

**COMMON STOCK  
ALTERNATIVE REPORTING  
OTC Pink Disclosure Document**

**1) Name of the issuer and its predecessor(s):**

HEMP, INC., AUGUST 2012  
MARIJUANA, INC., JULY 2010  
PREACHERS COFFEE INC., JANUARY 2008

**2) Address of the issuer's principal executive offices:**

***Company Headquarters***

Address 1: 8174 S. LAS VEGAS BLVD., #109-367  
Address 2: LAS VEGAS, NV 89123  
Phone: 855-436-7688  
Email: INFO@HEMPINC.COM  
Website(s): WWW.HEMPINC.COM

***IR Contact***

Name: EVEREST CORPORATE ADVISORS, INC.  
Phone: 855-436-7688  
Email: IR@HEMPINC.COM

**3) Security Information:**

Trading Symbol: HEMP

Exact title and class of securities outstanding: COMMON  
CUSIP: 423 703 206  
Par or Stated Value: \$0.00001  
Total shares authorized: 10,500,000,000 as of 9.30.19  
Total shares outstanding: 5,460,369,694 as of: 9.30.19

Preferred share information:

Exact title and class of securities outstanding: PREFERRED COLLECTIBLE  
CUSIP: N/A  
Par or Stated Value: \$0.00001  
Total shares authorized: 500,000,000 as of: 9.30.19  
Total shares outstanding: 8,400,000 as of: 9.30.19

Exact title and class of securities outstanding: PREFERRED  
CUSIP: N/A  
Par or Stated Value: \$0.00001  
Total shares authorized: 31,835,578 as of: 9.30.19  
Total shares outstanding: 31,835,578 as of: 9.30.19

Exact title and class of securities outstanding: NEW PREFERRED  
CUSIP: N/A  
Par or Stated Value: \$0.00001  
Total shares authorized: 468,164,422 as of: 6.30.19  
Total shares outstanding: 19,800,690 as of: 9.30.19

Exact title and class of securities outstanding: PREFERRED K  
CUSIP: N/A  
Par or Stated Value: \$0.00001  
Total shares authorized: 58,262,154 as of: 9.30.19

Total shares outstanding: 58,262,154 as of: 9.30.19

Exact title and class of securities outstanding: PREFERRED K(P)

CUSIP: N/A

Par or Stated Value: \$0.00001

Total shares authorized: 169,499,468 as of: 9.30.19

Total shares outstanding: 125,198,147 as of: 9.30.19

Exact title and class of securities outstanding: PREFERRED Q

CUSIP: N/A

Par or Stated Value: \$0.00001

Total shares authorized: 100,000,000 as of: 9.30.19

Total shares outstanding: 10,000,000 as of: 9.30.19

Transfer Agent

Name: MADISON STOCK TRANSFER INC.

Address 1: 2715 CONEY ISLAND AVE., 2ND FLOOR

Address 2: BROOKLYN, NY 11235

Phone: 718-627-4453

Is the Transfer Agent registered under the Exchange Act?\* Yes:  No:

List any restrictions on the transfer of security:

RULE 144

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

NONE

Within the past year please list any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization:

NONE

**4) Issuance History**

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

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

ISSUANCES FOR SERVICES, DEBT, AND CASH

17,900,000 PREFERRED K(P) CONVERTED TO 179,000,000 COMMON DURING QE 3.31.17

5,479,592 PREFERRED K CONVERTED TO 5,479,592 COMMON DURING QE 3.31.17

12,753,333 PREFERRED CONVERTED TO 3,188,333 COMMON DURING QE 3.31.17

3,584,948 NEW PREFEFFFED CONVERTED TO 8,962,370 COMMON DURING QE 3.31.17

20,611,040 COMMON ISSUED FOR SERVICES DURING QE 3.31.17

299,442,751 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 3.31.17  
7,200,000 PREFERRED K(P) ISSUED FOR SERVICES DURING QE 3.31.17  
4,840,000 PREFERRED K(P) CONVERTED TO 48,400,000 COMMON DURING QE 6.30.17  
50,000 PREFERRED K CONVERTED TO 50,000 COMMON DURING QE 6.30.17  
29,000,000 COMMON ISSUED FOR SERVICES DURING QE 6.30.17  
210,205,561 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 6.30.17  
200,000 PREFERRED K(P) CONVERTED TO 2,000,000 COMMON DURING QE 9.30.17  
40,750,000 COMMON ISSUED FOR SERVICES DURING QE 9.30.17  
400,666,209 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 9.30.17  
39,200,000 COMMON ISSUED FOR SERVICES DURING QE 12.31.17  
130,626,041 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 12.31.17  
431,049,078 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 3.31.18  
22,061,877 PREFERRED K(P) CONVERTED TO 220,618,770 COMMON DURING QE 6.30.18  
120,955,304 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 6.30.18  
14,000,000 COMMON ISSUED FOR SERVICES DURING QE 6.30.18  
225,857,777 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 9.30.18  
3,860,000 PREFERRED K(P) CONVERTED TO 38,600,000 COMMON DURING QE 9.30.18  
23,487,778 PREFERRED P(NEW) CONVERTED INTO 58,719,445 COMMON DURING QE 9.30.18  
164,700,000 COMMON ISSUED FOR SERVICES DURING QE 9.30.18  
307,227,069 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 12.31.18  
25,300,713 PREFERRED K(P) CONVERTED TO 253,007,130 COMMON DURING QE 12.31.18  
40,000,000 COMMON ISSUED FOR SERVICES DURING QE 12.31.18  
154,093,404 COMMON ISSUED INTEREST AND DEBT SERVICE DURING QE 3.31.19  
3,140,608 PREFERRED K(P) CONVERTED TO 31,406,080 COMMON DURING QE 3.31.19  
118,250,000 COMMON ISSUED FOR SERVICES DURING QE 3.31.19  
150,046,702 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 6.30.19  
25,000,000 COMMON ISSUED FOR SERVICES DURING QE 6.30.19  
285,199,997 COMMON ISSUED FOR INTEREST AND DEBT SERVICE DURING QE 9.30.19  
12,000,000 PREFERRED K(P) CONVERTED TO 120,000,000 COMMON DURING QE 9.30.19  
25,000,000 COMMON ISSUED FOR SERVICES DURING QE 9.30.19

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

N/A

C. The number of shares offered;

N/A

D. The number of shares sold;

N/A

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

N/A

F. The trading status of the shares; and

RESTRICTED

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

YES

With respect to private offerings of securities, the list shall also indicate the identity of the persons who purchased securities in such private offering; *provided, however*, that in the event that any such person is an entity, the list shall also indicate (a) the identity of each natural person beneficially owning, directly or indirectly, more than ten percent (10%) of any class of equity securities of such entity and (b) to the extent not otherwise disclosed, the identity of each natural person who controlled or directed, directly or indirectly, the purchase of such securities for such entity.

## 5) **Financial Statements**

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier

- A. Balance sheet;
- B. Statement of income;
- C. Statement of Stockholders' Equity (Deficit)
- D. Statement of cash flows;
- E. Financial statement notes;

## **FINANCIAL STATEMENTS AND FOOTNOTES ARE APPENDED TO THIS DOCUMENT**

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

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. A description of the issuer's business operations

HEMP, INC.'S PRIMARY FOCUS IS ON INDUSTRIAL HEMP AND MYRIAD OF CLEAN, GREEN SUSTAINABLE PRODUCTS THAT INDUSTRIAL HEMP OFFERS TO THE WORLD

With a deep-rooted social and environmental mission at its core, Hemp, Inc. seeks to build a business constituency for the American small farmer, the American veteran, and other groups experiencing the ever-increasing disparity between tapering income and soaring expenses. A global leader in the industrial hemp industry with bi-coastal processing centers including the 85,000 square-foot multipurpose industrial hemp processing facility in Spring Hope, North Carolina, a state of the art processing center in Medford, Oregon, and a 500-acre hemp growing Eco-Village in Golden Valley, Arizona, Hemp, Inc. believes there can be tangible benefits reaped from adhering to a corporate social responsibility plan.

## What is Hemp, Inc.?

Year 2019 is proving to be the breakout year for Hemp, Inc. as the company hits the market and hits it hard with massive revenues to be generated from massive sales at the end of 2019 and/or January 2020. It has been Hemp, Inc.'s intent to continually invest in building its hemp infrastructure, especially since none existed previously. In fact, the Company has instinctively been following the same path as Amazon... reinvesting profits and operating capital back into building the infrastructure. This is a business strategy that has been proven and works well.

All the years leading up to, and including, 2018 and the first three quarters of 2019 were of building and finishing the largest hemp infrastructure in America. That infrastructure is briefly described in the beginning of most of the Company's press releases, as follows:

*"A global leader in the industrial hemp industry with bi-coastal processing centers including the 85,000 square-foot multipurpose industrial hemp processing facility in Spring Hope, North Carolina, a state of the art processing center in Medford, Oregon, and a 500-acre hemp growing Eco-Village in Golden Valley, Arizona."*

In the second half of 2019, Hemp, Inc. has been focusing most of its resources and personnel on growing and processing a very successful high CBD hemp grow in Southern Oregon as oppose to building a massive infrastructure. While there may be a few more infrastructure footprints created, the Company will be a full-blown marketing company starting the first quarter of 2020 as it completes transition from a developmental stage company to an operating company by the end of this year.

Hemp, Inc.'s 10 divisions are clearly defined below:

<i>Division One</i>	–	The Industrial Hemp Infrastructure
<i>Division Two</i>	–	The Hemp Farming Infrastructure
<i>Division Three</i>	–	The Hemp Extraction Infrastructure
<i>Division Four</i>	–	The Hemp Educational Infrastructure
<i>Division Five</i>	–	The Hemp Marketing Infrastructure
<i>Division Six</i>	–	Accessories, Products and Services
<i>Division Seven</i>	–	Research and Development
<i>Division Eight</i>	–	Industrial Hemp Investments and Joint Ventures
<i>Division Nine</i>	–	Industrial Hemp Consulting
<i>Division Ten</i>	–	Educational Entertainment

### **Division One – The Industrial Hemp Infrastructure**

The Industrial Hemp Infrastructure (*Division One*) currently consists of two hemp processing facilities across the country, with two more under development, which will include an in-house third party testing laboratory. The largest of the two is its multi-purpose industrial hemp processing facility and milling operation in **Spring Hope, North Carolina**. It's the largest "industrial hemp processing center" in the western hemisphere and has grown to become one of the pre-eminent centers of the industrial hemp industry. The 85,000 square foot facility sits on 9-acres. It is environmentally sustainable and was built from the ground up in hopes of "Making America Hemp Again." With a patent pending manufacturing process, the North Carolina facility is operating full time

to process millions of pounds of our unique kenaf-hemp blend, to manufacture all-green natural loss circulation materials (LCMs) that are to be sold to the oil and gas drilling industry, along with an all-green natural oil spill absorbent, a second industrial kenaf-hemp product called Spill-Be-Gone. (See [www.ihempman.com](http://www.ihempman.com))

In addition to the company's industrial hemp processing facility in Spring Hope, North Carolina, Hemp, Inc. also has one of the most sophisticated local processing centers (LPC) in Medford, Oregon which focuses on hemp harvesting, drying, curing, trimming, bagging, storing, and in some cases selling high CBD hemp for local farmers and the Company's own hemp grows in that area, and post processing for the CBD industry. The Company's main focus is the "King of Hemp™" pre-rolls and high CBD smokeable buds... a new phenomenon of smoking hemp which has caught the marketplace by storm.

Hemp, Inc. also has 4,500 acres of land in Golden Valley, Arizona (*90 miles from Las Vegas, 30 miles north of Kingman, AZ*). Out of the 4,500 acres of land, 500 acres are designated for the Veteran's Village Kins Community (VVKC) for Arizona. Hemp, Inc. is preparing 80+ acres, of the 500 acres, for hemp cultivation. The company aims to boost the economies of these towns by offering affordable hemp processing services, which incentivizes local growers to add hemp to their crop rotation. The company is continuing to scout new locations for local processing centers in Florida, Puerto Rico, West Virginia, Kentucky, Pennsylvania, New Hampshire and several other states.

Thus far, Hemp, Inc.'s Local Processing Center (LPC) in Oregon has employed over 200 employees during its 2018 harvest season and over 300 employees during its 2019 harvest season to further support the infrastructure necessary for local and large scale farmers operating in the industrial hemp space.

### ***Division Two – The Hemp Farming Infrastructure***

The Hemp Farming Infrastructure (*Division Two*) consists of hundreds of acres of hemp and kenaf growing in multiple locations, farm equipment, cloning rooms, clones and seeds, grow rooms, greenhouses, hemp drying facilities and a huge amount of peripheral farming tools and equipment. The progress Hemp, Inc. has made in its agricultural endeavors, over the course of three years, has been amazing. (*To see Hemp, Inc.'s agricultural progress from 2016 through 2019, visit Bruce Perlowin's personal Facebook page at [www.facebook.com/kingofpot](https://www.facebook.com/kingofpot) and scroll through posts from 2016 to the present. Visit [www.hempincpresents.com](http://www.hempincpresents.com) to see the videos of Hemp, Inc.'s grows in multiple locations.*)

Hemp, Inc. also has a model "Small Family Farm" in North Carolina situated on 12 acres that consists of a cloning room, a greenhouse, and enough land to grow 2,000-3,000 high CBD hemp plants. (*This model farm can be seen on Bruce Perlowin's Facebook page, in the Aug. 22nd - 26th, 2018 posts.*) The model shows farmers how to grow high CBD hemp plants, operate a greenhouse and turn a barn into a cloning room to earn up to \$500,000+ a year. This shows an example of how the "Small Family Farm" can be duplicated and reappear on the American landscape. After all, the original small family farms in America were able to survive economically by growing hemp as their main cash crop and the first five presidents of the United States were all hemp farmers.

According to Perlowin, the company is preparing to grow on up to 500 acres of land in Oregon, 300 acres in Arizona (maybe more), hundreds of acres in NC (combination of hemp and kenaf), and an undetermined amount in other states. He says collective sales from all these grows will be extremely significant in terms of pre-rolls, high CBD buds, distillate, isolate and biomass. "By 2020, we anticipate the main function of the company will be sales and marketing as we will have completed the infrastructure to support that sales and marketing. Right now, I believe we have the largest footprint with vertical integration in the hemp industry in America today. We are always looking for joint ventures where we have or can expand our footprint," commented Perlowin.

Moreover, "A to Z" services for the farmers are available - from harvesting to drying, bagging, curing, storing, nitrogen sparging, machine trimming, hand trimming, and

selling, creating a “one stop shop” for the small to large family farms. And with the soon-to-be addition of our third party, on-site [testing labs from Digipath Labs](#), local farmers can do their testing, processing and selling in the same place. Digipath Labs brings their proprietary ISO-17025:2017 accredited standard operating procedures and testing protocols, to establish, maintain, and operate each lab.

[Digipath](#) Labs will bring state-of-the-art equipment, lab expertise, proprietary operating procedures and management to Hemp, Inc.’s rapidly growing locations to ensure the highest quality of goods before entering the marketplace. They will provide all necessary laboratory-expertise and related management services to develop and operate each Lab, including purchasing and maintenance of the laboratory instrumentation, as well as hiring and comprehensive training of lab personnel.

Without an in-house, third-party testing laboratory, products in need of testing would need to be transported off site, which could mean waiting days or even weeks for results. The addition of Digipath Labs at Hemp, Inc.’s production centers will expedite testing processes and further support new business developments. *(For more information on Digipath Labs, visit [www.digipathlabs.com](http://www.digipathlabs.com).)*

### **Division Three – The Hemp Extraction Infrastructure**

The Hemp CBD Oil Extraction Infrastructure (*Division Three*) originally consisted of a Supercritical CO<sub>2</sub> Extractor. After operating for over a year it has been determined that Hemp, Inc. will be upgrading to a much larger and advanced alcohol extraction process. These large-scale extractors are expected to be placed in all additional hemp processing arenas, thus completing this part of building the industrial hemp infrastructure. The CBD oil that we extracted from our 2018 hemp grows in North Carolina has been made into pure crystalline CBD isolate which we will add to our “King of Hemp™” branded line of pre-rolls to bring to the marketplace and a pre-roll fortified with pure crystalline CBD isolate.

Prior to building its own extraction laboratories, Hemp, Inc. plans to utilize the facilities of other labs in the industry to manufacture its own line of CBD oil products while they continue to build and expand the infrastructure for pre-rolls and high CBD smokeable buds. The Company will hire or joint venture with other, already existing, labs to manufacture CBD, CBG, CBN, and other products in our future cannabinoid line. With 113 different cannabinoids, over 300 terpenes, and more of each being discovered almost monthly, the product range and possibilities in this area are endless.

### **Division Four – The Hemp Educational Infrastructure**

The Hemp Educational Infrastructure (*Division Four*) includes Hemp, Inc.'s **Hemp University** which focuses on educating and empowering Hemp farmers and entrepreneurs with knowledge, processing, infrastructure and support. The **educational seminars**, through the Hemp University, are held periodically and teach farmers and landowners how to create a profitable income stream by maximizing the per-acre crop revenue. Through this division, Hemp, Inc. has trained well over 500 farmers in its first two years by doing a total of nine Hemp University seminars in North Carolina and Oregon, thus far, which include:

#### **The Pre-Harvest Symposium – September 8, 2019 (Oregon)**

“The Pre-Harvest Symposium” workshop at Southern Oregon University was expertly designed for both farmers and entrepreneurs of all experience levels, focused on harvesting, processing and profit channels within the hemp industry. The third edition of the Southern Oregon Hemp University brought an abundance of insight into innovations within the realm of harvesting and processing to the forefront. Additionally, the symposium touched on traditional practices in agriculture. *(See Bruce Perlowin’s personal [Facebook post on 9/9/19](#) for a short video on this symposium.)*

#### **Pre-Plant Support Workshop – May 4, 2019 (Oregon)**

“The Pre-Plant Support Workshop” was an incredible success that filled the entire venue to capacity with attendees. In total, there were close to 200 attendees, including 20

vendors in attendance. The workshop was designed to help hemp farmers or those who are interested in the hemp industry learn the best pre-planting practices prior to the planting season. The Hemp University Pre-Planting Support Workshop was an interactive and informative workshop that covered the various details hemp farmers should know prior to planting in the 2019 season and beyond. (See Bruce Perlowin's personal [Facebook post on 5/9/19](#) for a short video on this workshop.)

### **The Hemp University Educational Seminar - March 23, 2019 (Oregon)**

This was the first Hemp University held on the West Coast. The seminar provided attendees with a full day of networking, education, and support. The seminar helped others in the area who were interested in the hemp industry learn more about the "Industrial Hemp Revolution" and how this movement can not only transform Southern Oregon's economy, but also revive family farms and small businesses in the surrounding areas. (See Bruce Perlowin's personal [Facebook post on 3/28/19](#) for a short video on this seminar.)

### **Growing Hemp for Profit – March 10, 2018 – (North Carolina)**

The Hemp University's first educational [symposium](#) event of 2018 entitled "Growing Hemp for Profit" took place on Saturday, March 10, 2018. Attendees learned from the University's industrial hemp experts as they shared their lessons from their experiences in growing industrial hemp. "Growing Hemp for Profit," which took place from 8:30am to 5 pm at the Hilton Garden Inn in Charlotte, North Carolina. (See Bruce Perlowin's personal [Facebook post on 3/17/18](#) for a short video on this symposium.)

### **Hemp Money Event: Economics, Lessons & Planning for 2018 – December 2, 2017 – (North Carolina)**

The fifth most vital and anticipated educational symposium of the year was *Hemp Money Event: Economics, Lessons & Planning for 2018*. This symposium was held on Saturday, December 2, 2017 from 8:30am to 5:00pm at the Shrine Club (320 Airport Rd, Rocky Mount, NC 27804). Attendees learned the economics of growing industrial hemp for fiber, seeds, and CBD; learned about other master POD growers' experiences and lessons; and, learned how to prepare for the 2018 industrial hemp growing season with a well-defined blueprint for success. (See Bruce Perlowin's personal [Facebook post on 12/23/17](#) for a short video on this symposium.)

### **The Hemp Oil Event: The Art and Science of CBD Oil – September 30, 2017 (North Carolina)**

The Hemp Oil Event (The Art & Science of CBD Oil) was The Hemp University's fourth symposium in North Carolina, held on Saturday, September 30, 2017 from 8:30am to 5:00pm at the Peachtree Hills Country Club, 3512 Peachtree Hills Road, Spring Hope, NC 27882. The symposium brought attendees up to speed on all business and scientific aspects of Industrial Hemp CBD cannabinoids by disseminating current, reliable information that continues to shape the revolutionary CBD market. Attendees also got a chance to go to Hemp, Inc.'s, then, 70,000 square foot multipurpose industrial hemp decortication facility for the first live public demonstration of its Supercritical CO2 Extraction System using North Carolina-grown CBD industrial hemp. Representatives from NuAxon Bioscience were also on-site to allow those interested in purchasing their own CBD extraction system. (See Bruce Perlowin's personal [Facebook post on 9/30/17](#) for a short video on this symposium.)

### **The Art and Science of CBD Greenhouse Growing – June 24, 2017 (North Carolina)**

The [3rd Hemp University](#) educational symposium held on June 24, 2017 focused on The Art and Science of CBD Greenhouse Growing. The educational symposium was held at Louisburg College in Louisburg, North Carolina. A team of experts engaged attendees through the greenhouse and indoor growing process from cultivation to harvest and from processing to distribution. Dr. Robert Bruck, Dean of Science, Technology, Engineering and Mathematics and Distinguished Professor of Environmental Science at Louisburg College, was The Hemp University's special guest who lectured on soil microbiology during the symposium. Attendees were able to spend half of the course at Hemp, Inc.'s, then, 70,000 square-foot Industrial Hemp Hub, in a 3,000 square-foot cloning room. There, attendees had the opportunity to experience a



more hands-on learning approach. (See Bruce Perlowin's personal [Facebook post on 6/30/17](#) for a short video on this symposium.)

### ***Farming Hemp for Profit™ – April 29, 2017 (North Carolina)***

Hemp, Inc.'s second, sold out, educational symposium (*Farming HEMP for Profit™*), through its Hemp University, was a phenomenal success. The [symposium](#) took place on Saturday, April 29, 2017, from 8:30am – 5:00pm, at the Hampton Inn & Suites located at 3920 Arrow Drive, Raleigh, NC 27612 and drew over 100 attendees. The one-day educational symposium and tour of Hemp, Inc.'s, then, 70,000 square-foot multipurpose industrial hemp facility was an opportunity for landowners and farmers to learn how to apply real business building tactics with a “specific step-by-step blueprint” on how to grow, sell and profit from farming industrial hemp. This event accomplished its mission to help landowners and farmers add a new viable and profitable income stream by maximizing the per-acre crop revenue. (See Bruce Perlowin's personal [Facebook post on 4/30/17](#) for a short video on this symposium.)

### ***Farming Hemp for Profit™ – March 18, 2017 (North Carolina)***

This was Hemp, Inc.'s first [Hemp University symposium](#). The symposium was a sold out event and was a huge success with 100 attendees who rated the quality of information presented as excellent. The symposium took place on Saturday, March 18, 2017, from 8:00am – 5:00pm, at Hemp, Inc.'s wholly owned subsidiary, [Industrial Hemp Manufacturing, LLC](#), located at 1436 Highway 581 North, Spring Hope, North Carolina, 27882. The one-day educational symposium was an opportunity for landowners and farmers to receive a “specific step-by-step blueprint” on how to grow, sell and profit from farming industrial hemp by using real business tactics and principles, presented by industry experts. (See Bruce Perlowin's personal [Facebook posts on 3/18-19 and 3/21-26, 2019](#) for a short videos on this symposium.)

The Hemp University is expected to hold its next “Post-Harvest Symposium” and the first ever Golden Grow Awards Gala, in Oregon, in collaboration with the Southern Oregon Hemp Co-op and GreenLeaf Lab during the first quarter of 2020 (*tentatively, January 26, 2020*). The Golden Grow Awards Gala is a joint effort to recognize, evaluate and honor excellence in the industrial hemp field.

To listen to past Hemp University workshops, please visit [hemp-university.teachable.com](#). Also visit <https://www.hempincpresents.com> to see highlights from Hemp, Inc.'s inaugural Hemp University held in North Carolina, which sold out in two weeks.

The Hemp University's twelve [online educational masterclasses](#) are \$10 each and each masterclass is under an hour in length. The online courses include lectures from industry leaders who have educated attendees at the Hemp University workshops in Oregon. These online masterclasses provide farmers who were either not able to attend the first Hemp University or who would like to revisit certain topics presented by the event speakers.

Those interested in attending, presenting or showcasing at Hemp, Inc.'s [Hemp University](#), for Oregon, may contact Sophia Blanton via email ([hempu@hempinc.com](mailto:hempu@hempinc.com)). For other states and to be part of our online courses, all experts in any aspect of the industrial hemp industry, contact Chris Tinney on (855) 554-6834 or via email at ([ctinney@hempinc.com](mailto:ctinney@hempinc.com)).

According to executives, there are also plans in the near future to expand The Hemp University to other states, including Arizona, through a variety of different formats. The eco-village in Arizona will serve as the venue for interactive and hands-on camping events which will focus on building with hemp-crete and other hemp construction materials, as well as growing hemp and the various aspects of organic gardening/farming, natural bee-keeping and other back-to-the-land and small family farm educational courses.

“Since The Hemp University's initial launch with the educational symposium, the number of attendees has grown tremendously and it has been an overwhelming success, each

time. The interactive, hands-on learning approach is invaluable. By learning in **an interactive cohort format**, students gain the necessary skills they need to immediately implement them on their farm or in their organization. It's the perfect mix of quality instruction, relevant educational content and a high level of commitment, to ensure the educational success of each attendee," said Perlowin.

Thus far, The Hemp University has helped transform the livelihoods of North Carolina and Oregon farmers transitioning from tobacco and other crops to industrial hemp by providing them with the tools and support needed to gain a foothold in this burgeoning industry.

### **Division Five – The Hemp Marketing Infrastructure**

While marketing is a critical facet of any business operation for increasing revenues, Hemp, Inc. believes there must be a keen focus on the infrastructure first. The demand for CBD and hemp products is massive, some even say the demand is insatiable. In order to supply that type of volume/demand, there has to be a strong foundation or infrastructure in place. While Hemp, Inc. is poised to grow a rock solid Hemp Marketing Infrastructure, CEO Perlowin reminds us that this infrastructure has to be able to support a meteoric industry growth. The cannabidiol (CBD) market is on track to grow to \$23.7 billion through 2023, according to the [Brightfield Group](#). The firm also estimated the smokeable hemp market to be valued at \$11.5 million in 2018, a growth of 250% from 2017. "This is why we focus on infrastructure, at the moment, more so than specific marketing activities," says Perlowin. "Specific marketing activities isn't the issue. The ability to grow, process and produce what the marketplace is demanding is the issue and hence the reason we focused on creating the infrastructure first."

The company has also recently joint-ventured with the retail store "Hemp Healthcare", in Dolan Springs, Arizona, to sell high-end cannabidiol (CBD) and hemp-based products. "Hemp Healthcare" is home to an array of renowned CBD and hemp products, including Hemp, Inc.'s cosmetic and wellness line that includes shampoos, lotions, candles and more. The retail storefront is conveniently located off Highway 93 in Arizona, in a highly trafficked tourist area. Specifically located on Pierce Ferry Road, "Hemp Healthcare" is next to "Dolan Station" – a location that welcomes numerous tour buses daily with visitors from around the world that stop there on trips to the Grand Canyon. On some days, up to 40 tour buses stop at this location, filled to the brim with tourists on their way to the Sky Walk at the Grand Canyon.

### **Division Six – Accessories, Products and Services**

Division Six focuses on the sale of hemp industry accessories such as the sale of extractors, harvesters, storage bags, containers, fertilizer, soil amendments, humidifiers, dehumidifiers, balers, greenhouses, and greenhouse equipment; the drying, trimming, curing, storing and brokering for other farmers harvesting hemp; and ultimately anything else a hemp farmer may need to be successful.

"What we found is that people are always looking for hundreds of items. New harvesting equipment, irrigation equipment of all kinds, soil amendments, organic soil fertilizers, organic pest control products, new extraction technologies and more," said Perlowin.

### **Division Seven – Research and Development**

While Research and Development has been an integral part of Hemp, Inc. since day one, a more formal research and development project is planned after significant revenues are created. This division will then start and expand rapidly. The Company originally planned for Puerto Rico, but found the barrier to entrance was much too great and has therefore changed its position to focus its research and development division on states where hemp is already legal. Hemp, Inc. is proud to have been a pioneer and leader in the early stages of the hemp industry in America with our strategy to build infrastructure even before legalization occurred in a state such as what was done in North Carolina and Arizona.

According to Hemp, Inc.'s CEO, Bruce Perlowin, "Currently, it is now economically more advantageous to operate in a state that already has several years of legalization behind it and thus, further down the road, making it easier for hemp companies to thrive as we have done in North Carolina, Arizona, Nevada and especially Oregon. We've hit a grand slam in Oregon, so to speak, in our growing operations for 2 consecutive years. We may revisit Puerto Rico once they have straightened out their legal red tape, and their rules and regulations."

### ***Division Eight – Industrial Hemp Investments and Joint Ventures***

Hemp, Inc. recently established the eighth division (Industrial Hemp Investments and Joint Ventures). Since the passing of the 2018 hemp bill, Hemp, Inc. has been flooded with inquiries of people who want to invest in the hemp industry but don't know where to start. As the Avant-guard of the industrial hemp industry, Hemp, Inc. has put together numerous joint venture investment opportunities for the medium to large-scale investor. Those who are interested should email [ir@hempinc.com](mailto:ir@hempinc.com). Multi-million dollar investors, and in some cases billionaires and billion dollar hedge funds, are aggressively trying to get into the hemp industry since the passing of the 2018 Farm Bill. Our joint venture agreements are that they put up the money and we put up the expertise in a 50/50 revenue share (*after all the initial investment money is paid back first*). This will save the large-scale hemp investor often two years and dozens of multi-million dollar mistakes that they "WILL" often make without an expert in the hemp industry. This is where Hemp, Inc.'s vast network of experts and resources in the industrial hemp industry come into play because this is something that can easily be provided to those interested in entering this industry.

### ***Division Nine – Industrial Hemp Consulting***

Hemp, Inc.'s Industrial Hemp and Medical Marijuana Consulting Company (IHMMCC) was recently restructured as its ninth division and is now "Division Nine - Industrial Hemp Consulting". With an influx of public companies wanting to expand into the industrial hemp industry, Hemp, Inc. has been inundated with potential consulting agreements. To keep up, Hemp, Inc. revamped its consulting division to work hands-on with each company to provide its years of expertise. According to Perlowin, there is definitely a sense of "Community of Companies" whereby a lot of companies are working together to pool their resources, marketing connections and strategies in order to grow simultaneously.

Typically, companies seeking in depth consulting services from Hemp, Inc. pay mostly in stock since cash flow is oftentimes tight during the developmental stage of start-up companies in this industry. Through Hemp, Inc.'s Division Nine – Industrial Hemp Consulting, a wide range of services are forged from the experiences of creating the first publicly trading company in the cannabis sector (Medical Marijuana, Inc.) and having well over a decade of experience in the cannabis industry's public sector. Perlowin, Hemp, Inc.'s chief executive officer also has over five decades in the industry itself.

### ***Division Ten – Educational Entertainment***

Hemp, Inc.'s newest division, Entertainment, will cover everything from investing in the movie "*The Adventures of the King of Pot*" (<http://www.kingofpotthemovie.com/>) and other historical movies, books and documentaries representing our industry up to the current docuseries being made on "*The Modern Day History of Hemp*". Those interested in investing in any one of these ventures should contact the division's Project Manager, Chris Tinney, at 855-554-6834 or via email, [ctinney@hempinc.com](mailto:ctinney@hempinc.com).

### **VETERAN VILLAGE KINS COMMUNITIES**

To see the livestream feed for the Veteran's Village Kins Community Arizona, visit [www.hempinc.com/arizona](http://www.hempinc.com/arizona) and click on "View Live Feed".

The company's 500-acre strategic growing partner Veteran Village Kins Community in Golden Valley, Arizona, is designed to grow hemp and produce CBD products to benefit veterans as well as generate revenue for Hemp, Inc., the Veteran Village and individual veterans living in the community.

The Veteran Village Kins Community in Arizona has completed its final site plan blueprints for its 500-acre site in Golden Valley, Arizona (*20 miles north of Kingman, AZ and 90 minutes from Las Vegas, NV*). The site plan was submitted to the Mohave County Building Department for final review. The Company is also in the final stages of completing the necessary infrastructure to support an off-grid, renewable, energy system.

As soon as all the live streaming video cameras are up and operational, the world can actually see the way the Veteran Village Kins Community is designed and watch it being built. According to Perlowin, the basic framework or overall plan of the Veteran Village Kins Communities is to create a holistic healing and learning center that is designed to educate and heal veterans with PTSD, alcoholism, meth addiction, opioid addiction, and other psychological conditions while at the same time training them on the numerous aspects of being part of the emerging multi-billion dollar hemp industry. To see the first live streaming video, click [here](#).

The Company will also build hemp-growing communities for other groups such as "Abused" Women & Children Village Kins Communities, the "Orphaned" Children Village Kins Communities, "Homeless" Village Kins Communities, and the "Healers" Village Kins Communities (the healers are professionals who are knowledgeable in the modalities to treat these traumatized groups). These particular communities are all synergistically aligned to work simultaneously supporting each other.

For example, the "Healers" heal the traumatized veterans and women & children; the women support orphan children, and orphan children want to see people living in homes and not homeless. Thus, a portion of the hemp grown in each community goes to create and support another community, giving everybody a sense of giving back and helping others as they help themselves. This circles back to the healers who also work to heal the veterans and the other traumatized groups. This is the economic foundation on how the sale of the hemp products operates as a "quantum economic matrix" or an example of "symbiotic economics" which is more complex than this brief description allows.

Dwight Jory, the Project Manager for the "Veteran Village Kins Community Arizona, Inc.," said, "We are very happy with the progress. Our Kins Community is really beginning to come together." In anticipation of planting to begin during the spring, 300 acres have been fenced, 16 overnight trailer park sites are under construction, and six 40x40-ft organic vegetable gardens have been planted and are currently producing food and kenaf, according to Jory. These organic gardens double as experimental growing modules using an entire array of different growing technologies to see which modalities grow the best in a desert environment. As for the 6 geodesic domes mentioned in an earlier press release, 1 is structurally complete with only the electrical and plumbing to be completed. The rest are on site awaiting final site plan approval.

"We are now accepting volunteers who have expressed an interest in helping to build the first Kins Community for our veterans," said Jory. Those interested in making the first hemp growing CBD-producing "Veteran Village Kins Community" become a reality should contact Ms. Sandra Williams via email ([swilliams@hempinc.com](mailto:swilliams@hempinc.com)).

One thousand trees, on 36 of the 500-acres, have also been planted, with an additional 1,000 trees on order. The "Veteran Village Kins Community" will include a 100,000-square foot GMP compliant, central processing plant, a state-of-the-art testing laboratory, and various health and wellness centers to support veterans who may have psychological, emotional or health issues.

"As Hemp, Inc. positions itself on the forefront of America's industrial hemp revolution, we see our partnership with 'Veteran Village Kins Community Arizona, Inc.' being paramount in supporting the small family farm movement that we are confident will reshape the American landscape," said Perlowin. "As we work toward getting our eco-

village up and running in Arizona, we are also aggressively scouting strategic locations in other states including North Carolina, South Carolina, Florida, Georgia, Kentucky, Tennessee and West Virginia. Giving veterans and other Americans a place to learn new skills and take part in this multi-billion-dollar hemp CBD market is very exciting. It's a big part of our mission to give back. Recently we have expanded our Kins Community concept internationally focusing, but not limited to, Israel, New Zealand, Canada, Africa, and Uruguay.”

Hemp, Inc. executives are also continuing to scout new locations nationwide to open additional hemp processing centers in legal markets.

## **PRESS COVERAGE**

Between the Hemp University, the hemp processing center and Bruce Perlowin himself, the Company has created an enormous amount of media coverage. See below for the list of press hits the Company has received up to the end of this quarter:

**Hit:** [“Hemp: the burgeoning industry of southern Oregon”](#) - (NBC) KOBI-5, December 22, 2018

**Press Release:** “Hemp, Inc. Featured on Oregon NBC 5 Station Following Passage of 2018 Farm Bill”

<https://www.hempinc.com/hemp-inc-featured-on-oregon-nbc-5-station-following-passage-of-2018-farm-bill/>

**Hit:** [“Carolina’s next cash crop?: Farm bill will add hemp into more growers’ rotation”](#) - The Wilson Times, December 26, 2018

**Press Release:** “Hemp, Inc. Receives Prominent News Coverage Discussing Hemp Legalization and Small Family Farms”

<https://www.hempinc.com/hemp-inc-receives-prominent-news-coverage-discussing-hemp-legalization-and-small-family-farms/>

**Hit:** [“Arizona's next cash crop? Lawmaker pushes for rush on hemp bill”](#) - ABC 15, January 28, 2019

**Press Release:** “Hemp, Inc. Applauds Arizona Legislative Drive to Push Up Industrial Hemp Licensing Date to June 2019 as Veteran Village Kins Community Builds Out Infrastructure”

<https://www.globenewswire.com/news-release/2019/02/25/1741708/0/en/Hemp-Inc-Applauds-Arizona-Legislative-Drive-to-Push-Up-Industrial-Hemp-Licensing-Date-to-June-2019-as-Veteran-Village-Kins-Community-Builds-Out-Infrastructure.html>

**Hit:** [“Farmers could plant hemp in Arizona fields this summer, if bill passes”](#) - ABC KUGN-9, February 8, 2019

**Hit:** [“Adams on Agriculture - Bruce Perlowin/Hemp, Inc.”](#) - Adams On Agriculture, February 22, 2019

**Press Release:** “Hemp, Inc. CEO Featured on National Radio Show Discussing Company's Expanding Footprint and Demand for Cannabidiol”

<https://www.globenewswire.com/news-release/2019/02/27/1743589/0/en/Hemp-Inc-CEO-Featured-on-National-Radio-Show-Discussing-Company-s-Expanding-Footprint-and-Demand-for-Cannabidiol.html>

**Hit:** [“Hemp, Inc. seeking JV partners for processing facilities, CEO says”](#) - MergerMarket, February 28, 2019

**Hit:** "[Hemp, Inc. holds first west coast educational seminar in Ashland](#)" - (NBC) KOB1-5, March 23, 2019

**Press Release:** "Hemp, Inc. Featured by CBS and NBC Affiliates in Oregon About The Hemp University's Educational Hemp Seminar"

<https://www.hempinc.com/hemp-inc-featured-by-cbs-and-nbc-affiliates-in-oregon-about-the-hemp-universitys-educational-hemp-seminar/>

**Hit:** "[Hemp University: getting schooled on cannabis](#)" - CBS News 10, March 26, 2019

**Press Release:** "Hemp, Inc. Featured by CBS and NBC Affiliates in Oregon About The Hemp University's Educational Hemp Seminar"

<https://www.hempinc.com/hemp-inc-featured-by-cbs-and-nbc-affiliates-in-oregon-about-the-hemp-universitys-educational-hemp-seminar/>

**Hit:** "[How Hemp Is Giving Renewed Life To America's Tobacco Farmers](#)" - Forbes, March 25, 2019

**Press Release:** "Hemp, Inc. CEO Bruce Perlowin Featured in Forbes Discussing Tobacco Farmers Who are Turning to Industrial Hemp"

<https://www.hempinc.com/hemp-inc-ceo-bruce-perlowin-featured-in-forbes-discussing-tobacco-farmers-who-are-turning-to-industrial-hemp/>

**Hit:** "[Market for hemp still a ways off](#)" - Tri-State Neighbor, March 28, 2019

**Hit:** "[Tobacco growers may find new avenue in hemp farming](#)" - AgDaily, April 26, 2019

**Press Release:** "Hemp, Inc. CEO Bruce Perlowin Featured in AgDaily Discussing Hemp as Agricultural Industry's Newest Cash Crop"

<https://www.hempinc.com/hemp-inc-ceo-bruce-perlowin-featured-in-agdaily-discussing-hemp-as-agricultural-industrys-newest-cash-crop/>

**Hit:** "[Industrial hemp has potential to be a big cash crop for area farmers](#)" - Tulsa World, May 12, 2019

**Press Release:** "Hemp, Inc. CEO Bruce Perlowin Featured in Tulsa World Discussing Oklahoma's Industrial Hemp Industry"

<https://www.hempinc.com/hemp-inc-ceo-bruce-perlowin-featured-in-tulsa-world-discussing-oklahomas-industrial-hemp-industry/>

**Hit:** "[Growing hemp in the desert](#)" - Today's News-Herald/Havasu News, June 10, 2019

**Press Release:** "Hemp, Inc. CEO Bruce Perlowin Featured on Cover of Today's News-Herald Discussing Arizona's Industrial Hemp Industry"

<https://www.globenewswire.com/news-release/2019/06/17/1869821/0/en/Hemp-Inc-CEO-Bruce-Perlowin-Featured-on-Cover-of-Today-s-News-Herald-Discussing-Arizona-s-Industrial-Hemp-Industry.html>

**Hit:** "[Hempathon" contest planned for Golden Valley](#)" - Mohave Daily News, July 7, 2019

**Press Release:** "Hemp, Inc. CEO Bruce Perlowin Featured in Mohave Daily News and CBD Today Discussing Hempathon"

<https://finance.yahoo.com/news/hemp-inc-ceo-bruce-perlowin-165236585.html>

**Hit:** "[Hemp, Inc. Seeking Agriculture Suppliers and Farmers for Hempathon Event](#)" - CBD Today, July 2, 2019

**Press Release:** “Hemp, Inc. CEO Bruce Perlowin Featured in Mohave Daily News and CBD Today Discussing Hemptathon”  
<https://finance.yahoo.com/news/hemp-inc-ceo-bruce-perlowin-165236585.html>

**Hit:** “[Hemp Inc. to Hold “Hemptathon” in Mohave County](#)” - Arizona Cannabis News, July 15, 2019

**Hit:** “[Hemp, Inc. taking hemp into bioplastics](#)” - Plastics News, August 22, 2019  
**Press Release:** “Hemp, Inc. Featured in Plastics News Regarding Entry Into Hemp Bioplastics Industry to Help Fill Growing Demand for Eco-friendly Materials”  
<https://www.hempinc.com/hemp-inc-announces-hemp-cultivation-now-legal-in-new-jersey-through-expanded-regulations/>

**Hit:** “[ROSEBUD ORIGINAL VIDEO: Hemp University the Pre-Harvesting Symposium](#)” - Mail Tribune, September 9, 2019  
**Press Release:** “Hemp, Inc. Subsidiary, The Hemp University, Featured in Mail Tribune Showcasing Pre-Harvest Symposium Hemp Workshop”  
<https://www.hempinc.com/hemp-inc-subsidiary-the-hemp-university-featured-in-mail-tribune-showcasing-pre-harvest-symposium-hemp-workshop/>

**Hit:** “[Hemp In The Valley](#)” - CBS News 10, September 12, 2019  
**Press Release:** “Hemp, Inc. CEO Bruce Perlowin Featured on CBS News 10 in Oregon Discussing State’s Booming Hemp Industry”  
<https://www.hempinc.com/hemp-inc-ceo-bruce-perlowin-featured-on-cbs-news-10-in-oregon-discussing-states-booming-hemp-industry/>

**Hit:** “[Episode 72 : "King of pot, smuggling 101, and getting arrested on an airplane"](#)” - Off Script With Trish Glose, CBS News 10 Podcast, September 25, 2019  
**Press Release:** “Hemp, Inc. CEO Bruce Perlowin to be Featured on the Podcast “Off Script with Trish Glose” This Wednesday”  
<https://www.hempinc.com/hemp-inc-ceo-bruce-perlowin-to-be-featured-on-the-podcast-off-script-with-trish-glose-this-wednesday/>

**Hit:** “[Why US Tobacco Farmers Are Switching To Hemp](#)” - Business Insider, September 16, 2019  
**Press Release:** “Hemp, Inc. Affiliate, Through a Joint Venture, Featured on Business Insider for North Carolina Farming Operations”  
<https://www.hempinc.com/hemp-inc-affiliate-through-a-joint-venture-featured-on-business-insider-for-north-carolina-farming-operations/>

**Hit:** “[HEMP, INC. Joins The Stock Day Podcast to Discuss The Distribution of Their Hemp Pre-Rolls](#)” - Stock Day Podcast, September 27, 2019  
**Press Release:** “HEMP, INC. Joins The Stock Day Podcast to Discuss The Distribution of Their Hemp Pre-Rolls”  
<https://www.hempinc.com/hemp-inc-joins-the-stock-day-podcast-to-discuss-the-distribution-of-their-hemp-pre-rolls/>

## **HEMP, INC.’S STOCK BUY BACK PLAN**

Hemp, Inc.’s stock buyback is a mechanism to dramatically reduce the outstanding shares in the open market, as stated in Hemp, Inc.’s September 14, 2017 press release. Hemp, Inc. executives have been negotiating large sales of LCMs (lost circulation materials) to oil companies on five continents including a US-based company that is

interested in buying the entire productive capacity of the company's LCMs and more. "If this deal comes to fruition, we will start running two, and then later three shifts, six days a week. We currently have 18,000,000 pounds of kenaf and hemp in inventory which translates into finished product that will be sold for \$2 - \$4 per pound," said Perlowin.

"It is our intention, once Hemp, Inc. is generating a significant amount of revenue from the sales of LCMs out of North Carolina or pre-roll sales from our grow in Oregon, to use 10% to 50% of that revenue to buy back Hemp, Inc. stock in the open marketplace as a mechanism to reduce the number of outstanding shares."

B. Date and State (or Jurisdiction) of Incorporation:

JANUARY 16, 2008; COLORADO

C. The issuer's primary and secondary SIC Codes;

7380

D. The issuer's fiscal year end date;

DECEMBER 31

E. Principal products or services, and their markets;

HEMP, INC.'S PRIMARY FOCUS IS ON INDUSTRIAL HEMP AND THE MYRIAD OF CLEAN, GREEN SUSTAINABLE PRODUCTS THAT INDUSTRIAL HEMP OFFERS TO THE WORLD.

**7) Describe the Issuer's Facilities**

THE ISSUER LEASES AN EXECUTIVE OFFICE SPACE ON A MONTH TO MONTH BASIS WHICH IS ADEQUATE FOR ITS CURRENT NEEDS



**8) Officers, Directors, and Control Persons**

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

BRUCE PERLOWIN, CEO/CFO/CHAIRMAN

CRAIG PERLOWIN RESIGNED ON SEPTEMBER 29, 2016

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

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

NONE

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;

NONE

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

NONE

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.

NONE

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

BRUCE PERLOWIN, CEO/CFO/CHAIRMAN (31%)

**9) Third Party Providers**

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

Legal Counsel

Name: N/A

Accountant or Auditor

Name: N/A

Investor Relations Consultant

Name: N/A

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

Name: N/A

**11) Subsequent Events**

N/A

**10) Issuer Certification**

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer.

I, BRUCE PERLOWIN, CEO/CFO/CHAIRMAN certify that:

1. I have reviewed this QUARTERLY REPORT of HEMP, INC.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 18, 2019

/S/ BRUCE PERLOWIN [CEO/CFO's Signature]

CEO/CFO [Title]

**Hemp, Inc. and Subsidiaries**

Balance Sheets

(Unaudited)

	September 30, 2019	December 31, 2018
<u>ASSETS</u>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,061,735	\$ 396,203
Securities held for sale other investments	86,105	86,105
Receivables	1,258,356	450,830
Inventory	1,909,691	1,252,571
Joint ventures and intercompany	1,481,991	-
Notes receivable	37,500	37,500
Prepaid interest	4,624,662	5,455,142
Prepaid rent	20,000	20,000
<b>Total Current Assets</b>	<u>10,480,040</u>	<u>7,698,351</u>
<b>OTHER ASSETS</b>		
LPO software	1,810,775	1,810,775
Tax tracking software	156,250	156,250
Property, Plant, and Equipment-net	14,488,441	11,048,641
<b>Total Other Assets</b>	<u>16,455,466</u>	<u>13,015,666</u>
<b>TOTAL ASSETS</b>	<u>\$ 26,935,506</u>	<u>\$ 20,714,017</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)</u>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 364,419	\$ 152,840
Due to B. Perlowin	766,814	302,663
Due to D. Tobias	150	50
Payroll taxes payable	171	57
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,131,554</u>	<u>455,610</u>
<b>NON-CURRENT LIABILITIES</b>		
Contingent disputed liability - JS	12,105	12,105
Other non-current liabilities	8,523,424	-
Note payable and accrued interest	18,969,119	14,270,473
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>27,504,648</u>	<u>14,282,578</u>
<b>TOTAL LIABILITIES</b>	<u>28,636,202</u>	<u>14,738,188</u>
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred Collectible stock:		
500,000,000 shares authorized, \$0.00001 par value		
8,400,000 and 8,400,000 shares issued	84	84
Preferred stock:		
31,835,578 shares authorized, \$0.00001 par value		
31,835,578 and 31,835,578 shares issued	319	319
New Preferred stock:		
468,164,422 shares authorized, \$0.00001 par value		
19,800,690 and 27,288,468 and shares issued	198	198
Preferred K stock:		
58,262,154 shares authorized, \$0.00001 par value		
58,262,154 and 58,262,154 shares issued	583	583
Preferred K(P) stock:		
169,499,468 shares authorized, \$0.00001 par value		
125,198,147 and 140,338,755 shares issued	1,252	1,403
Preferred Q stock:		
100,000,000 shares authorized, \$0.00001 par value		
10,000,000 and -0- shares issued	100	100
Common stock:		
10,500,000,000 common shares, \$0.00001 par value		
5,460,369,694 and 4,551,373,511 shares issued	54,604	45,514
Additional paid-in capital	147,267,310	131,349,700
Subscriptions payable	-	-
Other comprehensive income/(expense)	(6,327,539)	(6,327,539)
Retained earnings/(deficit)	(142,697,607)	(119,082,706)
<b>Total Stockholders' Equity/(Deficit)</b>	<u>(1,700,696)</u>	<u>5,987,656</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<u>\$ 26,935,506</u>	<u>\$ 20,714,017</u>

The accompanying notes are an integral part of these statements

**Hemp, Inc. and Subsidiaries**  
**Statements of Operations**  
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
SALES	\$ 824,720	\$ 159,750	\$ 854,768	\$ 402,115
Cost of sales	<u>223,995</u>	<u>145,070</u>	<u>231,574</u>	<u>145,040</u>
GROSS MARGIN	600,725	14,680	623,194	257,075
OPERATING EXPENSES				
Compensation - stock based	277,500	5,600,870	4,178,575	6,179,330
Professional and consulting fees	332,171	151,452	457,035	1,182,751
Occupancy expenses	355,713	184,107	449,198	497,468
Travel	134,428	53,689	194,779	186,346
Advertising and promotion	99,715	49,902	134,349	220,364
General and administrative	<u>2,002,276</u>	<u>1,132,221</u>	<u>2,981,678</u>	<u>3,614,740</u>
Total Operating Expenses	<u>3,201,803</u>	<u>7,172,241</u>	<u>8,395,614</u>	<u>11,880,999</u>
NET INCOME (LOSS) FROM OPERATIONS	(2,601,078)	(7,157,561)	(7,772,420)	(11,603,924)
OTHER INCOME (EXPENSE)				
Interest income	-	-	-	-
Other income	16,819	-	-	16,819
Other expense	(876)	-	-	(876)
Interest expense - stock based	(4,144,448)	(7,305,469)	(11,665,895)	(18,339,290)
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other income (expense)	<u>(4,128,505)</u>	<u>(7,305,469)</u>	<u>(11,665,895)</u>	<u>(18,323,347)</u>
NET INCOME (LOSS) BEFORE TAXES	<u>(6,729,583)</u>	<u>(14,463,030)</u>	<u>(19,438,315)</u>	<u>(29,943,214)</u>
Provision for income taxes	-	-	-	-
NET INCOME (LOSS)	<u>\$ (6,729,583)</u>	<u>\$ (14,463,030)</u>	<u>\$ (19,438,315)</u>	<u>\$ (29,943,214)</u>
PER SHARE DATA:				
Basic and diluted income (loss) per common share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>
Weighted average number of common shares outstanding	<u>5,257,771,297</u>	<u>3,714,295,275</u>	<u>4,976,503,078</u>	<u>3,324,015,175</u>

The accompanying notes are an integral part of these statements

The accompanying notes are an integral part of these statements

**Hemp, Inc. and Subsidiaries**  
Statement of Stockholders' Equity (Deficit)  
(Unaudited)

	Preferred A Artistic Shares		Preferred Stock		New Preferred Stock		Preferred K Stock		Preferred K(P) Stock		Preferred Q Stock		Common Stock		Additional Paid-in	Subscriptions	Other Comprehensive Income/	Retained Earnings/	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Payable	(Expense)	(Deficit)	Deficit
Balance - December 31, 2016	8,400,000	84	44,588,911	446	30,873,416	309	63,791,746	638	120,699,291	1,207			1,232,057,041	12,321	50,823,770.0	(5,944,078)	(57,961,493)	3,893,121	
January 5, 2017 - New Preferred converted to Common					(3,584,948)	(36)							8,962,370	90	(54)				
January 5, 2017 - Preferred K(P) converted to Common									(5,000,000)	(50)			50,000,000	500	(450)				
January 5, 2017 - Preferred K(P) converted to Common									(5,000,000)	(50)			50,000,000	500	(450)				
January 5, 2017 - Common stock issued for interest													21,592,920	216	723,147				723,363
January 10, 2017 - Preferred K(P) converted to Common									(250,000)	(3)			2,500,000	25	(23)				
January 10, 2017 - Preferred K(P) converted to Common									(300,000)	(3)			3,000,000	30	(27)				
January 10, 2017 - Preferred K(P) converted to Common									(50,000)	(1)			500,000	5	(5)				
January 10, 2017 - Preferred converted to Common			(12,753,333)	(128)									3,188,333	32	96				-
January 10, 2017 - Common stock issued for interest													35,500,000	355	1,277,645				1,278,000
January 12, 2017 - Preferred K(P) converted to Common									(100,000)	(1)			1,000,000	10	(9)				
January 12, 2017 - Preferred K(P) converted to Common									(100,000)	(1)			1,000,000	10	(9)				
January 12, 2017 - Preferred K(P) converted to Common									(50,000)	(1)			500,000	5	(5)				
January 17, 2017 - Common stock issued for interest													22,700,000	227	1,000,843				1,001,070
January 20, 2017 - Common stock issued for services													4,000,000	40	183,160				183,200
January 20, 2017 - Common stock issued for services													4,000,000	40	183,160				183,200
January 24, 2017 - Common stock issued for interest													34,900,000	349	1,587,601				1,587,950
January 25, 2017 - Common stock issued for interest													14,159,292	142	693,664				693,805
January 27, 2017 - Preferred K(P) converted to Common									(2,400,000)	(24)			24,000,000	240	(216)				
January 27, 2017 - Preferred K(P) converted to Common									(100,000)	(1)			1,000,000	10	(9)				
January 27, 2017 - Preferred K(P) stock issued for services									7,200,000	72					3,549,528				3,549,600
January 30, 2017 - Preferred K converted to Common							(4,979,592)	(50)					4,979,592	50					
January 30, 2017 - Common stock issued for interest													36,600,000	366	1,719,834				1,720,200
February 8, 2017 - Common stock issued for interest													19,469,027	195	788,301				788,496
February 8, 2017 - Common stock issued for interest													18,750,000	188	759,188				759,375
February 14, 2017 - Preferred K(P) converted to Common									(2,500,000)	(25)			25,000,000	250	(225)				
February 21, 2017 - Common stock issued for interest													16,991,150	170	701,565				701,735
February 27, 2017 - Preferred K(P) converted to Common									(1,000,000)	(10)			10,000,000	100	(90)				
February 27, 2017 - Common stock issued for interest													20,000,000	200	779,800				780,000
March 1, 2017 - Common stock issued for services													4,000,000	40	153,960				154,000
March 3, 2017 - Common stock issued for interest													22,000,000	220	846,780				847,000
March 6, 2017 - Common stock issued for services													4,000,000	40	156,360				156,400
March 8, 2017 - Common stock issued for interest													21,238,938	212	785,628				785,841
March 13, 2017 - Preferred K(P) converted to Common									(150,000)	(2)			1,500,000	15	(14)				
March 21, 2017 - Common stock issued for interest													15,541,424	155	506,495				506,650
March 22, 2017 - Common stock issued for services													1,300,000	13	42,237				42,250

The accompanying notes are an integral part of these statements

March 22, 2017 - Common stock issued for services				1,300,000	13	42,237	42,250
March 28, 2017 - Common stock issued for services				702,576	7	21,773	21,780
March 28, 2017 - Common stock issued for services				429,111	4	13,298	13,302
March 28, 2017 - Common stock issued for services				879,353	9	27,206	27,215
March 28, 2017 - Preferred K(P) converted to Common		(500,000)	(5)	5,000,000	50	(45)	
March 28, 2017 - Preferred K converted to Common	(500,000)	(5)		500,000	5		
March 29, 2017 - Preferred K(P) converted to Common			(400,000)	4,000,000	40	(36)	
April 4, 2017 - Preferred K(P) converted to Common			(440,000)	4,400,000	44	(40)	
April 4, 2017 - Preferred K converted to Common	(50,000)	(1)		50,000	1		
April 5, 2017 - Common stock issued for interest				19,115,044	191	655,455	655,646
April 19, 2017 - Common stock issued for interest				25,000,000	250	762,250	762,500
April 26, 2017 - Common stock issued for interest				17,699,115	177	493,628	493,805
May 8, 2017 - Common stock issued for interest				30,000,000	300	707,700	708,000
May 19, 2017 - Common stock issued for interest				22,391,402	224	510,300	510,524
May 19, 2017 - Common stock issued for services				9,000,000	90	205,110	205,200
May 19, 2017 - Preferred K(P) converted to Common			(300,000)	3,000,000	30	(27)	
May 19, 2017 - Preferred K(P) converted to Common			(4,100,000)	41,000,000	410	(369)	
May 23, 2017 - Common stock issued for interest				35,000,000	350	892,150	892,500
June 7, 2017 - Common stock issued for interest				36,000,000	360	791,640	792,000
June 21, 2017 - Common stock issued for interest				25,000,000	250	519,750	520,000
June 29, 2017 - Common stock issued for services				5,000,000	50	102,450	102,500
June 29, 2017 - Common stock issued for services				15,000,000	150	307,350	307,500
July 10, 2017 - Common stock issued for interest				30,000,000	300	590,700	591,000
July 17, 2017 - Common stock issued for interest				23,369,946	234	383,033	383,267
August 3, 2017 - Common stock issued for interest				38,921,323	389	1,007,673	1,008,062
August 3, 2017 - Common stock issued for interest				60,000,000	600	1,553,400	1,554,000
August 7, 2017 - Common stock issued for services				2,500,000	25	79,475	79,500
August 7, 2017 - Common stock issued for interest				61,158,679	612	1,944,234	1,944,846
August 7, 2017 - Common stock issued for interest				41,699,099	417	1,325,614	1,326,031
August 14, 2017 - Common stock issued for services				3,000,000	30	79,470	79,500
August 21, 2017 - Preferred K(P) converted to Common		(200,000)	(2)	2,000,000	20	(18)	
August 24, 2017 - Common stock issued for services				11,000,000	110	333,190	333,300
August 24, 2017 - Common stock issued for interest				42,218,721	422	1,278,805	1,279,227
August 28, 2017 - Common stock issued for services				6,000,000	60	164,340	164,400
August 30, 2017 - Common stock issued for interest				30,000,000	300	767,700	768,000
August 31, 2017 - Common stock issued for services				3,000,000	30	80,070	80,100
August 31, 2017 - Common stock issued for services				5,750,000	58	153,468	153,525
September 11, 2017 - Common stock issued for services				7,500,000	75	183,675	183,750
September 19, 2017 - Common stock issued for interest				42,719,102	427	922,305	922,733

The accompanying notes are an integral part of these statements

September 20, 2017 - Common stock issued for services												2,000,000	20	42,780				42,800	
September 29, 2017 - Common stock issued for interest												30,579,339	306	699,961				700,267	
Other comprehensive income/(expense)																	(605,865)	(605,865)	
Income (Loss) for the year ended																		(39,343,710)	(39,343,710)
Balance - December 31, 2017	8,400,000	84	31,835,578	319	27,288,468	273	58,262,154	583	104,959,291	1,050	-	-	2,481,812,897	24,818	88,294,195	0	(6,327,539)	(80,345,289)	1,648,494
QE March 31, 2018 - Preferred K(P) issued for settlement									2,100,000	21					629,979			630,000	
QE March 31, 2018 - Preferred K(P) issued for lumber									640,608	6					192,176			192,182	
QE March 31, 2018 - Preferred K(P) issued for P,P,&E									100,000,000	1,000					2,089,000				
QE March 31, 2018 - Common issued for debt service												431,049,078	4,310	11,772,494				11,776,805	
QE March 31, 2018 - New Preferred issued for Preferred K(P)				16,000,000	160				(4,000,000)	(40)					(120)				
QE March 31, 2018 - Preferred Q issued for Common											10,000,000	100	(1,000,000,000)	(10,000)	9,900				
QE June 30, 2018 - Preferred K(P) converted to Common									(22,061,877)	(221)		220,618,770	2,206	(1,986)					
QE June 30, 2018 - Common issued for debt service												120,955,304	1,210	3,642,360				3,643,570	
QE June 30, 2018 - Common stock issued for services												14,000,000	140	425,380				425,520	
QE September 30, 2018 - Preferred K(P) converted to Common									(3,860,000)	(39)		38,600,000	386	(347)					
QE September 30, 2018 - Preferred converted to Common				(23,487,778)	(235)							58,719,445	587	(587)					
QE September 30, 2018 - Common issued for debt service												225,857,777	2,259	7,303,210				7,305,469	
QE September 30, 2018 - Common stock issued for services												164,700,000	1,647	5,599,223				5,600,870	
QE December 31, 2018 - Common issued for debt service												307,227,069	3,072	9,767,199				9,770,271	
QE December 31, 2018 - Preferred K(P) converted to Common									(25,300,713)	(253)		253,007,130	2,530	(2,277)					
QE December 31, 2018 - Common stock issued for services												40,000,000	400	1,629,900				1,630,300	
Income(Loss) for the Year Ended Balance - December 31, 2018	8,400,000	\$ 84	31,835,578	\$ 319	19,800,690	\$ 198	58,262,154	\$ 583	140,338,755	\$ 1,403	10,000,000	\$ 100	4,551,373,511	\$ 45,514	\$ 131,349,699.62	\$ -	\$ (6,327,539)	\$ (119,082,706)	\$ 5,975,829
QE March 31, 2019 - Common issued for debt service												154,093,404	1,541	3,913,266				3,914,807	
QE March 31, 2019 - Preferred K(P) converted to Common									(3,140,608)	(31)		31,406,080	314	(283)					
QE March 31, 2019 - Common stock issued for services												118,250,000	1,183	3,312,393				3,313,575	
Income(Loss) for the Quarter Ended Balance - March 31, 2019	8,400,000	84	31,835,578	319	19,800,690	198	58,262,154	583	137,198,147	1,372	10,000,000	100	4,855,122,995	48,551	138,575,076	0	(6,327,539)	(127,385,698)	4,913,146
QE June 30, 2019 - Common issued for debt service												150,046,702	1,500	3,605,140				3,606,640	
QE June 30, 2019 - Common stock issued for services												25,000,000	250	587,250				587,500	
Income(Loss) for the Quarter Ended Balance - June 30, 2019	8,400,000	84	31,835,578	319	19,800,690	198	58,262,154	583	137,198,147	1,372	10,000,000	100	5,030,169,697	50,302	142,767,465	0	(6,327,539)	(135,968,024)	524,960

The accompanying notes are an integral part of these statements

QE September 30, 2019 - Common issued for debt service																		285,199,997	2,852	4,141,596				4,144,448	
QE September 30, 2019 - Preferred K(P) converted to Common																		120,000,000	1,200	(1,080)					
QE September 30, 2019 - Common stock issued for services																		25,000,000	250	277,250				277,500	
Income(Loss) for the Quarter Ended																								(6,729,583)	(6,729,583)
Balance - September 30,2019	8,400,000	84	31,835,578	319	19,800,690	198	58,262,154	583	125,198,147	1,252	10,000,000	100	5,460,369,694	54,604	147,185,231	0	(6,327,539)	(142,697,607)	(6,729,583)	(142,697,607)	(6,729,583)	(1,782,875)	(1,782,875)	(1,782,875)	

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**Hemp, Inc. and Subsidiaries**  
**Statements of Cash Flows**  
(Unaudited)

	For Nine Months Ended September 30,	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ (19,438,315)	\$ (29,943,214)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Issuance of stock for services	4,178,575	6,179,330
Issuance of stock for interest	-	18,339,290
Changes in Operating Assets and Liabilities:		
Inventory	(657,120)	(62,134)
Prepaid interest	830,480	(693,057)
Receivables	(807,526)	(21,448)
Accounts payable and accrued liabilities	211,579	392,240
Net cash from operating activities	(15,682,327)	(5,808,993)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Securities held for sale	-	-
Property, plant, and equipment	(3,439,800)	(2,482,058)
Net cash from investing activities	(3,439,800)	(2,482,058)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances from related parties	464,151	412,707
Notes payable	7,657,613	2,083,338
Stock for debt service	11,665,895	4,620,166
Subscriptions payable	-	2,099,036
Net cash from financing activities	19,787,659	9,215,247
<b>NET CHANGE IN CASH</b>	665,532	924,196
<b>CASH AT BEGINNING OF PERIOD</b>	396,203	386,421
<b>CASH AT END OF PERIOD</b>	\$ 1,061,735	\$ 1,310,617
<b>SUPPLEMENTAL CASH FLOW DISCLOSURES</b>		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Common stock issued for debt service	\$ 11,665,895	\$ 22,959,456
Warrants issued for prepaid interest	\$ -	\$ -

The accompanying notes are an integral part of these statements

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HEMP, INC.  
NOTES TO UNAUDITED FINANCIAL STATEMENTS  
September 30, 2019

**Note 1 - Organization and Basis of Presentation**

***Organization and Line of Business***

The "Company" was incorporated on January 16, 2008 in Colorado as Preachers Coffee, Inc. and was given the trading symbol PCIO. On November 11, 2009 the Company changed its name to Marijuana, Inc. On October 10, 2011 the trading symbol was changed to HEMP. Subsequently the name was changed to Hemp, Inc.

Initially, the Company launched a comprehensive network of information, services and products focused on the rapidly emerging medical and recreational marijuana industries and movements. The Company has assembled the components of all encompassing educational, social networking, affinity programs, and distribution networks through internal development, mergers and acquisitions, and joint ventures. These components are being seamlessly integrated into a process designed to take the consumer from curious, to knowledgeable, to a satisfied and loyal community member with a lasting relationship with the Company through education, information, social networking, and product purchases.

After the name change, from Marijuana, Inc. to Hemp, Inc., the company's primary focus shifted to industrial hemp and the myriad of clean, green sustainable products that industrial hemp offers to the world.

**Basis of Presentation**

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

**Use of Estimates**

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

**Principles of Consolidation**

These consolidated financial statements include the accounts of the Company's wholly owned subsidiaries. All significant intercompany transactions have been eliminated.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

**Securities Held for Sale**

The Company owns a portfolio of marketable securities held for sale acquired directly from the issues in payment for providing consulting services and or direct purchase from the issuer. The portfolio is

evaluated from time to time and the carrying value is adjusted in accordance with the "Mark to Market" procedure.

### **Deposits**

Deposits are the balances outstanding that have not been redeemed as of the date of the Financial Statements.

### **Accounts Receivable/Other Receivable**

Accounts Receivable are amounts due to the company from sales or services rendered.

### **Notes Receivable**

Notes Receivable are executed contractual obligations to the Company reflecting amounts due for sales or services rendered by the Company.

### **Property and Equipment**

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using the straight line method over their useful lives.

### **Inventory**

Inventory has been recorded at the lower of cost or fair market value.

### **Revenue Recognition**

The Company's revenue recognition policies are in compliance with SEC Staff Accounting Bulletin ("SAB") 104.

### **Stock-Based Compensation**

The Company accounts for its stock-based compensation in accordance with SFAS No. 123R, "ShareBased Payment, an Amendment of FASB Statement no. 123." The Company recognizes in the statement of operations the grant-date fair value of stock options and other equity-based compensation issued to employees and non-employees.

### **Income Taxes**

The Company utilizes the SFAS No. 109, "Accounting for Income Taxes," which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in the future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period and based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

### **Basic and Diluted Earnings per Share**

Earnings per share are calculated in accordance with the SFAS No. 128 ("SFAS No. 128"), "Earnings per Share." Net earnings per share for all periods presented have been restated to reflect the adoption of

SFAS No. 128. Basic earnings per share is based upon the weighted average number of common shares outstanding. Diluted earnings per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. There are convertible shares as discussed in Note 8. There are no options or warrants. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. At this time there are no stock options granted.

### **Note 3 - Going Concern**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern.

### **Note 4 - Accounts Payable**

Accounts payable represent amounts owed to vendors for products and/or services rendered but not yet paid for in full.

### **Note 5 - Notes Payable**

Notes payable was incurred for plant, property, equipment and inventory financing. The president of the Company pledged 23,500,000 shares of the Company's Preferred K stock to further secure this financing. The Company recorded \$951,150 in additional interest expense related to this collateral pledge.

On May 25, 2015 the lender exercised its right to foreclose on a 4,000,000 share Preferred K certificate pledged by the president which triggered debt assumption by the president.

Subsequently issued working capital notes payable were issued pursuant to a continuing financing agreement and are classified as non-current due to repayment characteristics.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in "technical default" and as such the Lender immediately forecloses on the President's pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

On November 9, 2016, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$533,800. The note matured on September 9, 2018 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On January 13, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matured on May 23, 2019 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On March 17, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on July 31, 2019 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On July 27, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,017,500 which includes a legal fee of \$5,000 and \$262,500 OID. The note matured on October 28, 2018 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On November 13, 2017, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on March 21, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On March 23, 2018, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on July 30, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On July 24, 2018, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on December 3, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On November 16, 2018, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on March 16, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On March 28, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on July 29, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On May 22, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,355,000 which includes a legal fee of \$5,000 and \$350,000 OID. The note matures on November 23, 2020 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

On August 8, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$2,705,000 which includes a legal fee of \$5,000 and \$700,000 OID. The note matures on December 15, 2021 and bears an interest rate of 12%. The conversion price for the note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

#### **Note 6 - Loans To/From Officers**

Loans are stated at par and are represented in aggregate. Such sum represents the loan of funds and/or withdrawal of funds by officers and is not considered revenue to the company, not income to individual officers.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal

assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in “technical default” and as such the Lender immediately forecloses on the President’s pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

#### **Note 7 - Stock Options and Warrants**

Pursuant to the financing agreement(s) for the purchase of the decortication plant, land, and equipment the Company issued 10,000,000 Warrants.

#### **Note 8 - Preferred Shares**

The company has several types of preferred shares; Preferred A, Preferred, New Preferred, Preferred K, Preferred K(P), and Preferred Q.

#### **Note 9 – Potential Conflicts of Interest**

From time to time members of management and or stakeholders may enter into financial arrangements that must be examined to determine if such arrangements pose a conflict of interest that would precipitate the Company intervention.

#### **Note 10 – Dividends**

The Company has not declared or distributed any cash dividends.

#### **Note 11 – Decortication Plant**

On May 12, 2014, the Company purchased decortication equipment for processing kenaf, a fibrous plant used in industrial, commercial, and consumer applications, and for the anticipated future processing of hemp. On August 7, 2014 the Company acquired a 70,000 square-foot North Carolina factory building on 8 acres to house the decortication equipment along rolling stock and forklifts. The Company’s CEO advanced the \$17,000 to open escrow on the purchase. The Company borrowed \$1,600,000 to finance the purchase of the land, building, equipment and to provide working capital on a long term convertible note payable. The land, building, equipment, and 8,000,000 Preferred K shares are pledged as collateral against the Note. The CEO supplied the 8,000,000 Preferred K shares from his own personal portfolio. The Note further required the Company to issued 5,000,000 Common shares, 10,000,000 five year \$0.10 Common stock warrants, and six amortizing payments of \$296,667 for a total of \$1,760,000 beginning on May 12, 2015. The Note is convertible to Common stock at the election of the Company. The 5,000,000 Common shares issued pursuant to the terms of the Note were recorded as prepaid interest at \$286,000, the closing price of the shares. The Company used the Black Scholes method to calculate the derivative cost of the 10,000,000 Common stock warrants at \$565,771 and was also recorded as prepaid interest.

The President and major shareholder has entered into a series of personal loans and has advanced the loan proceeds to the Company. He has personally guaranteed these loans and has pledged personal assets to collateralize these loans. Loan proceeds have been used by the Company to purchase the property, plant, and equipment located in North Carolina and to fund the ongoing operations of the Company. The terms of the loans are so draconian the President is continuing to be in “technical default” and as such the Lender immediately forecloses on the President’s pledged assets. The advances to the Company classified as Subscriptions Payable as directed by the President.

#### **NOTE 12 - SUBSEQUENT EVENTS**

On October 22, 2019, the Company became obligated under a convertible promissory note with an accredited investor for a total amount of \$1,355,000 which includes a legal fee of \$5,000 and \$350,000 OID. The note matures on April 22, 2021 and bears an interest rate of 12%. The conversion price for the

note is 60% of the average of the two lowest closing bids for the 20 consecutive trading days prior to the conversion date.

In accordance with ASC 855-10, Company management reviewed all material events through the date of this report and there are no additional subsequent events to report.