

VAPORBRANDS INTERNATIONAL, INC.
INFORMATION AND DISCLOSURE STATEMENT

Item 1: The exact name of the issuer and its predecessor (if any).¹

VAPORBRANDS INTERNATIONAL, INC.
[formerly TTCM China, Inc.]

Item 2: The address of its principal executive offices.

11730 West Sunset Blvd
Suite 119
Los Angeles, CA 90049
213-841-1296

Item 3: The jurisdiction and date of issuer's incorporation or organization

State of Nevada – February 28, 2012
[TTCM China, Inc. redomesticated itself from Delaware to Nevada in February 2012.]

Item 4: The exact title and class of the security.

Common Stock - \$.001 par value
CUSIP Number - 922105101

Item 5: The par or stated value and description of the security.

\$.001 par value Common Stock

500,000,000 shares of Common Stock authorized.
5,000,000 shares of Preferred Stock authorized.

¹ 1. Formerly Quadrax Corp. until January, 2005. TTCM China, Inc. redomesticated itself from Delaware to Nevada in February 2012. TTCM China, Inc. changed its name from TTCM China, Inc. to VaporBrands International, Inc. as a result of a parent-subsidary merger on October 19, 2012.

Item 6: The number of shares or total amount of the securities outstanding as of the end of the issuer's most recent fiscal year.

Set forth below is the number of shares that are (i) authorized Common Stock, (ii) authorized Preferred Stock, (iii) outstanding Common Stock, and (iv) freely tradable (public float):

	Fiscal Year Ended and Quarter Last Ended	As of the Date hereof
(i) Authorized Common:	500,000,000	500,000,000
(ii) Authorized Preferred:	5,000,000	5,000,000
(iii) Outstanding Common Stock:	225,606	60,086,606
(iv) Freely tradable (public float):	125,606	15,086,606

The number of shareholders for the one class of securities outstanding as at the end of the Issuer's last fiscal year and the most recent fiscal quarter, is 116 and as of the date hereof is approximately 126.

Item 7: The name and address of the transfer agent.

Our transfer agent is:

First American Stock Transfer, Inc.
4747 N. 7th St.
Suite 170
Phoenix, AZ, 85014
602-485-1346

www.FirstAmericanStock.com

We are informed and believe that the transfer agent is registered under the Securities Exchange Act of 1934, as amended.

Item 8: The nature of issuer's business

We are in the process of establishing ourselves as a marketing and development partner for Vapor Brands, Inc., a Nevada corporation and as a business development provider to Safe Cig, LLC, a California limited liability company. Safe Cig LLC is a leading developer and manufacturer of proprietary electronic cigarette products, including refills and accessories that are available to the Company pursuant to a Private Label Manufacturing and Distribution Agreement between Vapor Brands, Inc. and Safe Cig LLC (referred to herein as

the "Agreement").

Functioning as a business development and marketing partner, we believe that the Company will contract with Safe Cig LLC to create private-labeled versions of the Safe Cig LLC products will be made available to others for purchase. We have no present intent to look for other manufacturers or suppliers.

We were a reporting Company under the Securities Exchange Act of 1934, as amended, until June 2006. Prior to the filing of the appropriate documents with the Securities and Exchange Commission to suspend its duty to file reports under said Act, the Company's business was as a manufacturer and distributor of electric power cord sets and interconnect cables primarily for original equipment manufacturers ("OEMs") of small appliances.

VaporBrands International, Inc., prior to the parent subsidiary merger, was recently incorporated in the State of Nevada on July 9, 2012 and commenced business on July 9, 2012.

Shell Issues.

We are not a shell issuer, we are not a reporting issuer and non affiliate shareholders who have held our securities for a period in excess of one (1) year may sell the securities under Rule 144.

On June 29, 2005, the Securities and Exchange Commission adopted final rules amending the Form S-8 and the Form 8-K for shell companies. These rules were published in the Federal Register on July 21, 2005 and are effective as of August 22, 2005, except for an amendment to Item 5.06 of the Form 8-K that becomes effective on November 5, 2005. The amendments expand the definition of a shell company to be a company with no or nominal operations, assets consisting of cash and cash equivalents, or assets consisting of any amount of cash and cash equivalents and nominal other assets. The rules are designed to assure that investors in shell companies that acquire operations or assets have access on a timely basis to the same kind of information as is available to investors in public companies with continuing operations.

On February 15, 2008, the Securities and Exchange Commission adopted final rules amending Rule 144 (and Rule 145) for shell companies. The amendments currently in full force and effect provide that the current holding periods applicable to affiliates and non-affiliates is now available for securities currently issued by either a reporting or non-reporting shell company, unless certain conditions are met. An investor will be able to resell securities issued by a shell company subject to Rule 144 conditions if the reporting or non-reporting issuer (i) had ceased to be a shell (ii) is subject to the Exchange Act reporting

obligations (iii) has filed all required Exchange Act reports during the proceeding twelve months, and (iv) at least 90 days has elapsed from the time the issuer has filed the "Form 10 Information" reflecting the fact that it had ceased to be a shell company before any securities were sold under Rule 144. The amendment to Rule 144(i)(1)(i) was not intended to capture a "start-up company," or a company with limited operating history or the shares originally issued by us in 1993. We are not currently a shell issuer, we are not a reporting issuer and non affiliate shareholders who have held our securities for a period in excess of one (1) year may sell the securities under Rule 144.

Related Entities.

Except for Vapor Brands, Inc. and Balon Bleu Holdings, LLC, the Company has no parent, subsidiary, affiliates, or related party entities.

Investment Policies.

The Company has not established any investment policy. Accordingly, there can be no clear descriptions of any potential investments, any restrictions or impairments that the investments may have and/or any of the policies to be used to value and/or depreciate such assets if acquired from a financial and tax perspective. Further, the Company cannot state if there are any limitations of the percentage of assets that may be invested in any one investment, or type of instrument, and cannot indicate whether such policy may be changed without a vote of security holders. Further, the Company has no policy applicable to acquiring assets either for possible capital gain or for income purposes.

The Company does not currently hold any:

1. Investments in real estate or interests in real estate.
- 2
2. Investments in real estate mortgages.
3. Securities of or interests in persons primarily engaged in real estate activities.

Item 9: The nature of products or services offered

Electronic Cigarettes

Electronic cigarettes are electronic devices, the functional elements include: (i) a small plastic cartridge that contains a liquid nicotine solution, (ii) the atomizer, which is a heating element that vaporizes the liquid nicotine so that it can be inhaled, and (iii) the electronics, which include: a rechargeable lithium-ion battery and an LED which illuminates to indicate use.

When a user draws air through the device, 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 solution depending on the model may or may not contain nicotine and may or not be flavored. We sell our products in a kit, or as separate components. We also offer for sale replacement cartridges to be used with our non-disposable electronic cigarettes when the cartridges become depleted.

The Cartridge

Although usually combined with the atomizer, the cartridge may or may not be removable and serves as the carrier containing the ingredients ore-liquid. If removable, it may provide the Company and our private labeled products with an additional product to sell, the refill cartridge. Creating a refill cartridge that produces a large amount of clean vapor and lasts a long time is extremely important. These are the most requested features in highest demand, but may also the most difficult to produce consistently.

The most common e-cigarette ingredients are nicotine, propylene glycol (sometimes substituted with vegetable glycerol), flavoring and water. This compares to more than 7,000 dangerous chemicals involved in smoking cigarettes including, but not limited to, carbon monoxide, polonium, formaldehyde, cadmium and ammonium.

The Atomizer

An “atomizer” serves as the heating element responsible for vaporizing the liquid.

The Battery

Inside each battery is what’s called a “flow sensor” that powers the entire unit on and off when a user drags on the electronic cigarette. This flow sensor allows the battery to power down when not in use to preserve its battery life, yet it is so responsive that when it senses the slightest bit of drag, it immediately powers up the refill cartridge to produce a satisfying abundance of vapor.

The Company believes that the high-end more modern e-cigarettes (like the two in the diagram below) combine the atomizer and cartridge into one piece, making the e-cigarette easier to put together. The key theme behind e-cigarette

design is to make it very comparable to a real cigarette which makes using e-cigarettes a much easier transition for traditional smokers.

In summary, the three essential components are the cartridge, the atomizer, and the power supply. The construction of electronic cigarettes is described below.



Source: Lorillard. blu.cigs

Electronic cigarette batteries can generally be charged three ways: Wall Adapter, Car Charger or Computer USB. No matter how the consumer decides to charge the battery, the main component that will be needed for all forms of charging generally will be the USB charger. The USB charger is the central hub for the charging system.

Insurance

We have no insurance. We intend to require any supplier to carry insurance coverage which will inure to the benefit of our customers. There is no assurance that the insurance policy will protect the Company from liability.

Warranty

We intend to offer a 30 Day Money Back Guarantee on any Starter Kit or Special Bundle Package purchase. There are no refunds on any used or unused

disposable refill Cartridges. Vapor Brands, Inc. and the Company cannot accept any used or unused disposable refills back on any condition due to health code regulations. Exclusions to our guarantee will not apply to defects resulting from loss of product, misuse, improper or inadequate maintenance or unauthorized modification. Any returns must be in the original new like condition as when it was first sent out to customer. Money-Back guarantee fulfillments are subject to a 25% restocking fee. Return shipping is not reimbursed with our periodic reporting obligations.

Item 10: The nature and extent of the issuer's facilities.

We were located at 11730 West Sunset Boulevard, Los Angeles, CA and now we utilize the executive offices at 1830 Lincoln Avenue, Suite 101, Santa Monica, CA. We are currently negotiating for a more convenient and larger office space in the West Los Angeles, CA and Santa Monica, CA area.

Item 11: The name of the chief executive officer. members of the board of directors, as well as control persons.

Chief Executive Officer.

The Company's Chief Executive Officer is Jason Torres

Members of the Board of Directors.

The members of the board of directors of the Company serve until the next annual meeting of the stockholders, or until their successors have been elected. The officers serve at the pleasure of the board of directors. Our sole director and executive officer is as follows:

<u>Name</u>	<u>Position</u>
Jason Torres	President/Vice President/Secretary/Treasurer/Director

On October 19, 2012, as part of the transaction contemplated by the Share Exchange Agreement, we received the resignation of Wendy Haviland as the Company's President, Secretary, and Treasurer. Concurrently on October 19, 2012, our Board of Directors elected Mr. Jason Torres to fill a vacancy on the Board of Directors and he was also appointed President, Secretary and Treasurer. Thereafter, Wendy Haviland resigned leaving Jason Torres as the sole director of the Company.

All directors hold office until the next annual stockholders' meeting or until their death, resignation, retirement, removal, disqualification, or until their

successors have been elected and qualified. Officers of the Company serve at the will of the board of directors.

The officers and directors may be deemed parents and promoters of the Company as those terms are defined by the Securities Act of 1933, as amended. All directors hold office until the next annual stockholders' meeting or until their death, resignation, retirement, removal, disqualification, or until their successors have been elected and qualified. Officers of the Company serve at the will of the Board of Directors.

No remuneration has been paid to or is contemplated for directors, acting in the capacity of a director, except reimbursement for out-of-pocket expenditures for activities on the Company's behalf. Officers (and employees and consultants) are paid for services rendered to the Company. The Company may enter into finder fees agreements with officers and shareholders for services rendered to the Company.

The Company has no retirement pension, profit sharing or stock option plans or insurance or medical reimbursement plans covering its officers and directors. The Company may implement such plans in the future.

Security Ownership of Management and Certain Beneficial Owners.

The following table sets forth the security and beneficial ownership for each class of equity securities of the Company for any person who is known to be the beneficial owner of more than five percent of the Company:

<u>Name</u>	<u>Number of Shares</u>
VaporBrands, Inc.	27,000,000
Balon Bleu Holdings, LLC	18,000,000

The total of the Company's outstanding common stock are held by approximately 125 shareholders.

The Company's officers and directors have confirmed to the Company that each shareholder of record has dispositive control over his or her or its own securities.

Ownership and Change in Control.

There are currently no arrangements that would result in a change in our control. There are no agreements or understandings for any officer or director of the Company to resign at the request of another person and none of the officers or directors is acting on behalf of or will act at the direction of any other person.

No Adverse Issues.

The Company is informed and believes that none 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);
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;
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
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.

Indemnification.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to officers, directors or persons controlling the Company, the Company has been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy, as expressed in the Securities Act of 1933, as amended, and is therefore unenforceable.

We have been informed that the Securities and Exchange Commission will not issue "no action" letters relating to the resale of securities, i.e., a person who has acquired shares of stock in a 4 (2) transaction, or either, under the Securities Act of 1933, as amended, and who offers and sells the restricted securities without complying with Rule 144 is to be put on notice by the Securities and Exchange Commission that in view of the broad remedial purposes of the Securities Act of 1933, as amended, and the public policy which strongly supports registration under said act, that those individuals will have a substantial

burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and the brokers of other person who participates in the transaction do so at their own risk. The Company has been informed that any indemnification for liabilities arising from such a transaction may also be against public policy as expressed in the Securities Act of 1933, as amended, and is therefore unenforceable.

The Company has been informed that liability is not eliminated or limited unless the Company includes the provision, like it has, in its original articles of incorporation or adds the provision by amendment. Under Nevada law, liability may be eliminated or limited as to both directors and officer. Thus, the liability of a director may be eliminated for breach of his or her fiduciary duty as an officer. Similarly, an officer may be relieved of liability to the Company for breach of his or her duties as an officer. However, the law does not permit the elimination of limitation of liability for acts or omissions which involve intentional misconduct, fraud, or a knowing violation of law. The Company has also been informed that the adoption of a provision eliminating liability of directors or officers does not mean that these individuals will never find themselves as a defendant in actions or suits arising from the performance of their duties. First, liability may not be eliminated or limited for acts or omissions which involve intentional misconduct, fraud, or knowing violation of law. Second, liability may not be eliminated or limited for the payment of dividends in violation of Nevada Revised Statutes. The Company has also been informed that the statute refers only to liability for damages. Thus, the article provision will not protect a director or officer from suits seeking equitable relief or orders requiring the return of corporate property. Since the statute is limited to liability of a director or officer to the corporation or stockholders, the provision will afford no protection in suits brought by third parties. As the statute reflects, it applies only to liability for breach of fiduciary duty as a director or officer. If a director or officer is also a majority stockholder, he or she may be liable for monetary damages for breach of duty to the minority. Further, the Company has been advised that the directors and officers will not be able to escape liability for violations of federal and state securities laws. Nevada Revised Statutes, Section 78.751 reads, in full, as follows:

1. Any discretionary indemnification under NRS 78.7502, unless ordered by a court or advanced pursuant to subsection 2, may be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances. The determination must be made:

- (a) By the stockholders;
- (b) By the board of directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding;

- (c) If a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding so orders, by independent legal counsel in a written opinion; or
- (d) If a quorum consisting of directors who were not parties to the action, suit or proceeding cannot be obtained, by independent legal counsel in a written opinion.

2. The articles of incorporation, the bylaws or an agreement made by the corporation may provide that the expenses of officers and directors incurred in defending a civil or criminal action, suit or proceeding must be paid by the corporation as they are incurred and in advance of the final disposition of the action, suit or proceeding, upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the corporation.

The provisions of this subsection do not affect any rights to advancement of expenses to which corporate personnel other than directors or officers may be entitled under any contract or otherwise by law.

3. The indemnification and advancement of expenses authorized in or ordered by a court pursuant to this section:

- (a) Does not exclude any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the articles of incorporation or any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, for either an action in his official capacity or an action in another capacity while holding his office, except that indemnification, unless ordered by a court pursuant to NRS 78.7502 or for the advancement of expenses made pursuant to subsection 2, may not be made to or on behalf of any director or officer if a final adjudication establishes that his acts or omissions involved intentional misconduct, fraud or a knowing violation of the law and was material to the cause of action.
- (b) Continues for a person who has ceased to be a director, officer, employee or agent and inures to the benefit of the heirs, executors and administrators of such a person.

Item 12 : Financial information for the issuer's most recent fiscal period.

Financial Information.

See The Company's Financial Statements for the quarter ended June 30, 2012, which were posted to OTC Markets, Inc. on July 23, 2012.

The Company submits or has submitted the following exhibits, financial statements and/or schedules, and reports.

A. Financial statements:

1. Financial Statements as of June 30, 2012

Financial statements previously submitted or filed as part of this report (the balance sheets and related statements of operations, statement of stockholders' equity, statement of cash flows and notes to financial statements) are as set forth in the Independent Auditor' Report or the Certification by the Chief Financial Officer or the person responsible for the preparation of the Financial Statements.

2. Financial Statement Schedules

All schedules are omitted inasmuch as the required information is not present or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the financial statements and notes thereto.

Reports to shareholders

The bylaws of the Company provides that the board of directors shall cause an annual report to be sent to the shareholders within one hundred twenty (120) days after the close of the fiscal year and it shall contain a balance sheet, an income statement and a statement of changes in the financial position for the fiscal year, accompanied by the report of the independent accountant. If there is no report, the Company will provide a certification that the statements were prepared without audit from the books and records of the Company. Additional quarterly reports may be prepared and other information may be the subject of news releases, posting on websites, or other means of dissemination.

Item 13: Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.

None

Item 14: Beneficial Owners

The following table sets forth the security and beneficial ownership for each class of equity securities of the Issuer for any person who is known to be the beneficial owner of more than five (5%) percent of the Issuer.

Vapor Brands, Inc.	27,000,000
Balon Bleu Holdings, LLC	18,000,000

Item 15: The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matter relating to operations, business development and disclosure.

1. Investment Banker

None

2. Promoters

None

3. Counsel

The following sets forth the name and address of the Company's counsel as the date hereof:

4. Accountant or Auditor –

The following sets forth the name and address of the Company's independent auditor as the date hereof:

Corso & Co
572 Shasta Drive
Encinitas, CA, 92924

Said auditor is licensed pursuant to applicable state law and provides or will provide audit and review services, as may be requested by the board of directors of the Company.

Said auditor currently provides audit or review services for all of the Company's financial statements, as indicated on its cover sheets.

5. Consultant(s):

None

6. Investor Relations Consultant:

None

7. There are no other advisors that assisted, advised, prepared or provided information with respect to this disclosure statement.

Item 16: Management's Discussion and Analysis or Plan of Operation.

We intend to brand and package the electronic cigarettes using furnished trademark(s) and trade dress supplied by our customers in the international market.

Electronic Cigarettes

Electronic cigarettes are electronic devices, the functional elements include: (1) a small plastic cartridge that contains a liquid nicotine solution, (2) the atomizer, which is a heating element that vaporizes the liquid nicotine so that it can be inhaled, and (3) the electronics, which include: a rechargeable lithium-ion battery and an LED which illuminates to indicate use.

When a user draws air through the device, 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 solution depending on the model may or may not contain nicotine and may or not be flavored. We intend to sell the products in a kit, or as separate components. We also intend to offer for sale replacement cartridges to be used with the non-disposable electronic cigarettes when the cartridges become depleted.

We intend to market and license for sale or sell a variety of electronic cigarettes; rechargeable and disposable, with related items.

Cartridges and Accessories

We will also market, refill cartridges in an assortment of flavors and nicotine levels, including a no nicotine cartridge. In addition to other accessories, including but not limited to the USB device, home and car charging devices; carrying cases, replacement parts and other accessories.

Electronic cigarettes and related products are relatively new to market, as is the industry in which we operate. Regulations are emerging that will shape the manner and form in which we operate our business and develop our business plans and strategies going forward. We expect our products will be regulated by foreign governmental agencies for those respective countries in which we sell our products. Complying with said regulations will be a critical element of our business operations and success.

The Market for Our Products

We will market the electronic cigarettes as an alternative to traditional tobacco cigarettes. Electronic cigarettes offer a “smoking” experience without the burning of tobacco leaf and as a result, electronic cigarettes offer its users the ability to satisfy their nicotine cravings without smoke, tar, ash or carbon monoxide, and in many cases electronic cigarettes may be used where tobacco burning cigarettes may not.

We believe that electronic cigarettes offer smokers a superior experience to tobacco burning cigarettes and are far more convenient when they can be used where traditional cigarettes cannot.

According to the American Heart Association, there are approximately 45 million smokers in the United States and the World health Organization reports that globally, approximately 15 billion cigarettes are smoked on a daily basis. In 2009, based on industry estimates, electronic cigarette sales were estimated at \$100 million, with more than half a million consumers in the U.S. alone (according to the Electronic Cigarette Association, a Washington D.C. based industry trade group, formed in May, 2009,) which equates to approximately 0.1% of the \$86.8 billion of cigarette and cigar sold in the U.S in 2006 according to the U.S. Department of Agriculture, Economic Research Service.

Electronic cigarettes, since their introduction to the US market have largely been sold online, while tobacco products, most notably cigarettes are currently sold in approximately 150,000 retail locations. We believe that future growth of electronic cigarettes is dependent on higher volume, lower margin sales channels, like the broad based distribution network through which cigarettes are sold.

Distribution and Sales

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

Our intended sales and distribution channels will be:

- Internet affiliate marketing through independent sales persons.
- Internet/E-commerce Sales, where we sell directly to end users through one of our internet websites and or landing pages.
- Internet/E-commerce Sales, where we sell directly to end users through one of our internet websites and or landing pages.

We intend to have our distribution and sales channels supported by internal sales and customer service personnel. We intend to generate sales and leads through domestic and international trade-shows, telesales, Internet marketing, Internet affiliates and direct response television marketing. We intend to depend on a network of internal and external sales representatives to maintain and grow our business and the revenues we generate.

Competition

We will 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 the products that we intend to sell and through the same channels through which we intend to sell the electronic cigarette products. We will compete with these direct competitors for sales through distributors, wholesalers and retailers, in addition to direct to public sales through the Internet, mail order and telesales.

As a general matter, we have access to and intend to market and sell the similar electronic cigarettes as competitors and since we intend to sell our products at substantially similar prices as our competitors; accordingly, the key competitive factors for our success is the quality of service we intend to offer our customers, the scope and effectiveness of our marketing efforts, including media advertising campaigns and, increasingly, the ability to identify and develop new sources of customers.

Part of our intended business strategy will be to focus on the establishment of contractual relationships with distributors. We are aware that electronic 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.

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, however we believe that as a public company we will have better access to capital, management and resources needed to build our

business and pursue any regulatory approvals that may be needed in connection with future sales of our products, as the law demands it.

We also will be competing with the world's largest tobacco companies -- "Big Tobacco" as our products deliver nicotine like traditional cigarette and tobacco products. Big Tobacco has nearly limitless resources, global distribution networks in place and a customer base that is fiercely loyal to their brands. Additionally, if tobacco companies seek to compete against us in offering alternative products to traditional cigarettes, namely electronic cigarettes or similar alternatives, (i.e. R.J. Reynolds have filed a patent application for an electronic cigarette-like device which they refer to as a "Tobacco-Containing Smoking Article") our ability to differentiate ourselves based on the uniqueness of our product offering will be gone and competing against them will be an even greater challenge.

Moreover, based on consumer use and demand we may find ourselves competing with not only the world's largest tobacco companies but the world's largest pharmaceutical companies as well -- "Big Pharma." Both Big Pharma and Big Tobacco have limitless resources with which to compete against us and both have far greater resources than us and we would be hard pressed to compete successfully against either industry's participants.

Source and Availability of Raw Materials

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

Patent, Trademark, License & Franchise Restrictions and Contractual Obligations

We have no patent, trademark or license restrictions. We may have territorial restrictions imposed by Vapor Brands, Inc. or our suppliers or manufacturers on individual electronic cigarettes.

The Company acknowledges and agrees that, as between the Company and any manufacturer, that either Vapor Brands, Inc. or the manufacturer owns all right, title, and interest in and to its products including all patent, copyright, trade secret, trademark, industrial design, and other intellectual property rights therein. The Company will use all reasonable efforts to protect the intellectual property rights of others and will report promptly to Vapor Brands, Inc. and the manufacturer of any suspected infringement, misappropriation or violation of such rights of which the Company becomes aware.

Government Regulation

Presently, governments are contemplating, enacting and or have enacted legislation which recognizes electronic cigarettes as tobacco products and imposes on their sales and use, similar and or the same restrictions that are presently applied to traditional tobacco cigarettes; which include a prohibition on sales to minors and restrictions as to where electronic cigarettes may be used.

Currently, there are other related laws; none of which may specifically apply to electronic cigarettes, however should any acts be amended to include electronic cigarettes, we would be subjected to regulations that would significantly affect our current business operations and likely result in significant costs to the company in its efforts to comply with each of these Acts.

Existing or Probable Government Regulations

The Company acknowledges that electronic cigarette products contain or are designed to be used with materials that contain nicotine, a chemical known in certain jurisdictions to cause birth defects or other reproductive harm and that the branded products are intended to be purchased and/or used only by individuals of legal smoking age in their area. The branded products are not for use by children, women who are pregnant or breast feeding, or by those who are at risk of heart disease, high blood pressure, diabetes, or are taking medication for depression or asthma. The electronic cigarette products should not be used by individuals who are sensitive or allergic to nicotine or the additive propylene glycol. The electronic cigarette products are intended only for recreational use only and are neither intended nor marketed as a quit smoking aid or cessation device. Nicotine is extremely addictive and habit forming.

Risk Factors

Prior to investing in our shares, a prospective investor should consider carefully the following risks and highly speculative factors that may affect our business. Any prospective investors should carefully consider, among other factors, the following:

We Intend to Market a Single Class of Products, Which may be Subject to Certain Government Regulations, Whose Approval We may or may not be Able to Achieve.

Electronic cigarettes, which are our sole product offering, are new to the marketplace and may be subject to regulation as a tobacco product and possibly as a drug and drug device if marketed using therapeutic claims. Most Electronic cigarettes are sold as a means of delivering nicotine to the body. In the United

States, The Food and Drug Administration ("FDA") is the regulatory agency which oversees tobacco products; however at present it is unclear what, if any regulatory process is required to import, market, manufacture and or distribute electronic cigarettes. To date the FDA has not established a definitive policy regulating electronic cigarettes, most other countries have regulatory agencies substantially similar to the FDA.

We intend to use reasonable efforts to file for the appropriate approvals to allow us to sell our product in various foreign countries, however we have no indication that at present we will be able to afford to pursue regulatory approval and that if we are able to pursue said approval we have no assurances that the outcome of said approval process will result in our products being approved by any government. Moreover, if a government establishes a regulatory process that we are unable or unwilling to comply with our business, results of operations, financial condition and prospects would be adversely affected.

Our Current Management Team Lacks Experience In Managing an E-Commerce business and the Obligations Incident Thereto Will Place Significant Demands on Our Management.

Our officer lacks experience in running an E-Commerce business. Our success is substantially dependent on the performance of our current officer and any added executive officers. In particular, our success depends substantially on the continued efforts of our executive officer and our Board of Directors.

Currently, we do not have key person life insurance on any officer, director and/or shareholder 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 our key employee and any future key employees could have a material adverse effect on our business, if we are unable to find suitable replacements.

Our very limited operating history makes it difficult to evaluate our current business and our prospects. The likelihood of our future success must be viewed in light of the problems, expenses, difficulties, delays and complications often encountered in the operation of a new business and new industry and product category, where failures of new companies and products are common. We are subject to the risks inherent in the ownership and operation of a development stage company, including regulatory setbacks and delays, fluctuations in expenses, competition and government regulation. If we fail to address these risks and uncertainties our business, results of operations, financial condition and prospects would be adversely affected.

We Cannot Predict Our Future Capital Needs And We May Not Be Able To Secure Additional Financing.

We believe that the limited cash that we have on hand, together with anticipated revenues from operations may be sufficient to meet our presently anticipated initial working capital and capital expenditure requirements for existing operations for at least the next two months, however our belief is based on our operating plan which in turn is based on assumptions, which may prove to be incorrect. As a result, our financial resources may not be sufficient to satisfy our capital requirements for this period.

However, we may require additional working capital to support our operations during any regulatory period, as established by foreign governments, wherein we may be precluded from marketing and or selling electronic cigarettes.

We expect to raise any required additional funds through public or private equity offerings, debt financings, corporate collaborations, governmental research grants may in some cases be available to us. We may also seek to raise additional capital to fund additional product development efforts, even if we have sufficient funds for our planned operations.

There can be no assurance that any such required additional funding will be available to us at all or available on terms acceptable to us. 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 share. 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 Product Faces Intense Media Attention and Public Pressure

The electronic cigarette products are new to the marketplace and since its introduction, certain members of the media, politicians, government regulators and advocate groups, including independent doctors have called for an outright ban of all electronic cigarettes, pending regulatory review and a demonstration of safety. A ban of this type would likely have the effect of terminating our sales and marketing efforts in certain countries and of certain products, or either, which we may currently market or have, plans to market in the future. Such a ban would also likely cause public confusion as to which products are the subject of the ban and which are not and would have a material adverse effect on our business, financial condition and performance.

Our Products Contain Nicotine Which is Considered to be a Highly Addictive Substance.

Most of the electronic cigarette and electronic cigarette cartridges contain nicotine, a chemical found in cigarettes and other tobacco products which are considered to be highly addictive. Certain foreign governments have empowered certain of its agencies to regulate the amount of nicotine found in tobacco products, but may not require the reduction of nicotine yields of a tobacco product to zero. Any regulation may require us to reformulate, recall and or discontinue certain of the products we may sell from time to time, which may have a material adverse effect on our ability to market the products and have a material adverse effect on our business, financial condition, results of operations, cash flows and/or future prospects.

The Market For Electronic Cigarettes Is Uncertain And Is Still Evolving.

Electronic cigarettes, having recently been introduced into the market place, are still early stage of development and are evolving rapidly and are characterized by an increasing number of market entrants. Our future revenues 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 a recent phenomenon, and may not continue on a lasting basis. The demand and market acceptance for these products is subject to a high level of uncertainty.

Our Products may not Serve their Intended Purpose.

An independent study of certain brands of electronic cigarettes found that the electronic cigarettes tested, delivered little to no measurable nicotine. We are not aware of the methods or protocols of this study used to test the electronic cigarettes and have not independently verified the study's results. We have not conducted our own empirical studies to determine the delivered nicotine in the vapor drawn. If the products are found to not serve their intended purpose, including delivering nicotine to their users, we may face a decline in the intended sales of the products, an upsurge of requests for refunds, private civil actions and or state or federal unfair business practices actions; any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and/or future prospects.

Our Business may 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 products are not taxed like cigarettes or other tobacco products, all of which have faced significant increases in the amount of taxes

collected on the sale of their products. Should governments and or taxing authorities impose taxes similar to those levied against cigarettes and tobacco products on the products, it may have a material adverse effect on the demand for the products. Moreover we may be unable to establish the systems and processes needed to track and submit the taxes we collect through Internet sales, which would limit our ability to market the products through our websites which would have a material adverse effect on our revenues, operation and financial condition.

Further, the requirement to collect track and remit taxes based on independent affiliate sales may require us to increase our prices, which may affect demand for the products or conversely reduce our net profit margin; either of which would have a material adverse effect on our revenues, financial condition and operating results.

Downturns In The Economy May Affect the Demand for the Products and our Financial Performance.

Electronic cigarettes are new to market and may be regarded by users as a novelty item and expendable as such demand for the products may be extra sensitive to economic conditions. When economic conditions are prosperous, discretionary spending increases; conversely, when economic conditions are unfavorable, discretionary spending declines. Any significant decline in general corporate conditions or the economy of any foreign government that affects consumer spending could have a material adverse effect on the Company's business and consequently, upon an investment in our common stock.

We are Dependent on Foreign Sales to Maintain our Business.

Our ability to maintain our business will become dependent on our ability to successfully commercialize the product and brands in foreign jurisdictions where the product can be sold. Our inability to establish distribution in foreign jurisdictions, specifically those that allow for the sale of electronic cigarettes will deprive us of the operating revenue we require to fund any domestic regulatory approval effort and continue to maintain our business operations.

Foreign Commercialization Will Result in Additional Costs and Expenses.

Commercializing the product in foreign countries will likely require us to expend additional resources which may reduce our profit margins; additional expenses including but not limited to, local language advertising and marketing materials, packaging, translating product documentation, additionally we may be required to retain foreign counsel to ensure compliance with foreign laws, regulations and taxing regimes, in addition to drafting and enforcing contracts with foreign distributors.

If we fail to commercialize the intended products in foreign jurisdictions we may find ourselves at a competitive disadvantage not only in those foreign jurisdictions but also in each market in which we have a presence. If we are unable to be competitive we risk losing market share, a decrease in operating revenues all of which would have a material adverse effect on our financial condition and our ability to operate our business.

Our Success is Dependent Upon Our Marketing Efforts.

We have limited marketing experience in marketing electronic cigarettes and limited financial, personnel and other resources to undertake extensive marketing activities. If we are unable to generate significant market awareness for the products and the brands our operations may not generate sufficient revenues for us to execute our business plan, generate revenues and achieve profitable operations.

We Rely on the Efforts of Our Outside Independent Sales Force to Generate Sales.

We intend to rely, in part, on the efforts of others to create independent sales distributors to purchase and distribute our product to wholesalers and or retailers to generate revenues. We intend to also rely, in part, on the efforts of outside independent salespersons and Internet sales affiliates to generate sales for the Company. Any loss of independent sales persons or our Internet sales affiliates could have a material adverse effect on our business, prospects, financial condition and results of operations.

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, mismanagement or a lack of financial resources or, our failure to respond in a timely manner; to new technologies, customer preferences, changing market conditions or new developments in our industry. Any of the failures to adapt or inabilities described herein or otherwise would have a material adverse effect on our business, prospects, financial condition and results of operations.

Existing or Pending Patents and Pending Litigation Could Prevent Us From Operating Our Business In Its Present Form.

Ruyan Investment (Holdings) Limited ("Ruyan"), a British Virgin Island Company with its principal place of business in China, has made certain public claims as to their ownership of patent rights relating to an "Atomizing Electronic Cigarette." Should Ruyan's patent be valid and enforceable and cover the

devices we purchase from our suppliers, we may be forced to pay more for the products or we may be cut off from our supply. We may also face a potential action by Ruyan, which we may be forced to defend and which we may ultimately lose. Should any of these events occur, they are likely to have a material adverse effect on our ability to operate our business as a going concern.

We have been informed that Ruyan has filed in various courts in various jurisdictions complaints for patent infringement against manufacturers (and others) to determine that its patent is valid and enforceable, that the manufacturer is liable for damages and that the manufacturer and its affiliates and related parties be enjoined from infringing on the patent. We are informed and believe that those sued by Ruyan believe the patent to be invalid and that they have meritorious defenses to the complaint. In the event that Ruyan's patents are enforceable, we may be required to obtain a license to the covered intellectual property or substantially modify or redesign the existing product line in order to continue operations. We can offer no assurance that a license would be available on acceptable terms or at all, or that we will be able to revise our business model economically, efficiently or at all

R. J. Reynolds one of the largest tobacco companies in the world has filed a patent application for a "Tobacco-Containing Smoking Article." If R.J. Reynolds patent is awarded and the products are found to be infringing on their patent, our business, prospects, financial condition and results of operations could be materially and adversely affected.

R.J. Reynolds has not contacted us regarding any possible infringement of their intellectual property rights nor has any party commenced or threatened to commence any legal action against us. If we are required to participate in litigation, we may not have the resources to fund the required litigation costs, which may adversely affect our business prospects, financial condition and results of operations.

In the event that R. J. Reynolds' patents are enforceable against us, we may be required to obtain a license to the covered intellectual property or substantially modify or redesign the existing product line in order to continue operations. We can offer no assurance that a license would be available on acceptable terms or at all, or that we will be able to revise our business model economically, efficiently or at all.

We Depend On Third Party Suppliers and Manufacturers For Our Electronic Cigarette Products.

We do not own or control our supply chain our suppliers or our suppliers'

suppliers, therefore we are unable to control or ensure our supply of products or the consistency of those products. We believe that we will be dependent on Vapor Brands, Inc. or another supplier to supply or manufacture the electronic cigarettes. That dependency includes, but is not limited to, the electrical components, technology, flavorings and essences. Our customers will associate certain characteristics of the products including the weight, feel, draw, flavor, packaging and other unique attributes of the products to the brands we market, distribute and sell. Any interruption in supply and or consistency of the products may harm our relationships and goodwill with customers, and have a materially adverse effect on our cash flow and our operations.

Although we believe that several alternative sources for the products may be available, any failure to obtain the components, chemicals constituents and manufacturing services necessary for the production of the products would have a material adverse effect on our business and prevent us from timely execution of our business plan and may result in additional expenditures of time and money in seeking viable new sources of supply and manufacturer alternatives.

Moreover our inability to replicate those certain characteristics of then supplied and manufactured products, which our customers may associate and enjoy, which are unique to our brands, may cause a loss of customer loyalty, patronage and goodwill and which may have a material adverse effect on our business.

We Use Chinese Manufacturers for the Production of Our Products.

Most suppliers and product manufacturers are based in China. Certain Chinese factories and the products they export have recently 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 us or not we may be adversely and materially affected by the stigma associated with Chinese production, which would affect our business operation, our revenues and our financial projections and prospects.

Moreover, products manufactured by any Chinese suppliers that are not considered safe and or those products that do not comply with U.S. safety and health standards may cause significant harm and or death to persons who use the product and subject us to liability and potential legal claims and cause injury to our reputation, goodwill and operating results.

Product Exchanges, Returns, Warranty Claims, Defect and Recalls May Adversely Affect Our Business.

Any and all products are subject to customer service claims, malfunctions

and defects, which may subject us to requests for product exchanges, returns, warranty claims and recalls. If we are unable to maintain an acceptable degree of quality control of the products we will incur costs of replacing and or recalling the products and servicing our customers. Any product returns, exchanges, and or recalls we may make will have a material adverse effect on our business, our operations and our profitability and will likely result in the loss of customers and goodwill. Moreover products that do not meet our quality control standards and or those products that do not comply with local governmental safety and health standards or that may be defective may reduce the effectiveness, enjoyment and or cause harm to property, person and or death to persons who use the product. Any such instance will likely result in claims against us and potentially subject us to liability and legal claims which may cause injury to our reputation, goodwill and operating results.

We May Be Unable To Promote And Maintain Our Brands.

We believe that establishing and maintaining the brand identities of the products is a critical aspect of attracting and expanding a large client base. Promotion and enhancement of the brands will depend largely on our success in continuing to provide high quality products. If our customers and end users do not perceive the 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 profitability will likely be impaired.

We Depend on Our Intellectual Property Rights to Distinguish our Brands and Products.

Our current and future business activities, products and brands may infringe upon the proprietary rights of others, and third parties may assert infringement claims against us. Any such claims and resulting litigation could subject us to significant liability for damages and could result in the invalidation of our proprietary rights. Even if not meritorious, such claims could be time-consuming, expensive to defend and could result in the diversion of our management's time and attention. In addition, this diversion of managerial resources could have a material adverse effect on our business, prospects, financial condition and results of operations.

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 Launched.

We are currently commencing to develop, 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 launched. 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 reputation, business, financial condition and results of operations.

Our Ability to Implement our Strategy of Attracting and Retaining Employees may be Impaired by the Uncertainty in our Business due to the FDA's public Statements.

Recent governmental statements with respect to electronic cigarette products, the uncertainty of present and future regulations is likely to injure our ability to compete for talented employees and managers, who may be drawn to more established companies and as a result, we may be unable to attract talented employees, managers, consultants and contractors to help us grow our business.

We may Encounter Difficulties in Managing Our Growth, Which Would Adversely Affect Our Results of Operations.

If we are successful in growing our business, we will need to significantly expand our operations, which could put significant strain on our management and our operational and financial resources. To manage future growth, we will need to hire, train, and manage additional employees. Concurrent with expanding our operational and marketing capabilities, we will also need to increase our product development activities. We may not be able to support, financially or otherwise, future growth, or hire, train, motivate, and manage the required personnel. Our failure to manage growth effectively could limit our ability to achieve our goals.

Our success in managing our growth will depend in part on the ability of our executive officers to continue to implement and improve our operational, management, information and financial control systems and to expand, train and manage our employee base, and particularly to attract, expand, train, manage and retain a sales force to market our products on acceptable terms. Our inability to manage growth effectively could cause our operating costs to grow at a faster pace than we currently anticipate, and could have a material adverse effect on our business, financial condition, results of operations and prospects.

We Face a Risk of Product Liability Claims and may not be Able to Obtain Adequate Insurance.

Our business exposes us to potential liability risks that may arise from the sale and use of the products. Liability claims may be expensive to defend and result in large judgments against us. We currently carry liability insurance, however there is no assurance that it will continue to be available to us at an affordable price if at all. Our insurance may not reimburse us, or the coverage may not be sufficient to cover claims made against us. We cannot predict any or all of the possible harms or side effects that may result from the use of the current intended products or any future products and, therefore, the amount of insurance coverage we currently hold may not be adequate to cover all liabilities we might incur. If we are sued for any injury allegedly caused by the products, our liability could exceed our ability to pay the liability. Whether or not we are ultimately successful in any adverse litigation, such litigation could consume substantial amounts of our financial and managerial resources, all of which could have a material adverse effect on our business, financial condition, results of operations, prospects and stock price.

We do not presently carry product recall insurance and there is no assurance that it would be available to us at a reasonable cost or at all. In the event we were required to recall certain products due to defects or safety concerns, the costs associated with recalling those products, might be greater than we can afford and as a result could have a material adverse effect on our abilities to maintain operations.

We Face Substantial And Increasing Competition.

We face intense competition from direct and indirect competitors, including “Big Pharma,” “Big Tobacco” and other known and established or yet to be formed electronic cigarette companies, each of whom pose a competitive threat to our current business and future prospects. We expect competition to intensify in the future. Certain of these companies are either currently competing with us or are focusing significant resources on providing products that will compete with the electronic cigarette product offerings in the future.

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. We have no assurances that we will be able to compete with these competitors and that we will be successful in operating our business and ever achieving profitability. Our inability to successfully compete against these or any of our competitors will have a material adverse effect our business, results of operations and financial condition.

We Face Competition from Other Foreign Importers Who May Not Comply With Government Regulation.

We face competition from foreign sellers of electronic cigarettes that may illegally ship their products in the countries where we intend to conduct business for direct or indirect delivery to customers. These market participants will not have the added cost and expense of complying with applicable foreign government 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, wherein we were not permitted to sell our products. This competitive disadvantage may have a material adverse impact on our ability to compete with competitors, which may result in a loss of revenue and market share and hamper our ability to generate revenue and continue to operate as a going concern.

Internet Security Poses a Risk To Our E-Commerce Sales.

At present we intend to generate a portion of our revenues through the sale of our products through our websites. We will manage our websites and e-commerce platform internally and as a result any compromise of our security or misappropriation of proprietary information could have a material adverse effect on our business, prospects, financial condition and results of operations. We rely on encryption and authentication technology licensed from other companies to provide the security and authentication necessary to effect secure Internet transmission of confidential information, such as credit and other proprietary information. Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the technology used by us to protect client transaction data. Anyone who is able to circumvent our security measures could misappropriate proprietary information or cause material interruptions in our operations. We may be required to expend significant capital and other resources to protect against security breaches or to minimize problems caused by security breaches. To the extent that our activities or the activities of others involve the storage and transmission of proprietary information, security breaches could damage our reputation and expose us to a risk of loss or litigation and possible liability. For example the storage and loss of credit card numbers, which may reside on our servers and be used directly by us or by our service suppliers (ex. merchant account processors). Our security measures may not prevent security breaches. Our failure to prevent these security breaches may result in consumer distrust and may result in a loss of sales and resultantly a loss of revenues.

Our Earnings Could be Adversely Affected by Currency Exchange Rates and Currency Devaluations.

The bulk of our revenues may be generated in currency other than the U.S. dollar and the manufacturers and suppliers are located in China. Fluctuations in exchange rates between our respective currencies could result in higher production and supply costs to our anticipated suppliers and manufacturers and to the Company which would change our prices may have an adverse effect on our profit margins and our business operation if we were not willing or able to pass those costs on to our customers or effectively hedge our currency exposure.

Moreover, if we attempt to hedge our risk in the currency markets and are unsuccessful and or if our competitors are more successful arbitraging the currency risk we may find ourselves at a competitive disadvantage to other market participants which would have a material adverse effect on our business operations.

Restrictions On the Use of Our Products may Reduce the Attractiveness and Demand for Our Electronic Cigarettes.

Our product since it emits no smoke and no smell can be used in places where the use of traditional tobacco burning cigarettes is prohibited. Should city, state or federal regulators, municipalities, local governments and private industry likewise restrict the use of electronic cigarettes from use in those same places where cigarettes cannot be smoked, our customers may reduce or otherwise cease using our products entirely, which would have a material adverse effect on our business, financial condition and performance.

Regulation of Tobacco Products by Government Action.

Various governments currently legislate and regulate tobacco products, including what is considered a tobacco product, how tobacco taxes are calculated and collected, to whom tobacco products can be sold and by whom, in addition to where tobacco products, specifically cigarettes may be smoked and where they may not. Certain governmental agencies have enacted local ordinances which preclude the use of electronic cigarettes where traditional tobacco burning cigarettes cannot be used and certain states have proposed legislation that would categorize electronic cigarettes as tobacco products, equivalent to their tobacco burning counterparts. If these bills become laws, 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.

Government Action Against Us May have a Material Effect on our Ability to Sell Our Products.

If numerous governments and or more populous governments or jurisdictions in which we will generate significant revenues bring actions to restrict sales of our products, by us or our re-sale customers, and if we are unable to satisfactorily responded to their concerns and or acquire the necessary licenses, permissions or permits and or if those licenses permissions or permits are overly burdensome or costly to obtain and or if those licenses, permissions or permits are not available to us; we may be required to restrict or sales or cease sales and distribution of our products to those states, which would have a material adverse effect on our business operations.

Governments May Have Prohibition Against Therapeutic Claims.

Electronic cigarettes, if marketed or sold in connection with therapeutic claims, (i.e. smoking cessation claims, claims to cure treat or mitigate a disease) would be subject to special governmental regulatory authority. We do not make therapeutic claims in connection with our marketing and or sales of our electronic cigarettes. Our customers may make wrongful claims. Any violation of law with respect to the Company's marketing materials, and or labeling could expose the Company to liability including but not limited to fines, sanctions, administrative actions, detention and seizure of product, penalties, civil actions and or criminal prosecution each of which could have a material adverse effect on the Company's business, reputation, results of operations and financial condition.

Changes in Governmental Regulation May Affect the Countries in Which we Sell Our Products

Foreign jurisdiction have varying policies and laws with respect to the use of electronic cigarettes that vaporize nicotine, countries such as the United Kingdom do not restrict its use while other countries such as Thailand have instituted a total ban. If countries such as the United Kingdom reverse their stance or should other countries that have a neutral stance move towards prohibition, it will have a direct impact on our ability to market our products and will have a material adverse effect on our business.

We may Face the Same Governmental Actions Aimed at Cigarettes and Other Tobacco Products.

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.

Operating income could be significantly affected by any significant decrease in demand for our products, any significant increase in the cost of complying with new regulatory requirements.

Our Board of Directors is Authorized to Issue Additional Shares of Our Stock Which Would Dilute Existing Shareholders.

We are currently authorized to authorize up to 505,000,000 shares of common stock, of which 60,086,606 shares will be or are currently issued and outstanding. Additional shares of our common stock may be issued by our board of directors for such consideration as they may consider sufficient without seeking stockholder approval. The issuance of additional shares of common stock in the future will reduce the proportionate ownership and voting power of

current stockholders.

The Percentage Ownership of our Common Shares may be Diluted by Future Share Issuances.

To the extent we issue new shares to fund acquisitions, to raise additional capital, to compensate employees and other persons your percentage ownership of our shares will be diluted.

We Do Not Intend To Pay Future Cash Dividends.

We currently do not anticipate paying cash dividends on our common stock at any time in the near future. We may never pay cash dividends or distributions on our common stock. Any credit agreements which we may enter into with institutional lenders may restrict our ability to pay dividends. Whether we pay cash dividends in the future will be at the discretion of our board of directors and will be dependent upon our financial condition, results of operations, capital requirements and any other factors that the board of directors decides is relevant.

The success of our business depends on continued growth of the internet as a business tool for small and medium-sized businesses.

Expansion in the sales of our web services and products will depend on the continued acceptance of the Internet as a communications and commerce platform for small and medium-sized businesses. The use of the Internet as a business tool could be adversely affected by delays in the development or adoption of new standards and protocols to handle increased demands of Internet activity, security, reliability, cost, ease-of-use, accessibility, and quality of service. The performance of the Internet and its acceptance as a business tool have been harmed in the past by viruses, worms, and similar malicious programs, and the Internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If for any reason the Internet does not remain a widespread communications medium and commercial platform or businesses do not continue to become Internet enabled and maintain an online presence, the demand for our services and products would be significantly reduced, thereby significantly affecting our sales and the success of our business.

If economic or other factors negatively affect the small and medium-sized business sectors, our customers may become unwilling or unable to purchase our web services and products, which may cause our revenue to decline and impair our ability to operate profitably.

Our existing and target customers are small and medium-sized

businesses. These businesses are more likely to be significantly affected by economic downturns than larger, more established businesses. Additionally, these customers often have limited discretionary funds, which they may choose to spend on items other than our Web services and products. If small and medium-sized businesses experience economic hardship, they may be unwilling or unable to expend resources to develop their Internet presences, which would negatively affect the overall demand for our services and products and could cause our revenue to decline.

Our operating results are difficult to predict and fluctuations in our performance may result in volatility in the market price of our common stock.

Due to our limited operating history, our evolving business model, and the unpredictability of our emerging industry, our operating results are difficult to predict. We expect to experience fluctuations in our operating and financial results due to a number of factors, such as: our ability to retain and increase sales to existing customers, attract new customers, and satisfy our customers' requirements;

the renewal rates for our services;

changes in our pricing policies;

the introduction of new services and products by us or our competitors;

our ability to hire, train and retain members of our sales force;

the rate of expansion and effectiveness of our sales force;

technical difficulties or interruptions in our services;

general economic conditions;

additional investment in our services or operations; and

our success in maintaining and adding strategic marketing relationships.

We face intense and growing competition. If we are unable to compete successfully, our business will be seriously harmed.

The market for our web services and products is competitive and has relatively low barriers to entry. Our competitors vary in size and in the variety of services they offer. We encounter competition from a wide variety of company

types, including:

website design and development service and software companies;

Internet service providers and application service providers;

Internet search engine providers;

Local business directory providers; and

website domain name providers and hosting companies.

In addition, due to relatively low barriers to entry in our industry, we expect the intensity of competition to increase in the future from other established and emerging companies. Increased competition may result in price reductions, reduced gross margins, and loss of market share, any one of which could seriously harm our business. We also expect that competition will increase as a result of industry consolidations and formations of alliances among industry participants.

Moreover, many of our current competitors have longer operating histories, significantly greater financial, technical, marketing and other resources, and greater brand recognition and, we believe, a larger installed base of customers. These competitors may be able to adapt more quickly to new or emerging technologies and changes in customer requirements. They may be able to devote greater resources to the promotion and sale of their services and products than we can. If we fail to compete successfully against current or future competitors, our revenue could increase less than anticipated, or even decline, and our business could be significantly harmed.

Our failure to establish brand awareness to either the Company or VaporBrands International, Inc., within a short period of time could compromise our ability to compete and to grow our business.

As a result of the anticipated increase in competition in our market, and the likelihood that some of this competition will come from companies with established brands, we believe brand name recognition and reputation will become increasingly important. Our planned strategy which includes relying significantly on third-party strategic marketing relationships to find new customers may impede our ability to build brand awareness, as our customers may mistakenly believe our web services and products will be those of the parties with which we have strategic marketing relationships. If we do not continue to build brand awareness, we could be placed at a competitive disadvantage to companies whose brands are more recognizable than ours.

If we cannot adapt to technological advances our services and products may become obsolete and our ability to compete would be impaired.

Changes in our industry occur very rapidly, including changes in the way the Internet operates or is used by small and medium-sized businesses and their customers. As a result, our web services and products could become obsolete within a short time period. The introduction of competing products employing new technologies and the evolution of new industry standards could render our existing products or services obsolete and unmarketable. To be successful, our web services and products must keep pace with technological developments and evolving industry standards, address the ever-changing and increasingly sophisticated needs of our customers, and achieve market acceptance. If we are unable to develop new web services or products, or enhancements to our web services or products, on a timely and cost-effective basis, or if new web services or products or enhancements do not achieve market acceptance, our business would be seriously harmed.

Providing web services and products to small and medium-sized businesses designed to allow them to internet-enable their businesses is a new and emerging market; if this market fails to develop, we will not be able to grow our business.

Our success depends on a significant number of small and medium-sized business outsourcing website design, hosting, and management as well as adopting other online business solutions. The market for our web services and products is relatively new and untested. Custom website development has been the predominant method of Internet enablement, and small and medium-sized businesses may be slow to adopt our template-based web services and products. Further, if small or medium-sized businesses determine that having an Internet presence is not giving their businesses an advantage, they would be less likely to purchase our web services and products. If the market for our web services and products fails to grow or grows more slowly than we currently anticipate, or if our web services and products fail to achieve widespread customer acceptance, our business would be seriously harmed.

We may need additional financing to support our business growth, if we do not obtain this financing, our growth may be impaired.

We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges, including the need to develop new services and products or enhance our existing web services, enhance our operating infrastructure and acquire complementary businesses and technologies.

In order to expand our business operations, we anticipate that we may

have to raise additional funding. If we are not able to raise the capital necessary to fund our business expansion objectives, we may have to delay the implementation of our business plan. We do not currently have any arrangements for other financing.

If we are unable to obtain key personnel or retain Jason Torres, this may compromise our ability to successfully manage our business and pursue our growth strategy.

We depend on the services of our sole director and officer Jason Torres, for the future success of our business. The loss of his services could have an adverse effect on our business, financial condition and results of operations. We do not carry any key personnel life insurance policies on Jason Torres and we do not have a contract for his services.

Vapor Brands, Inc. has controlling interest in our outstanding shares of stock and therefore it has control over all of our corporate decisions. It may make business decisions that are disadvantageous to our minority shareholders.

Vapor Brands, Inc. has a controlling interest in our shares of common stock. Accordingly, it will have significant influence in determining the outcome of all corporate transactions or other matters, including the election of directors, mergers, consolidations and the sale of all or substantially all of our assets, as well as the power to prevent or cause a change in control. The interests of Vapor Brands Inc. may differ from the interests of the other investors and may result in corporate decisions that are disadvantageous to other shareholders.

Government regulation involving the transmission of information over the internet is evolving and we may face liability in connection with the information that we use or transmit using our services and products.

The legal framework that applies to the Internet is continually evolving. Laws relating to the Internet have been, and likely will continue to be, enacted that address issues of privacy, security, pricing, taxation, quality and substance of services and products, and other issues. Because our web services and products allow customers to transmit information over the Internet on their own websites, and because we develop many of these websites, we may be found to be liable for any improper information that our customers transmit. We may face liability for defamation, negligence, copyright, patent or trademark infringement, and other claims based on the nature and content of the materials being transmitted by our web services. Although we retain discretion to cancel the web services being provided to customers if we learn such content is being transmitted, there can be no guarantee that our customers will refrain from such transmission or that we will not be deemed responsible for the content being transmitted or hosted using our web services or products. Government

regulations also could affect the cost of communicating on the Internet and could negatively affect the demand for our web services and products, and our business could thereby be harmed.

The Company's auditor has expressed doubts as to our ability to continue as a going concern.

In the opinion of our auditor as reflected in our last audited financial statements, since we have not generated revenue from operations, it raises substantial doubt about the Company's ability to continue as a going concern. There is no assurance that our auditor will not continue to express doubts on our ability to continue as a going concern even after the closing of our acquisition of Instant Website Technology, Inc.

Jason Torres has no experience related to public company management. As a result, we may be unable to manage our public reporting requirements.

Our operations depend entirely on the efforts of our sole officer and director. While he has expertise with which we will rely upon to grow and manage our business operations, he has no experience related to public company management or as a principal accounting officer. Because of this, we may be unable to develop and manage our public reporting requirements. There is no assurance that we will overcome these obstacles.

You will not receive dividend income from an investment in the shares and as a result, the purchase of the shares should only be made by an investor who does not expect a dividend return on the investment.

We have never declared or paid a cash dividend on our shares nor will we in the foreseeable future. We currently intend to retain future earnings, if any, to finance the operation and expansion of our business. Accordingly, investors who anticipate the need for immediate income from their investments by way of cash dividends should refrain from purchasing any of our securities. As we do not intend to declare dividends in the future, you may never see a return on your investment and you indeed may lose your entire investment.

Our shares of common stock are deemed to be "penny stocks" with a potential limited trading market.

Our shares of common stock will, in all likelihood, be subject to the "penny stock rules" adopted pursuant to Section 15(g) of the Exchange Act. The penny stock rules apply to non-NASDAQ companies whose common stock trades at less than \$5.00 per share or companies which have tangible net worth of less than \$5,000,000 (\$2,000,000 if the company has been operating for three or more years). Such rules require, among other things, that brokers who trade

"penny stock" to persons other than "established customers" complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote and other information under certain circumstances. Many brokers have decided not to trade "penny stock" because of the requirements of the penny stock rules and, as result, the number of broker-dealers willing to act as market makers in such securities is limited. In the event that we remain subject to the "penny stock rules" for any significant period, there may develop an adverse impact on the market, if any, for our securities. Because our securities are subject to the "penny stock rules," investors will find it more difficult to dispose of our securities. Further, for companies whose securities are traded in the "Pink Sheets" and/or in the Over-the-Counter Bulletin Board System, it is more difficult: (i) to obtain accurate quotations, (ii) to obtain coverage for significant news events because major wire services, such as the Dow Jones News Service, generally do not publish press releases about such companies, and (iii) to obtain needed capital.

Future sales of restricted shares could decrease the price a willing buyer would pay for shares of our common stock, could cause our price to decline and could impair our ability to raise capital.

Future sales of common stock by Vapor Brands, Inc. or its shareholders or other unregistered shares of stock under exemptions from registration or through a subsequent registered offering could materially adversely affect the market price of our common stock and could materially impair our future ability to raise capital through an offering of equity securities. We are unable to predict the effect, if any, that market sales of these shares, or the availability of these shares for future sale, will have on the prevailing market price of our common stock at any given time.

Item 17: List of securities offerings and shares issued for services in the past two years.

None

Item 18: Material Contracts.

See Exhibit 18 to be filed with OTC Markets, Inc., contemporaneously with this Disclosure Statement, Share Exchange Agreement of September 20, 2012, by and among the Company and the shareholders of VaporBrands, Inc.

Item 19: Articles of Incorporation and Bylaws.

See Exhibit s 19 A and Exhibit 19 B- to be filed with OTC Markets, Inc.,

contemporaneously with this Disclosure Statement.

Item 20: Purchase of Equity Securities by the Issuer and Affiliated Purchasers.

Effective as of October 1, 2012, pursuant to the terms of the Share Exchange Agreement, we issued 45,000,000 shares of our common stock to the two shareholder of VaporBrands International, Inc., Inc., in exchange for all of the issued and outstanding capital stock of VaporBrands International, Inc. One shareholder of VaporBrands Internationals, Inc. is Balon Bleu Holdings, LLC [40%] and the other shareholder is Vapor Brands, Inc. [60%].

The shares of common stock issued under the Share Exchange Agreement were not registered under the Securities Act of 1933 (the "Securities Act"), and bear restrictive legends that reflect this status. The securities were issued in a private placement in reliance on the exemption from registration provided by Section 4(2) of the Securities Act. We did not engage in any general solicitation or advertisement for the issuance of these securities.

In connection with this issuance, the shareholders of VaporBrands International, Inc. represented that the securities that they was acquiring cannot be resold except pursuant to an effective registration under the Securities Act or in reliance on an exemption from the registration requirements of the Securities Act, and that the certificates representing such securities bear a restrictive legend to that effect and they intend to acquire the securities for investment only and not with a view to the resale thereof.

The sale and issuance of the shares of common stock was exempt from registration under the Securities Act of 1933, as amended, by virtue of section 4(2) as a transaction not involving a public offering. Each of the shareholders had acquired the shares for investment and not with a view to distribution to the public, all of the shares had been issued in a "private transaction" and all were "restricted" shares as defined in Rule 144 under the Securities Act of 1933, as amended.

Item 21: Issuer's Certifications.

The undersigned hereby states:

1. I have reviewed this Informational and Disclosure Statement.
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.

Date: October 19, 2012

VaporBrands International, Inc.

By: /s/ Jason Torres
Jason Torres, President