy drink and apparel markets. But new small companies are succeeding on a regular basis dependent on their new product offerings and low overhead. The product must deliver on consumer senses in order to attract them away from current offerings.

Effective branding, quality, and great taste are the key economic parameters. Kona Gold will succeed in all markets based on these parameters. Kona Gold's products are already competitively priced. After initial market resistance to any new product, Kona Gold's products can grow to dominate several market segments.

4.2.2 Main Competitors

Competitors differ regarding Kona Gold's target markets. Within the Hemp market, current big competitors include Rocky Mountain High and Canna Energy drinks.

Within the energy drink segment, the big competitors are Monster Energy, Rockstar, and Red bull.

Apparel market competitors also include Monster Energy and Rockstar, but can also include brands from the surf/skate industries and hemp industry.

4.2.3 Distribution Patterns

Distribution patterns in the energy drink and apparel industries are such that the large buying groups dictate what products are used in their channels. Working with these large buying groups will open up large distribution channels that could potential supply Kona Gold product offerings in several market segments.

5.0 Strategy and Implementation Summary

Kona Gold LLC will pursue specific, definable, market segments with a multi-tiered, multi-channel approach. We will leverage our products with direct sales and distribution strategy in the other using established distributors.

We will look to online retail markets first with established distributors for initial revenue. Convenient stores, smoke shops, specialty stores, clothing retailers, and grocery store revenue will follow.

5.1 Marketing Strategy

Marketing will follow from industry and trade awareness campaigns to specific executions directed at specific customer segments. Successful sales hits in these segments will enable achievement of targeted forecasts. Kona Gold will achieve its initial sales goals from direct and distributed sales of energy products, apparel, and hydroponic systems. These products exist in a well-defined market.

5.1.1 Promotion Strategy

Public relations, industry media, will help in over-all industry awareness plans. Feature articles and product reviews will help launch awareness. Celebrity endorsement will play a role in promotion and contribute to product awareness.

Kona Gold has already worked closely with a design firm assist in developing and designing products.

5.1.2 Pricing Strategy

Pricing for Kona Gold energy, apparel, and hydroponic products will be competitive with leaders in each respective market segment. Gross margins will vary on market segments.

Industry standard discounts will be offered to distributors and retailers. Quantity discounts are not included but remain possible in negotiations with major buying groups.

5.2 Sales Strategy

Kona Gold's sales strategy is to push into the energy drink and apparel markets in 2016. We will fully exploit those markets in 2017 with the groundwork laid out in 2016. Tradeshows will play a big role in creating market awareness.

Kona Gold’s Energy Drinks and Shots are now available on Amazon.com, the largest Internet-based retailer in the United States. Kona Gold’s products can be viewed and purchased on Amazon.com from the following Link:

http://www.amazon.com/sp?_encoding=UTF8&asin=&isAmazonFulfilled=&isCBA=&marketplaceID=ATVPDKIKX0DER&orderID=&seller=AV51Y1JMPSKQZ&tab=&vasStoreID=

5.2.1 Sales Forecast

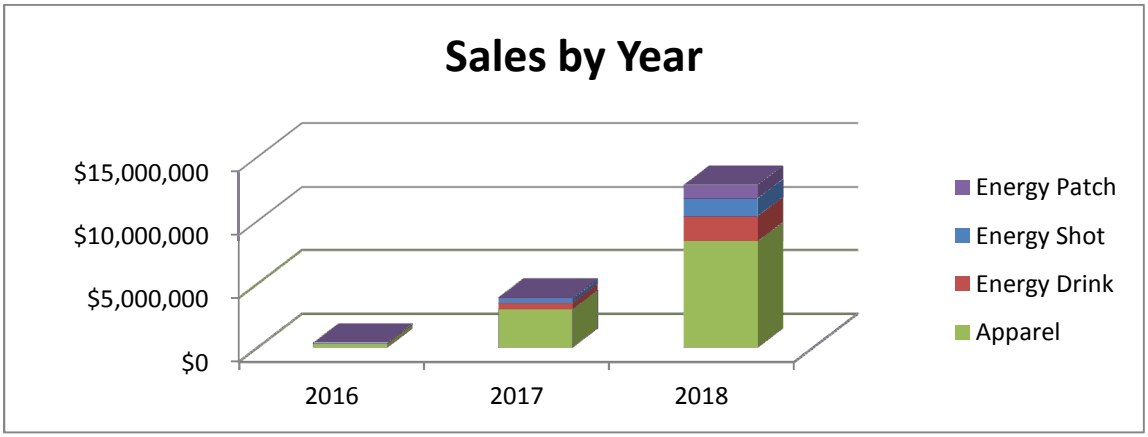
This sales forecast includes Kona Gold's energy drinks, shots, patches, and apparel. Product cost of direct sales is 43% while product cost through distributors is 73%.

In 2017, the company anticipates a sharp increase in sales from the marketing efforts put in place throughout 2016. 2018 sales will follow the same upward path trajectory.

Table: Sales Forecast

Sales Forecast			
	2016	2017	2018
Energy Drink	$50,000	$490,000	$1,950,000
Energy Shot	$33,000	$310,000	$1,400,000
Apparel	$288,000	$3,000,000	$8,400,000
Energy Patch	$12,000	$130,000	$1,050,000
Total Sales	$383,000	$3,930,000	$12,800,000

Chart: Sales by Year



5.2.2 Sales Programs

Sales programs include direct wholesale sales to national distributors and to end buyers. Sales materials and support materials will be produced.

Direct sales will be by personal contact, direct mail, public relations, and media directed at key industry segments.

In addition electronic marketing will be deployed whenever it fits with the buying patterns of a key group.

A website and electronic commerce site will be utilized to cultivate direct sales to key industry groups.

6.0 Management Summary

The founder of Kona Gold, LLC is Robert Clark. Robert will serve the company as CEO. His biography follows in the Management Team section.

Several key people are actively being sought. These are summarized in Management Team Gaps.

6.1 Organizational Structure

Robert will handle responsibility for R&D, design, compliance, and initial manufacturing and sourcing.

Reporting to Robert will be additional designers and sales and marketing managers. Some of these tasks can also be handled by outside consultants in the early going. The ramp-up of essential personnel and tasks are included in the Personnel Plan that follows.

6.2 Management Team

Robert Clark (38)

BS, Management Information Systems, University of Central Florida 2003

Robert Clark is the CEO and founder of Kona Gold, LLC. Mr. Clark drive's the company's vision, strategy, and growth and oversees product design and manufacturing. Kona Gold is positioning itself as a premium lifestyle brand in the fast growing hemp industry. Mr. Clark's goal is to lead all market segments in the hemp industry that Kona Gold enters.

Mr. Clark has held several leadership positions prior to founding and becoming CEO of Kona Gold. He earned a Bachelor's Degree in Business Administration and Management Information Systems and has over 12 years of experience in the product design field.

Prior to Kona Gold, Mr. Clark worked with regional and national companies to help establish branding and bringing new products to market.

Mr. Clark is an active member of the Hemp Industries Association.

6.3 Management Team Gaps

Robert Clark will help to identify and bring in a VP of Sales and Marketing.

Robert is actively searching for specialty design houses. Several have been identified and are available.

6.4 Personnel Plan

The Personnel Plan chronicles the growth of the organization in the first three years. The third year could require a few additional people besides those indicated especially if sales reach or exceed $12.8 million. Production assembly people are grouped together at approx. $15k per person. Payroll costs and benefits are pegged at 24%.

Table: Personnel

Personnel Plan			
	2016	2017	2018
Production Personnel			
Assembly Workers	$0	$30,000	$50,000
Subtotal	0	$30,000	$50,000
Sales and Marketing Personnel			
VP Sales and Marketing	$0	$40,000	$50,000
Marketing/Product Mgr.	$0	$0	$0,000
Sales Reps (3)	$0	$0	$0,000
Subtotal	$0	$40,000	$50,000
General and Administrative Personnel			
CEO	$60,000	$70,000	$100,000
President	$0	$0	$0
Administrative Staff (1)	$0	$0	$0
Subtotal	$60,000	$70,000	$100,000
Total People	1	4	5
Total Payroll	$60,000	$140,000	$200,000

7.0 Financial Plan

The value of the trademarks and the size of the potential markets enable several back-up plans of action if this plan doesn't work as indicated. Venture funds are available early on and historically investments of $200,000 to $500,000 are common for similar companies.

Even after successfully completing the start and seed stage as indicated, a second round of funding is potentially available in the $1 million range. We have planned for additional capital input in years two and three as a safety net for cash flow/cash balance.

However, cash flow achievement within the parameters of the indicated plan plus further funding on the senior debt side will lead to the best value for shareholders. Then, strategy can dictate the best valuation for ramp-up and roll-out.

7.1 Key Financial Indicators

All of our benchmarks being attained will allow expansion strategies of merger, acquisition, or roll-up.

7.2 Break-even Analysis

Kona Gold, LLC has calculated a break-even maintenance point for sales in year one once full management staffing and facility costs are reached. Included are payroll and rent considerations.

The break-even target can sustain Kona Gold, LLC's operation in late 2016 and throughout 2017 even if expansion and capitalization plans are late in materializing. It is anticipated that direct sales can produce these numbers and more in the wholesale markets.

The break-even analysis is restricted to this late 2016 and early 2017 time frame since the early ramp-up phase in business development is characteristic of most cash-flow shortages that represent exposure to early stage investors.

7.3 Projected Profit and Loss

The profit in year one of operation is expected to be minimal. However, by year two, the company expects to surpass the $1 million mark. The third year profit reflects the performance of a mature company. Over-all gross margins are excellent.

Chart: Gross Margin Yearly

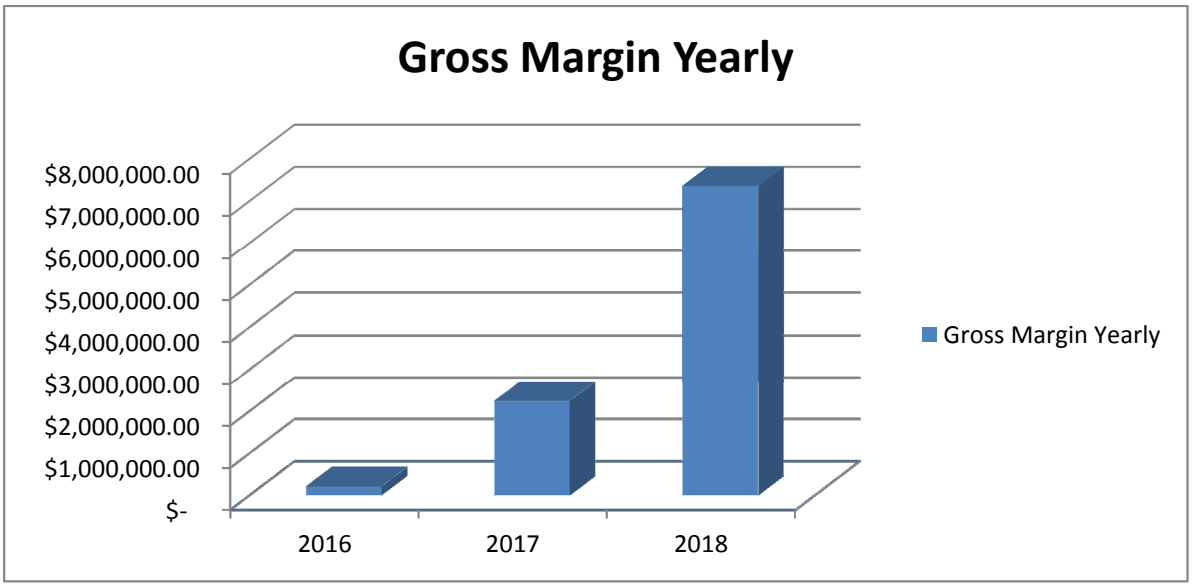
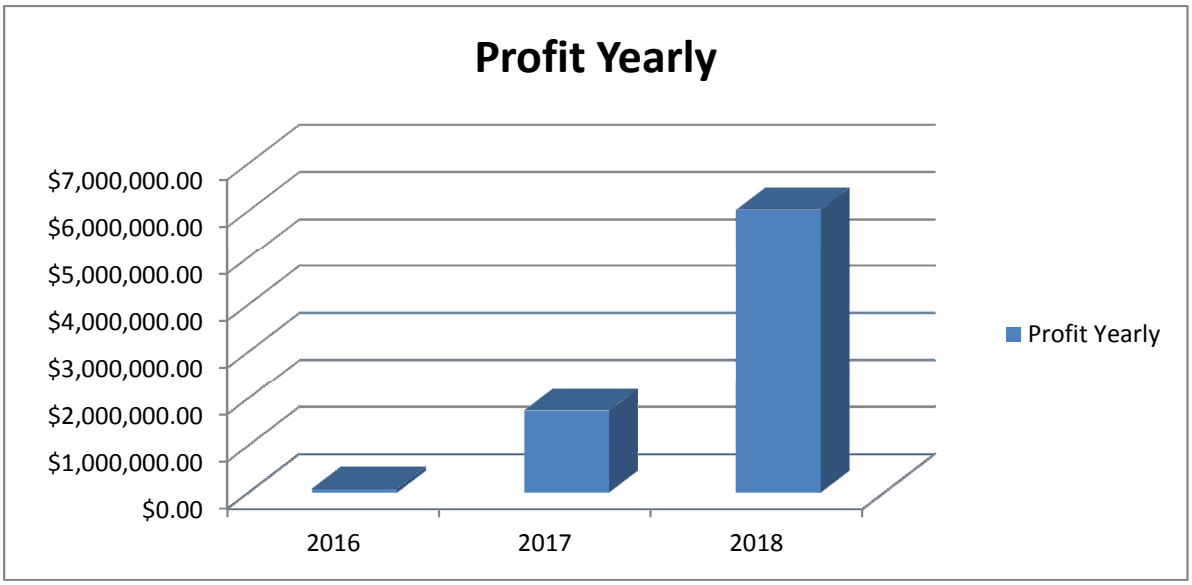


Table: Profit and Loss

Income and Expense - Profit and Loss $			
	2016	2017	2018
Business Revenue	$383,000.00	$3,930,000.00	$12,800,000.00
COGS	$164,500.00	$1,682,500.00	$5,437,500.00
Gross Profit	$218,500.00	$2,247,500.00	$7,362,500.00
Net Profit	$88,221.66	$1,732,058.64	$6,018,608.64
Advertising and Promotion	2500	5000	8000
Bank Service Charges	144	144	144
Google Apps Monthly Fee	300	300	300
Legal Expense	500	500	500
Meals and Entertainment	125.86	500	500
Merchant Services Fee	660	660	660

Office Supplies	250	250	250
Personnel	60000	140000	200000
Design and Development	20000	10000	5000
Rent Expense	6780	6780	6780
Shipping Supplies	800	3000	12000
Tradeshows	10000	25000	25000
Travel Expense	10000	15000	20000
Utilities	600	600	600
Website Development	2000	2000	2000
Website Hosting	49.95	49.95	49.95
EBITDA	103790.19	2037716.05	7080716.05
Operating Expenses	114709.81	209783.95	281783.95
Operating Income	103790.19	2037716.05	7080716.05
Interest Income	0	0	0
Interest Expense	0	0	0
Pre-Tax Net Profit	$103,790.19	$2,037,716.05	$7,080,716.05
Income Tax	$15,568.53	$305,657.41	$1,062,107.41
After Tax Net Profit	$88,221.66	$1,732,058.64	$6,018,608.64

Chart: Profit Yearly



7.4 Projected Cash Flow

We began the year with $115,000 in cash from investors. This provided our start-up capital. We are targeting an additional equity investment in the form of Private Placement Memorandums.

If sales and profits hit targets then further investment needs will be limited to higher value options to roll-up a national level company.

On October 12 Kona Gold Solutions, Inc. (OTC Pink: KGKG), a company currently developing a Hemp Energy product line, announced that it has its Hydroponics Systems in stock and ready for sale. The Company's Hydroponics Systems can be purchased through its

eBay store: http://www.ebay.com/itm/-/252100632968? And can be viewed on the Company's social media links or website listed below:

http://konagoldhemp.com
https://www.facebook.com/konagoldhemp
https://twitter.com/konagoldhemp

"We are excited to introduce our hydroponic systems, which is our first product of many products to come, across several verticals," stated Robert Clark, CEO of Kona Gold Solutions, Inc. "We are in the process of securing funding to develop and launch our Energy drink, energy shot, energy patch, and premier apparel products, Clark added. This is an exciting time to be in the hemp industry where we will see exponential growth in the coming years and Kona Gold is at the ground floor in establishing itself as a premier hemp brand. "
Kona Gold is also pleased to announce it has started the process to host a Nationwide Teleconference. The Company has not yet set a date for its Nationwide Conference Call, but encourages shareholders to email: info@konagoldhemp.com, so all questions can be answered during the conference call.

On January 7, 2016 Kona Gold Soltuions, Inc. (OTC Pink: KGKG), retained the services of a leading web development company to design and build a fully functioning eCommerce website that better reflects the Company's branding. The Company's new website can be seen at www.konagoldhemp.com

"We felt it was imperative to invest a significant amount of money on developing a new state of the art website that better reflects the Company's branding," stated Robert Clark, CEO of Kona Gold Solutions, Inc. "We will have other announcements within the next two weeks regarding new products and are pleased to now have a platform to display and sell our new products. Kona Gold is a multifaceted company that will begin selling apparel, energy shots, drinks as well as hydroponic systems. We encourage all shareholders to view our website and give us your feedback

Kona Gold Solutions, Inc. announced on January 19, 2016 that it has placed its initial order for its energy drinks as well as its energy shots as the enter the multi-billion dollar energy drink market. The Company's energy drinks will include sugar free and regular energy drinks. Kona Gold's energy shots include orange, berry, and grape flavors. Kona Gold's energy drinks and shots are available for purchase on the Company's new e-commerce website.

"We have been working hard to create a great tasting energy drink and energy shots and are excited to get them in the hands of our customers," stated Robert Clark, CEO of Kona Gold Solutions, Inc. "We offer our 8.4 oz energy drink in regular and sugar free and our 2 oz energy shots include orange, berry, and grape. I feel we've hit the mark on creating a premium energy drink and shot line and with our aggressive marketing efforts, we anticipate great things for Kona Gold this coming year."

Energy drinks and shots are just the first line of products that Kona Gold is planning to release this year. Following the release of their energy drink line, Robert Clark stated that their apparel line will hit the market shortly after. "Our apparel line is being designed as we speak and we know will be a big hit across several demographics," stated Clark. "The designs I've seen so far have me very excited and they play right into our branding."

Kona Gold has worked on several new logo designs to reach several vertical markets. The new logos will be implemented for different markets in 2016.

The Company's first energy drink production was for its non-hemp infused energy drink line. The Company is currently working on production of its hemp infused energy drink line and has also created new branding to appeal to each market. The next production run of Kona Gold's non-hemp infused energy drinks will not include the gold leaf in the logo and can be seen above in the disclosure statement whereas the hemp infused energy drink line will be the only line to have the gold leaf logo. The Company has also created an additional logo with the gold leaf to be used for their apparel as well as their shampoo line.

The non-hemp and hemp infused products will allow the company to appeal to a broader market and allow Kona Gold to capture a bigger share in the energy drink marketplace.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

- The Company sublets its warehouse at 1591 Savannah Hwy, Suite 201, Charleston, SC 29407
- The Company is looking to expand its operations to Central Florida as well and should have warehouse space in Florida within the next 30 days

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

The previous control person, JT Thornburg, of Kona Gold Solution, Inc's Preferred Series A stock has submitted his Certificate to the Company's attorney where it is being held in escrow until final payment is received for the Purchase of the Public Company

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

   N/A

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

   N/A

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

   N/A

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

   N/A

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

N/A

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Matthew McMurdo, Esq.

28 West 44th Street
16th Floor
New York, NY 10036
917-318-2865

Accountant or Auditor

D'Arelli Pruzansky, P.A.

Accounting/Auditing Firm
7280 W. Palmetto Park Road
Suite 308-N
Boca Raton, FL 33433
561-756-9250
www.darellipruzansky.com
Batul@dp-cpas.com

Investor Relations Consultant

N/A

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

N/A

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Robert Clark certify that:

1. I have reviewed this Initial Disclosure Statement of Kona Gold Solutions, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

February 24, 2016



Robert Clark
Chief Executive Officer
Kona Gold Solutions, Inc.