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

FORM 10-Q

[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended September 30, 2015
or
[ ] Transition Report under Section 13 or 15(d) of the Exchange Act

For the transition period from __________ to __________

Commission file number: 000-55185

Be Active Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**68-0678429**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1010 Northern Blvd., **Great Neck, NY**	**11021**
(Address of principal executive offices)	(Zip Code)

(212) 736-2310
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[X]

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

As of November 13, 2015, there were 490,635,671 shares of common stock issued and outstanding.

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PART I - FINANCIAL INFORMATION
balance sheet

BE ACTIVE HOLDINGS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2015 (Unaudited)	December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 21,954	$ 504,358
Cash in escrow	-	12,500
Accounts receivable	41,288	47,907
Inventory	97,214	105,733
Debt issuance costs	215,750	713,000
Prepaid expenses and other current assets	24,033	9,230
Total current assets	400,239	1,392,728
Property and equipment, net	15,881	20,895
Loan receivable	-	7,262
Security deposit	6,560	6,560
Total assets	$ 422,680	$ 1,427,445
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 244,730	$ 225,655
Accrued expenses and taxes	271,809	101,782
Due diligence fee payable	-	640,000
Secured convertible notes payable (net of $292,847 discount)	427,153	-
Due to officers/stockholders	177,538	202,852
Total current liabilities	1,121,230	1,170,289
Deferred rent	6,890	7,373
Derivative liability	462,649	828,830
Total liabilities	1,590,769	2,006,492
Stockholders' deficit		
Preferred stock, par value $0.0001 per share, 150,000,000 shares authorized. Issued and outstanding as of September 30, 2015 and December 31, 2014 as follows:		
Series A Convertible Preferred stock, 40,000,000 shares designated; 11,663,921 shares issued and outstanding at September 30, 2015 and December 31, 2014	1,166	1,166
Series B Convertible Preferred stock, 4 shares designated as of December 31, 2014; 0 and 3 shares issued and outstanding at September 30, 2015 and December 31, 2014	-	-
Series C Convertible Preferred stock, 26,666,667 shares designated; 20,000,000 shares issued and outstanding at September 30, 2015 and December 31, 2014	2,000	2,000
Series D Convertible Preferred stock, 3,000,000 shares designated; 3,000,000 issued and outstanding at September 30, 2015	300	-
Common stock, par value $0.0001, per share, 750,000,000 shares authorized; 490,635,671 and 426,475,671 shares issued and issuable at September 30, 2015 and December 31, 2014	49,065	42,649
Additional paid-in capital	16,111,429	18,898,457
Accumulated deficit	(17,331,615)	(19,522,885)
Treasury stock at cost; 4,339,555 shares	(434)	(434)
Total stockholders' deficit	(1,168,089)	(579,047)
Total liabilities and stockholders' deficit	$ 422,680	$ 1,427,445

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BE ACTIVE HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended September 30,						Nine Months En September 3(		
	2015			2014			2015		
Net Sales	$	102,296		$	-		$	149,605	*
Cost of Goods		90,172			-			170,670	
Gross Profit (Loss)		12,124			-			(21,065	)
Operating Expenses									
Selling expenses		56,453			83,140			155,651	
General and administrative		214,225			304,533			729,708	
Stock-based compensation		-			(1,901,449	)		-	
Increase (decrease) in fair value of derivative liability		110,879			(483,523	)		(641,181	)
Depreciation and amortization expense		1,672			1,079			5,014	
Total operating expenses		383,229			(1,996,220	)		249,192	
(Loss) income from operations before other income (expenses)		(371,105	)		1,996,220			(270,257	)
Other Income (Expenses)									
Forgiveness of debt income		-			-			25,555	
Amortization of deferred financing costs and debt discount		(289,507	)		-			(961,903	)
Interest (expense) income, net		(686	)		21			(22,929	)
Total other income (expenses)		(290,193	)		21			(959,277	)
Net Income (Loss)	$	(661,298	)	$	1,996,241		$	(1,229,534	)
Gain on extinguishment of Series B preferred stock		-			-			3,420,804	
Net income (loss) attributable to common stockholders		(661,298	)		1,996,241			2,191,270	
Net income (loss) per common share:Basic	$	-	**	$	0.01		$	-	**
Diluted	$	-	**	$	0.01		$	-	**
Weighted Average Shares Outstanding									
Basic		491,603,839			238,583,031			460,178,827	
Diluted		1,312,934,428			394,756,737			1,280,834,139	

* Inclusive of $75,000 charge for slotting fees (Note 12)
** Less than $.01 per share

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BE ACTIVE HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015
(Unaudited)

	Common Stock		Preferred Series A Stock		Preferred Series B Stock		Preferred Series C Stock		Preferred Series D Stock		Additional Paid-In Capital	Accumulated Deficit	Treasury Stock		Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			Shares	Amount	
Balance, December 31, 2014	426,475,671	$ 42,649	11,663,921	$ 1,166	3	$ -	20,000,000	$ 2,000	-	$ -	$ 18,898,457	$ (19,522,885)	(4,339,555)	$ (434)	$ (579,047)
Extinguishment of Series B preferred stock and issuance of Preferred Convertible Series D Stock	-	-	-	-	(3)	-	-	-	3,000,000	300	(3,421,104)	3,420,804	-	-	-
Shares issued for due dilligence fee	64,000,000	6,400	-	-	-	-	-	-	-	-	633,600	-	-	-	640,000
Shares issued for consulting services	120,000	12	-	-	-	-	-	-	-	-	444	-	-	-	456
Shares issuable for consulting services	40,000	4									32				36
Net (loss)	-	-	-	-	-	-	-	-	-	-	-	(1,229,534)	-	-	(1,229,534)
Balance, September 30, 2015	490,635,671	$ 49,065	11,663,921	$ 1,166	-	$ -	20,000,000	$ 2,000	3,000,000	$ 300	16,111,429	$ (17,331,615)	(4,339,555)	$ (434)	$ (1,168,089)

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BE ACTIVE HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Cash flows from operating activities		
Net loss	$ (1,229,534)	$ (9,134,089)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Depreciation and amortization	5,014	3,238
Amortization of deferred financing costs and debt discount	961,903	-
Stock granted for consulting services	492	-
Forgiveness of debt income	(25,555)	(247,021)
(Decrease) increase in fair value of derivative liability	(641,181)	8,396,691
Stock issued as charitable contribution	-	65,000
Stock-based compensation	-	(116,369)
Changes in assets and liabilities:		
Decrease (increase) in escrow account	12,500	(20,000)
Decrease (increase) in accounts receivable	6,619	(1,621)
Decrease (increase) in inventory	8,519	(101,639)
(Increase) decrease in prepaid expenses and other current assets	(7,541)	(101,722)
(Decrease) increase in deferred rent	(483)	598
Website development cost	-	(10,900)
Increase in accounts payable and accrued expenses	189,102	8,546
Net cash (used in) operating activities	(720,145)	(1,259,288)
Cash flows from financing activities		
Proceeds from private placements	250,000	1,800,000
Costs of private placements	(12,500)	(260,696)
Issuance of common stock	-	250,000
Decrease in due to officers/stockholders	241	(73,194)
Net cash provided by financing activities	237,741	1,716,110
Net (decrease) increase in cash and cash equivalents	(482,404)	456,822
Cash and cash equivalents, beginning of period	504,358	5,670
Cash and cash equivalents, end of period	$ 21,954	$ 462,492
Supplemental cash flow disclosures:		
Interest paid	$ -	$ -
State minimum taxes and franchise fees paid	$ 2,543	$ 1,612
Note payable issued as deferred costs	$ 25,000	$ -

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BE ACTIVE HOLDINGS, INC.
NOTES TO CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS

Business

Be Active Holdings, Inc. (the "Company") sells frozen yogurt and fudge bars and offers ice creams in various flavors to retailers with stores in New York, New Jersey, Connecticut, Massachusetts, Vermont, New Hampshire and Rhode Island. The Company intends to expand its regional growth to a national level and global presence in sales of premium quality low-fat, low calorie, low-carbohydrate, vitamin and probiotic enriched frozen yogurt and products under the brand name "Jala".

2. BASIS OF PRESENTATION

The accompanying unaudited condensed financial statements and related notes have been prepared in accordance with United States generally accepted accounting principles ("GAAP") and with the applicable rules and regulations of the Securities and Exchange Commission regarding interim financial reporting. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements presentation. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary to present fairly the financial position, results of operations and cash flows for interim financial statements have been included. This Form 10-Q should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2014. Interim results are not necessarily indicative of the results for the fiscal year ending December 31, 2015.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and our wholly-owned subsidiary and have been prepared in accordance with accounting principles generally accepted in the United States of America. All significant intercompany transactions and balances have been eliminated.

3. GOING CONCERN

The Company's financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established revenues sufficient to cover its operating costs and allow it to continue as a going concern. The Company has incurred significant net losses since inception and at September 30, 2015, has an accumulated deficit of $17,331,615 and stockholders' deficit of $1,168,089. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating expenses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management's plan is to obtain such resources for the Company through sales of its products in combination with equity and/or debt financing. While as indicated in Note 9, the Company obtained approximately $425,000 and $250,000 of gross proceeds from the debt offerings on December 31, 2014 and September 21, 2015 respectively, and currently has limited working capital necessary for sales and production, there can be no assurance that this will be sufficient for the Company to continue as a going concern.

The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Some of the more significant estimates required to be made by management include the fair value of derivatives and other stockholder equity based transactions.

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Financial Instruments

The Company considers the carrying amounts of financial instruments, including cash, accounts receivable, accounts payable and accrued expenses and the face amount of its convertible notes payable to approximate their fair values because of their relatively short maturities.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The Company uses a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

Level 1 – Unadjusted quoted prices in active markets that are accessible at measurement date for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities and less observable from objective sources.

The Company’s derivative liabilities (see Note 9) are valued at each reporting period using level 3 inputs.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The Company maintains cash balances at one financial institution. The Company has not experienced any losses in this account. Federal legislation provides for FDIC insurance of up to $250,000.

Accounts Receivable

Accounts receivable consist of amounts due from customers. The Company records an allowance for doubtful receivables, if necessary, to allow for any amounts which may be unrecoverable. The allowance is based upon an analysis of the Company’s prior collection experience, customer creditworthiness and current economic trends. Account balances are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. As of September 30, 2015 and 2014, no allowance for doubtful accounts was required.

Inventory

Inventory consists primarily of packaging, raw materials and finished goods held for distribution. Inventory is stated at the lower of cost (first-in, first-out) or market. In evaluating whether inventory is stated at the lower of cost or market, management considers such factors as the amount of inventory on hand and the distribution channel, the estimated time to sell such inventory, remaining shelf life and the current expected market conditions. Adjustments to reduce inventory to its net realizable value are charged to cost of goods sold.

Shipping and Handling Costs

The Company classifies shipping and handling costs as part of selling expense. Shipping and handling costs were $5,810 and $14,816 and $132 and $2,767 for the three and nine months ended September 30, 2015 and 2014, respectively.

Property and Equipment

Property and equipment are recorded at cost and depreciated over their estimated useful lives using the straight-line method.

Maintenance and repairs are charged to operating expenses as they are incurred. Improvements and betterments, which extend the lives of the assets, are capitalized. The cost and accumulated depreciation of assets retired or otherwise disposed of are removed from the appropriate accounts and any profit or loss on the sale or disposition of such assets is credited or charged to income.

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Derivative Liabilities

The Company's derivative liabilities are related to the ratchet reset provisions of the Company's warrants and convertible debt, and a lack of available authorized shares of common stock for the Company's convertible instruments. For derivative instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair market value and is then re-valued at each reporting date, with changes in fair value recognized in operations for each reporting period. The Company uses the Black-Scholes Option-Pricing Model to value the derivative instruments of its' outstanding stock warrants at inception and subsequent valuation dates in accordance with Accounting Standards Codification ("ASC") 815, and a binomial valuation model in connection with its' convertible debt.

Revenue Recognition

Revenue is recognized, net of discounts, rebates, promotional adjustments, price adjustments, slotting fees and estimated returns, upon transfer of title and risk to the customer which occurs at shipping (F.O.B. terms). Upon shipment, the Company has no further performance obligations.

Share-Based Compensation

The Company recognizes compensation expense for all share-based payment awards made to employees, directors and others based on the estimated fair values on the date of the grant, as subsequently adjusted for certain contingently issuable shares. Common stock equivalents are valued using the Black-Scholes Option-Pricing Model using the known or equivalent market value of common stock on the date of valuation, an expected dividend yield of zero, the remaining period or maturity date of the common stock equivalent and the expected volatility of common stock. Shares contingently issuable based on the future value of the Company's stock and the common shares outstanding at a stated future date are periodically re-valued at each balance sheet date based on the common shares currently outstanding and the current traded price per share.

Income Taxes

The Company provides for income taxes under FASB ASC 740 – *Income Taxes*, which requires the use of an assets and liabilities approach in accounting for income taxes. Deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax bases of assets and liabilities and the tax rates in effect when these differences are expected to reverse. A valuation allowance is provided when realization of deferred tax assets is not considered more likely than not.

The Company's policy is to classify income tax assessments, if any, for interest in interest expense and for penalties in general and administrative expenses.

As of September 30, 2015, management has evaluated and concluded that there are no significant uncertain tax positions requiring recognition in the Company's condensed consolidated financial statements.

The Company's income tax returns for the years 2012, 2013 and 2014 are subject to examination by the tax authorities.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising was $3,089 and $6,816 and $17,228 and $21,212 for the three months and nine months ended September 30, 2015 and 2014, respectively.

5. INVENTORY

Inventory consists of the following:

	September 30, 2015	December 31, 2014
Materials	$ 20,253	$ 21,629
Finished product	76,961	84,104
Total	$ 97,214	$ 105,733

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6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	September 30, 2015	December 31, 2014
Furniture and Fixtures	$ 6,138	$ 6,138
Website	18,000	18,000
	24,138	24,138
Less: Accumulated depreciation	8,257	3,243
Balance	15,881	20,895

Depreciation and amortization expense for the nine months ended September 30, 2015 and 2014 were $5,014 and $3,238, respectively.

7. INCOME (LOSS) PER COMMON SHARE

Basic income (loss) per share is computed by dividing the net income or loss attributable to the common stockholders by the weighted average number of shares of common stock outstanding during the period. Fully diluted income (loss) per share is computed similar to basic income (loss) per share except that the denominator for fully diluted income per share is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued in order to present their dilutive effect unless the effect of such potential shares would be antidilutive. Potential common shares consist of incremental common shares issuable upon the exercise of warrants, convertible preferred shares and convertible notes payable. In addition, in computing net income (loss) per share on a fully diluted basis, the Company adjusts for the interest expense on convertible debt as if the debt had been converted for all periods presented.

As of September 30, 2015, the weighted average number of potential dilutive common shares is comprised of the following:

Common share equivalents of Series A Convertible Preferred Stock	11,663,921
Common share equivalents of Series C Convertible Preferred Stock	86,666,668
Common share equivalents of Series D Convertible Preferred Stock	2,324,723
Convertible Promissory Notes Payable	720,000,000
Total	820,655,312

The above common stock equivalents were used in computing the dilutive weighted average shares outstanding for the nine months ended September 30, 2015.

8. DUE TO OFFICERS/STOCKHOLDERS

On February 27, 2014, one stockholder who had resigned in March 2013 agreed to release the Company from its $247,021 loan obligation to him which was recorded as forgiveness of debt income in the nine months ended September 30, 2014. On February 25, 2015, one stockholder agreed to release the Company from its $25,555 loan obligation to him which was recorded as forgiveness of debt income for the nine months ended September 30, 2015 (see Note 15).

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9. SECURED CONVERTIBLE NOTES PAYABLE

On December 31, 2014, the Company entered into a Securities Purchase Agreement (“2014 Agreement”) with certain accredited investors to sell to the Purchasers an aggregate of up to $500,000 of principal amount of notes due December 31, 2015 representing the Purchasers’ subscription amount. The 2014 Agreement defines certain covenants and provides for a purchase price reset for a period of three years, unless the securities have been assigned, whereby should the Company issue or sell any shares of common stock or any common stock equivalents at a price less than the Purchasers’ conversion price per share, the Company will be required to issue additional shares of common stock to the Purchasers for no additional consideration resulting in a share dilution adjustment, as defined. The 2014 Agreement also provides a Most Favored Nations Provision whereby if the Company issues or sells any common stock at terms more favorable within three years, then the Company will be required to amend the 2014 Agreement to provide such favorable terms to the Purchasers. The Company paid $33,000 in legal and escrow agent fees, a placement agency fee of $20,000 in the form of a note payable, substantially similar to the Purchasers’ notes and issued 64,000,000 shares of its common stock valued at $640,000 and $20,000 as due diligence fees, all of which have been recorded as debt issuance costs on the accompanying condensed consolidated financial statements and is being charged to operations over the twelve months ended December 31, 2015 or to the date of conversion, if earlier. The Company recorded amortization expense of $178,250 and $534,750 on the debt issuance costs during the three and nine months ended September 30, 2015, respectively.

Under the 2014 Agreement, the Company sold an aggregate of $425,000 in Secured Convertible Notes (“Notes”) and issued an additional $20,000 Note for placement fees. Once the Company has fulfilled its obligations as defined by certain equity requirements, the Notes will be convertible into shares of the Company’s common stock at the option of the Company. Until the equity obligations are met, the Notes bear interest at 10%, per annum. Interest will be earned at a rate of 10% for the twelve months ending December 31, 2015 or to the date of original conversion, whichever is earlier. The conversion price for the Note and interest is equal to $0.006 per share, subject to adjustments as stock dividends and stock splits, as defined.

Each Holder of the Notes has been granted a security interest in assets of the Company in accordance with a Security Agreement. The Security Agreement provides the Collateral Agent a security interest in all goods, machinery, equipment, contract rights and intangibles in the event of a default under the Agreement.

In connection with this 2014 Agreement, and under the anti-dilution provisions of the February 2014 private placement, on December 31, 2014, the Company issued an aggregate of 160,093,335 shares of common stock and 13,333,334 warrants to purchase common shares at $0.006 per share to existing stockholders holding securities purchased in that offering.

In addition, the pricing of this 2014 Agreement triggered the pricing reset provision in the 3,333,332 warrants issued in the February 14, 2014 private placement. Such triggering resulted in the exercise price of the previously issued warrants resetting to $0.006 from $0.03. At September 30, 2015, using the Black-Scholes Pricing Model, the Company re-valued the remaining February 2014 warrants at $1,879 a decrease in fair value of $27,920 from December 31, 2014 and a decrease in fair value of $569,121 since inception.

At September 30, 2015, the 13,333,334 ratchet warrants granted at December 31, 2014 were re-valued using the Black-Scholes Pricing Model at $8,670, a decrease in fair value of $114,137 from December 31, 2014.

The significant assumptions utilized by the Company in the valuation of these warrants at September 30, 2015 were as follows:

Market Price: $0.00090;
Exercise Price: $0.006;
Volatility: 149%;
Dividend Yield: zero;
Term: 3.38 and 4.25 Years; and
Risk Free Rate of Return: 1.37%

The outstanding warrants for 26,883,924 common shares at September 30, 2015, held by the January and April 2013 private placement investors do not have a cashless exercise and were not affected by the reset provision. The Company re-valued these warrants at September 30, 2015 using the Black-Scholes Pricing Model at $30, a decrease in fair value of $94,085 from December 31, 2014 and a decrease of $ 968,312 since inception.

The significant assumptions utilized by the Company in the valuation of these warrants were as follows:

Market Price: $0.00090;
Exercise Price: $0.03;
Volatility: 149%;
Dividend Yield: zero;
Term: .57 and .28 Years; and
Risk Free Rate of Return: 0.89% and 0.89%

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There was an aggregate decrease in fair value of the derivative liability related to the outstanding warrants of $236,142 at September 30, 2015 as compared to December 31, 2014.

On September 21, 2015, the Company entered into a Securities Purchase Agreement (“2015 Agreement”) with certain accredited investors to sell to the Purchasers an aggregate of up to $250,000 of principal amount of notes due September 30, 2016, representing the Purchasers’ subscription amount. The New Offering is substantially the same terms and conditions as the December 2014 Notes. In connection with the New Offering, the Company issued allonges to the December 2014 Notes increasing the principal amount of the Notes ("Allonges") pursuant to the terms of the New Offering with such Allonges having a maturity date of September 30, 2016 and a conversion price equal to $0.001 per share (subject to further reduction).

The 2015 Agreement defines certain covenants and provides for a purchase price reset for a period of three years, unless the securities have been assigned, whereby should the Company issue or sell any shares of common stock or any common stock equivalents at a price less than the Purchasers’ conversion price per share, the Company will be required to issue additional shares of common stock to the Purchasers for no additional consideration resulting in a share dilution adjustment, as defined. The 2015 Agreement also provides a Most Favored Nations Provision whereby if the Company issues or sells any common stock at terms more favorable within three years, then the Company will be required to amend the 2015 Agreement to provide such favorable terms to the Purchasers. The Company paid $12,500 in legal fees and a placement agency fee of $25,000 in the form of a note payable, substantially similar to the Purchasers’ notes, all of which was recorded as debt issuance costs on the accompanying condensed consolidated financial statements and will be charged to operations over the twelve months ended September 30, 2016 or to the date of conversion, if earlier.

Under the 2015 Agreement, the Company sold an aggregate of $250,000 in Secured Convertible Notes (“Notes”) and issued an additional $25,000 Note for placement fees. Once the Company has fulfilled its obligations as defined by certain equity requirements, the Notes will be convertible into shares of the Company’s common stock at the option of the Company. Until the equity obligations are met, the Notes bear interest at 10%, per annum. Interest will be earned at a rate of 10% for the twelve months ending September 30, 2016 or to the date of conversion, whichever is earlier. The conversion price for the Note and accrued interest is equal to $0.001 per share, subject to adjustments as stock dividends and stock splits, as defined.

Each Holder of the Notes has been granted a security interest in assets of the Company in accordance with a Security Agreement. The Security Agreement provides the Collateral Agent a security interest in all goods, machinery, equipment, contract rights and intangibles in the event of a default under the Agreement.

In connection with this 2015 Agreement, and under the anti-dilution provisions of the December 2014 private placement upon conversion, the Company will issue an aggregate of 445,000,000 shares of common stock at $0.001 per share to existing stockholders holding securities purchased in that offering.

Derivative Liabilities

The Company has determined that the convertible notes issued on December 31, 2014 and September 21, 2015 contain provisions that protect holders from future issuances of the Company’s common stock at prices below such convertible notes’ respective conversion price and these provisions could result in modification of the conversion price to issue additional common shares based on a variable that is not an input to the fair value of a “fixed-for-fixed” option as defined under FASB ASC Topic No. 815 – 40 and the conversion feature represents an embedded derivative that requires bifurcation.

The fair values of the Convertible Notes Offering were recognized as derivative instruments at issuance and are measured at fair value at each reporting period. The embedded derivative was valued at $594,963 using a binomial valuation model at December 31, 2014. At September 30, 2015, the embedded conversion derivative was revalued to $452,074 and the company recorded a decrease in the derivative liability of $142,889. The assumptions considered in the valuation model for the December 31, 2014 notes at September 30, 2015 were:

	September 30, 2015
Trading price of common stock on measurement date	$0.0009
Conversion price	$0.001
Risk free interest rate (1)	0.0%
Conversion notes lives in years	<1 year
Expected volatility (2)	252%
Expected dividend yield (3)	-
Offering price range (4)	> $0.001

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The assumptions considered in the valuation model for the September 21, 2015 notes at September 30, 2015 were:

	September 30, 2015
Trading price of common stock on measurement date	$0.0009
Conversion price	$0.001
Risk free interest rate (1)	0.33%
Conversion notes lives in years	1 year
Expected volatility (2)	189%
Expected dividend yield (3)	-
Offering price range (4)	> $0.001

(1) The risk-free interest rate was determined by management using the 3 and 12 months Treasury Bill as of the respective measurement date.

(2) The volatility factor was estimated by using the historical volatilities of the Company's trading history.

(3) Management determined the dividend yield to be 0% based upon its expectation that it will not pay dividends for the foreseeable future.

(4) Represents the estimated offering price range in future offerings as determined by management.

Accounting for Convertible Debt

Under the initial accounting, for the December 2014 offering, the Company allocated the proceeds to the embedded conversion derivative liability, which exceeded the $445,000 face amount of the convertible debt at the issuance date. The proceeds allocated to the embedded conversion derivative liability were recognized as a discount to the convertible debt. As of December 31, 2014, the Company recorded aggregate debt discounts of $445,000 related to the conversion rights and recorded $149,963 of expense related to the excess value of the derivative over the face amount of the convertible debt. Under the September 21, 2015 offering the Company allocated the proceeds to the embedded conversion derivative liability, which exceeded the $275,000 face amount of the additional convertible debt at the issuance date.

As a result, upon issuance of this debt, the Company recorded a debt discount of $275,000 and recorded an expense of $189,086 related to the excess value of the derivative over the face amount of the convertible debt. For the three months and nine months ended September 30, 2015, the Company recorded (loss) income of ($130,169) and $417,889 related to the face amount of the convertible debt over the value of the derivative.

The debt discount is accreted to interest expense over the life of the convertible debentures using an effective interest method. For the three and nine months ended September 30, 2015, the company amortized $111,257 and $427,153 of the debt discount.

10. CAPITAL STOCK

On March 2, 2015, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved and permitted the Company to increase the number of authorized shares of the Company's common stock from 525,000,000 to 750,000,000, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment.

2013 Financing

Following the closing of the recapitalization in 2013, the Company sold an aggregate of 1,826,087 units ("Units") in a private placement ("Private Placement"). $420,000 of the Units were sold at a per Unit price of $0.23. Additionally, an aggregate of $394,612 of the then outstanding 10% convertible promissory notes and accrued interest converted into the Private Placement at a per Unit price of $0.19. Each Unit consisted of (i) one share of the Company's common stock (or, at the election of any investor who would, as a result of the purchase of Units, become a beneficial owner of 5% or greater of the outstanding shares of common stock of the Company's Series A Convertible Preferred Stock) and (ii) a three year warrant to purchase shares of common stock equal to 100% of the number of shares of common stock sold in the Private Placement at an exercise price of $0.30 per share. In connection with the Private Placement, the Company and the investor entered into a Registration Rights Agreement (the "Registration Rights Agreement") whereby the Company agreed to register the shares underlying the Units and issuable upon exercise of warrants for resale on a Registration Statement to be filed with the SEC within 60 days of the final closing of the Private Placement and to cause such Registration Statement to be declared effective within 120 days of the filing date. On May 15, 2013, the Registrations Rights Agreement was amended to extend the filing date from 120 days to 180 days after the closing date. On July 2, 2013, the Registrations Rights Agreement was further amended to extend the filing date from 180 days to 240 days after the closing date. The Company filed a Registration Statement on Form S-1 on September 25, 2013 to register an aggregate of 158,652,485 shares of the Company's stock; however, the Registration Statement was subsequently withdrawn by the Company and has not been re-filed.

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On March 8, 2013, the Board of Directors approved the authorization of 150,000,000 shares of preferred stock, par value $0.0001, per share, of which 40,000,000 shares have been designated as Series A Preferred Stock. Each holder of Series A Preferred Stock is entitled to vote on all matters and the shares are convertible to the Company's common stock in an amount equal to one share of common stock for each one share of Series A Preferred Stock upon notice to the Company, as defined.

On March 15, 2013, the Company commenced a second private placement, offering a minimum of 1,000,000 units at $0.03 per unit, each comprised of one share of common stock and a warrant to purchase one share of common stock at an exercise price of $0.05, per share, for three years. The warrants are subject to registration rights, as defined and cashless exercise is permitted. On April 25, 2013, the Company consummated the private placement which began on March 15, 2013 and sold to certain accredited investors an aggregate of 28,333,334 units with proceeds to the Company of $850,000 less $150,000 of offering costs. The offering costs include 2,083,334 units valued at $62,500 for legal fees and a warrant to purchase up to 933,333 shares of the Company's common stock.

In connection with the offering, the Company granted the investors demand registration rights, commencing 30 days after the closing of the Offering and ending one year after the closing of the Offering, pursuant to which investors holding at least 50% of the outstanding securities sold in the Offering may request on 60 days' notice, the filing of a registration statement with the Securities and Exchange Commission, covering the resale of securities underlying the units. Additionally, the Company granted the investors "piggy-back" registration rights for a period of 180 days beginning on the closing date of the Offering. The Company added a Supplement to the Security Purchase Agreement, offering any investor of units who as a result of the purchase becomes a beneficial owner of 5% or more of the outstanding number of common shares, the option to purchase units consisting of one share of the Company's Series A Preferred Convertible Stock and a warrant.

In connection with the sale of the Units, the Company was required to issue to investors in the January 9, 2013 private placement (the "Prior Investors, and such offering, the "Prior Offering") additional shares of common stock (or, at the election of such Prior Investor who would, as a result of such issuance, become the holder of in excess of 5% of the Company's issued and outstanding common stock, shares of Series A Preferred Stock), in connection with certain anti-dilution protection provided to such Prior Investors under the terms of the Prior Offering. As a result of the foregoing, in April 2013, the Company issued an aggregate of an additional (a) 3,789,473 shares of common stock (b) 19,191,458 shares of Series A Preferred Stock and (c) warrants to purchase an additional 22,980,931 shares of common stock at an exercise price of $0.03 per share (collectively, the "Ratchet Securities"). Furthermore, the exercise price of the warrants issued in the Prior Offering was reduced to a per share exercise price of $0.03.

In connection with the Offering and in consideration for such issuance, the stockholders released the Company from actions relating to the Company's reverse-merger and various financings as well as from any rights under that certain Agreement of Shareholders of Be Active Brands, Inc. dated as of January 26, 2011, management determined that it was in the best interest of its stockholders to issue additional shares of common stock to certain of the original stockholders of Brands who, as a result of the reverse-merger consummated on January 9, 2013, became stockholders of the Company. Accordingly, the Company issued an aggregate of 23,054,778 shares of common stock to these original Brands stockholders, exclusive of current management, as a result of the significant dilution they experienced as a result of the Offering.

2014 Financing

On February 14, 2014, the Company sold to certain accredited investors pursuant to a Subscription Agreement, an aggregate of 33,333,332 shares of its common stock, 26,666,667 shares of the Series C Preferred Stock and five year warrants to purchase up to an aggregate of 59,999,999 shares of the Company's common stock at an exercise price of $0.03, per share, for gross proceeds of $1,800,000. Until the earlier of (i) three years from the closing of the Offering or (ii) such time as no investor holds any shares of common stock underlying warrants or underlying the Series C Preferred Stock, in the event the Company issues or sells common stock at a per share price equal to less than $0.03, per share, as adjusted, the Company has agreed to issue additional securities such that the aggregate purchase price paid by the investor shall equal the lower price issuance, subject to certain exceptions, as defined. The Company recorded a derivative liability related to the reset feature on the exercise price of the warrants to purchase common stock issued by the Company.

In connection with the Offering, the Company granted the investors "piggy-back" registration rights and the investors are entitled to a right of participation in future financings conducted by the Company for a period of twenty-four months.

The Company paid placement agent fees of $144,000 in cash, issued an aggregate of 599,999 shares of the Company's common stock and issued a five year warrant to purchase up to 5,399,998 shares of the Company's common stock at a price of $0.03 per share, as commission in connection with the sale of the shares and warrants. In addition, the Company permitted the conversion of an aggregate of $13,500 of unpaid fees owed to a consultant into 450,000 shares and warrants at the Offering price. In conjunction with the Offering, $100,000 was placed in an escrow account to be used for auditing and legal fees. As of September 30, 2015, the Company had paid all auditing and legal fees, and the balance of the escrow account was $0.

On February 14, 2014, as a component of the Subscription Agreement, the Company issued an aggregate of 66,333,330 warrants with a fair value determined using the Black-Scholes Pricing Model.

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Pursuant to the subscription agreement, certain members of the Company's management agreed to invest an aggregate of $250,000 in exchange for 8,333,333 shares of the Company's common stock within 30 days of the closing, on the same terms of the agreement. The investment required by management was made on June 24, 2014.

As a result of both the 2013 and 2014 financing and the conversion feature on its convertible debt, the Company recorded derivative liabilities related to the respective ratchet provision. Such ratchet reset provision prohibits the Company from concluding that the warrants are indexed to our own stock, and thus derivative accounting is appropriate. For derivative instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair market value and is then re-valued at each reporting date to its then fair value, with changes in such fair value measurement recognized in operations in the respective reporting period. The Company utilizes the Black-Scholes model to value the derivative instruments at inception and subsequent valuation dates.

Series B Convertible Preferred Stock

In April 2013, the Company's Board of Directors authorized four (4) shares of preferred stock, par value $0.0001 per share as Series B Convertible Preferred Stock (the "Series B Preferred Stock") and issued one share of Series B Preferred Stock to each of the Company's three senior members of management. Each share of Series B Preferred Stock is entitled such number of votes on all matters submitted to stockholders that is equal to (i) the product of (a) the number of shares of Series B Preferred Stock held by such holder, (b) the number of issued and outstanding shares of the Company's Common Stock (taking into account the effective outstanding voting rights of the Series B Preferred Stock), as of the record date for the vote and (c) 0.13334 less (ii) the number of shares of Common Stock beneficially held by such holder on such date. Additionally, on the six month anniversary date of issuance of the Series B Preferred Stock, each outstanding share of Series B Preferred Stock was to automatically, and without further action on the part of the holder, convert into such number of fully paid and non-assessable shares of Common Stock as would cause the holder to own, along with any other securities of the Company's beneficially owned on the conversion date by them 13.334% of the issued and outstanding Common Stock, calculated on the conversion date. On October 25, 2013, the Company amended and restated the Certificate of Designation for Series B Convertible Preferred Stock to extend the date on which the Series B Shares would automatically convert into such number of fully paid and non-assessable shares of common stock, from the date six months from the date of issuance (October 26, 2013) to the twelfth month anniversary of the date of issuance of the shares of Series B Preferred Stock (April 26, 2014) which on April 22, 2014, was further extended to an indefinite date. The Company previously recorded the three shares of Series B Convertible Preferred Stock as stock-based compensation using the then current estimate of the number of shares that would convert to shares of common stock of the Company based on the shares outstanding and current price per share at each balance sheet date. As of March 31, 2014, the Company recalculated the estimated shares issuable to be 112,229,168 and recorded stock-based compensation of $10,423,447 for the three months ended March 31, 2014. The estimate was based on the current common shares outstanding at March 31, 2014, a stock price of $0.11 per share, and is subject to adjustment based on any additional common shares issued.

On March 2, 2015, the Series B Convertible Preferred Stock which was then outstanding was cancelled and as a result, the Company's obligation to issue any common shares in connection therewith ended. The Company has accounted for the cancellation of the Series B and issuance of the Series D as an extinguishment. Accordingly, for the three months ended March 31, 2015, the Company recorded an aggregate gain of $3,420,804 within stockholders' deficit equal to the difference between the $667,664 fair value of the Series D preferred stock and the $4,088,468 carrying amount of the Series B preferred stock extinguished. The gain on extinguishment is reflected in the calculation of net income attributable to common stockholders.

Series C Convertible Preferred Stock

On February 12, 2014, the Company designated and authorized to issue 26,666,667 shares of Series C Convertible Preferred Stock ("Series C Preferred Stock"), par value $0.0001, per share. Each holder of Series C Preferred Stock shall be entitled to vote all matters submitted to shareholder vote and shall be entitled to the number of votes for each shares of Series C owned at the designated record date. Each holder of Series C Preferred Stock may convert any or all of such shares into fully paid and non-assessable shares of the Company's common stock in an amount equal to one share of the Company's common stock for each one shares of Series C Preferred Stock.

On September 21, 2015, in connection with the terms of a ratchet provision for certain warrants issued in 2014, the Company revised the conversion right so that holders of Series C Preferred Stock may, from time to time convert any or all of such holder's shares of Series C Preferred Stock into fully paid and non-assessable shares of common stock in an amount equal to five (5) shares of the Company's common stock (the "Common Stock") for each one (1) share of Series C Preferred Stock surrendered, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment. As of September 30, 2015, only one shareholder can convert at a ratio of five to one, while the other shareholder has waived their right for the five to one conversion.

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Series D Convertible Preferred Stock

On, March 2, 2015, the Board of Directors of the Company designated and issued authorized 3,000,000 shares of the Company's authorized Preferred Stock, par value $0.0001 per share, as Series D Convertible Preferred Stock. Each holder of the Series D Preferred Stock ("Series D") shall have the number of votes on all matters submitted to the stockholders that is equal to the greater of one hundred votes for each one share of Series D and such number of votes per share of Series D that when added to the votes per shares of all other shares of Series D shall equal 50.1% of the outstanding voting record. The Series D are convertible into common stock in an amount equal to one share of the Company's common stock for each one share of Series D. On March 9, 2015, the Company issued 1,000,000 shares of the Series D to each of three officers of the Company.

On September 21, 2015, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved and permitted the Company to increase the number of authorized shares of the Company's Series D Convertible Preferred stock from 3,000,000 to 15,000,000, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment.

Treasury Stock

In March 2, 2013, concurrent with the resignation of the Company's then chief executive officer, the Company agreed to purchase from the former executive 4,339,555 shares of the Company's common stock for $0.0001, per share. These shares are reported at cost as treasury shares.

Common Stock

On September 21, 2015, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved and permitted the Company to increase the number of authorized shares of the Company's common stock from 750,000,000 to 3,000,000,000, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment.

The Board and the Majority Stockholders have adopted a resolution authorizing, but not requiring, the Board to amend the Certificate of Incorporation to effect a reverse split. The Board has authority to implement the reverse split at any time it determines within twelve months of September 21, 2015. In addition, this proposal also gives the Board the authority to decline to implement a reverse split. The actual ratio for the implementation of the reverse split would be determined by the Board based upon its evaluation as to what a ratio of pre-consolidation shares to post-consolidation shares would be most advantageous to all stockholders.

11. CONCENTRATIONS

Credit is granted to most customers. The Company performs periodic credit evaluations of customers' financial condition and generally does not require collateral.

Sales to one customer of the Company accounted for 76% and 86% of sales for the three and nine months ended September 30, 2015 and 100% of sales for the nine months ended September 30, 2014. No sales occurred during the three months ended September 30, 2014. One new customer represented 74% of accounts receivable for the three and nine months ended September 30, 2015 and one customer represented 100% for three months and nine months ended September 30, 2014.

12. RECONCILIATION OF NET SALES

In accordance with FASB ASC 605-50, the Company classifies the following allowances as reductions of sales for the three and nine months ended September 30:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Gross sales	$ 127,164	$ -	$ 278,040	$ 7,920
Less:				
Sales discounts	2,718	-	5,755	-
Trade spending	22,150	-	47,680	-
Slotting fees	-	-	75,000	-
Net sales	$ 102,296	$ -	$ 149,605	$ 7,920

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13. RELATED PARTY TRANSACTIONS

An officer and director of the Company was a partner of a public accounting firm providing non-audit accounting services to the Company through October 30, 2014. Subsequent to October 2014, all non-audit accounting services were performed by the officer/director of the Company in conjunction with an independent consultant. For the three and nine months ended September 30, 2015 and 2014, the Company incurred fees of $560 and $9,865 to the independent consultant and $20,000 and $60,000, respectively, to the accounting firm for accounting and tax services.

The Company subleases a portion of its office space to an entity owned by a Company officer. Rents received totaled approximately $5,912 and $17,053 and $4,336 and $0 and was recorded as an offset to rent expense for the three and nine months ended September 30, 2015 and 2014, respectively.

14. 2013 EQUITY INCENTIVE PLAN

Effective January 9, 2013, the Company adopted a Stock Option Plan (“Plan”) to provide an incentive to attract, retain and reward persons performing services, including employees, consultants, directors and other persons determined by the Board, through equity awards. The Plan shall continue in effect until its termination by the Board provided that all awards are granted within ten years, as defined.

As of September 30, 2015, no awards have been granted under the Plan.

15. COMMITMENTS

Employment Agreements

Effective January 9, 2013, extended and revised October 1, 2014, the Company entered into an employment agreement with its chief financial officer for a term of three years, to be automatically renewed for successive one year periods thereafter unless either party provides written notice of intention not to renew the agreement. The agreement provides for a base annual salary of $135,000, paid in periodic installments in accordance with the Company’s regular payroll practices and includes other Company benefits. The Agreement entitles the officer to future grants under the Company’s 2013 Equity Incentive Plan. Costs incurred pursuant to this agreement for the three and nine months ended September 30, 2015 and 2014 were $34,269 and $111,250 and 0, respectively.

Effective January 9, 2013, extended and revised October 1, 2014, the Company entered into an employment agreement with its former President for a term of three years, to be automatically renewed for successive one year periods thereafter unless either party provides written notice of intention not to renew the agreement. The agreement provides for a base annual salary of $150,000, paid in periodic installments in accordance with the Company’s regular payroll practices and an annual bonus, subject to clawback provisions, based on reaching certain financial targets as defined and includes other Company benefits. The Agreement entitles the officer to future grants under the Company’s 2013 Equity Incentive Plan. Costs incurred pursuant to the Officer’s employment agreements for three and nine months ended September 30, 2015 and 2014 were $35,308 and $99,154, and $38,654 and $113,654, respectively. On June 19, 2015, the Company re-appointed the former President as a member of the Board of Directors and Vice-President.

Effective January 9, 2013, extended and revised October 1, 2014, the Company entered into an employment agreement with its secretary and current President, for a term of three years, to be automatically renewed for successive one year periods thereafter unless either party provides written notice of intention not to renew the agreement. The agreement provides for a base annual salary of $135,000, paid in periodic installments in accordance with the Company’s regular payroll practices and an annual bonus, subject to clawback provisions, based on reaching certain financial targets as defined and include other Company benefits. The Agreement entitles the officer to future grants under the Company’s 2013 Equity Incentive Plan. Costs incurred pursuant to the Officer’s employment agreements for the three and nine months ended September 30, 2015 and 2014 were $34,269 and $113,750 and $34,788 and $167,865, respectively.

Lease

On January 1, 2013, the Company entered into a five year and one month lease for space in Great Neck, New York, effective February 17, 2013, with base rent at $39,360, per year, subject to certain increases as defined. The lease agreement requires two months annual rent as a security deposit and the personal guaranty of the Vice President of the Company. The rent is due in monthly installments commencing April 1, 2013; rent expense is being recorded on a straight line basis over the term of the lease. The difference between the rent payments made and straight line basis has been recorded as deferred rent. Rent expense for the three and nine months ended September 30, 2015 and 2014 was $5,751 and $16,573 and $7,311 and $22,740, respectively.

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Investor Relations Consulting Agreement

In August 2013, the Company entered into an Investor Relations Consulting Agreement ("Agreement") with an investor relations firm to provide consulting services regarding financial markets and exchanges, competitors, business acquisitions and other aspects of or concerning the Company's business. The Agreement is for a term of twelve months commencing August 16, 2013, with a one month cancellation option for either party. The Agreement called for a monthly consulting and services fee of $2,000. In addition, the Company agreed to grant to the consultant an aggregate of 3,500,000 shares of the Company's restricted stock, valued at $70,000, ($0.02, per share), the price of the stock at the time of the Agreement. $52,500 of the consulting fee was recognized as of December 31, 2013, with the remaining $17,500 recognized in the first quarter of 2014.

On September 1, 2014, the Agreement was renewed and amended for a term of twelve months with the monthly service fee reduced to $1,500.

Merchandising Agreement

On May 5, 2014, the Company entered into an agreement to participate in a merchandising relationship which can be terminated by either party with forty-five days written notification to the other party. In consideration of its participation, the Company agreed to pay a monthly fee to the merchandiser of 4.0% of gross sales of the Company's product. In accordance with the agreement, all slotting fees are waived on all new items and the merchandiser will review all new items brought into the warehouse six months from the initial distribution date to determine whether the item is selling at an appropriate rate. The Company will provide the merchandising group with competitive promotional allowances as defined.

Sales Representative Contract

Effective June 30, 2014, the Company entered into a contract with a sales representative to increase the demand for and promote the products of the Company and to provide marketing services as defined. In exchange for these services, the sales representative is entitled to a commission of 3.0% of net sales, as defined. There is no minimum monthly commission for the initial twelve months and the representative will also be entitled to an additional performance bonus, as defined. The contract is on a month to month basis and may be terminated by either party with thirty days written notice to the other party. As of September 30, 2015 and 2014, no fees were incurred under this agreement.

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Social Media Agreement

In August 2014, the Company entered into an agreement with a contractor to provide social media management services. The agreement continues through completion of the project and is subject to early cancellation with fifteen days' notice prior to the date of cancellation. Fees for the services are $3,179, per month. Expense incurred under the agreement for the three and nine months ended September 30, 2015 and 2014 was $13,028 and $37,317, and $2,705 and $2,705, respectively.

Food Broker Agreement

In September 2014, the Company entered into an agreement appointing a food broker as its sole and exclusive representative for one year terms to provide services related to negotiating the sale of the Company's products within a defined territory. The food broker will receive a guaranteed monthly income of $3,500 for the first seven months of the agreement and a commission of 5% on each sale to be computed on the net invoice price as defined. Until such time as the commissions reach $3,500 per month, the Company will continue to pay the $3,500 monthly income. The agreement will be in effect from year to year and may be terminated by either party with ninety days written notice. All commissions earned will be paid during the ninety day transition period and will continue for an additional ninety days after the termination date. Expense incurred under the agreement for the three and nine months ended September 30, 2015 and 2014 was $10,500 and $31,500, and $4,000 and 12,000, respectively.

Public Relations Agreement

Effective September 1, 2014, the Company entered into an agreement with a consultant to provide public relations services for a monthly retainer of $4,000 and 240,000 shares of the Company's common stock to be issued equally in installments that vest over a twelve month period. The agreement may be terminated in writing with two months' notice. As of September 30, 2015, the Company incurred expense of $32,000 and granted 240,000 common shares, of which 40,000 common shares weres issuable as of September 30, 2015 (see Note 16), of the Company's common stock under the agreement recorded at prices that range from $0.01 to $0.001 per share.

Litigation

On May 2, 2014, an action was commenced against the Company and two of its officers in the Supreme Court of the State of New York, County of Nassau. The action relates to restricted shares of the Company acquired by the plaintiff which the plaintiff allegedly sought to sell. The complaint asserts claims under various theories, including conversion, breach of contract, breach of fiduciary duty, fraudulent misrepresentation and unjust enrichment, and seeks damages in excess of five million dollars.

The Company filed its Motion to Dismiss on or about June 30, 2014, plaintiff filed its opposition to the Company's motion on or about July 29, 2014. On September 2, 2014 the Motion to Dismiss was denied. On October 6, 2014, the Company submitted a verified Answer to the Complaint. On February 25, 2015, the Company attended a mediation session and subsequently settled the claim. The confidential settlement from the above action will be covered by the Company's director's and officer's insurance policy. In connection with the settlement, a loan which was due to the plaintiff for $25,555 was settled and recorded as forgiveness of debt on the accompanying consolidated financial statements (see Note 8).

16. SUBSEQUENT EVENTS

On October 27, 2015, the Company issued 40,000 common shares to its public relations company as per the agreement at a price of $0.001 per share.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This report contains forward-looking statements. These forward-looking statements, without limitation, contain words that include "believes," "anticipates," "expects," "intends," "projects," "will," and other words of similar import or the negative of those terms or expressions. Forward-looking statements in this report reflect our intentions, beliefs, projections, outlook, analysis or current expectations concerning, among other things, expectations of future levels of research and development spending, general and administrative spending, levels of capital expenditures and operating results, sufficiency of our capital resources, our intention to pursue and consummate strategic opportunities available to us. Forward-looking statements subject to certain known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to those described in "Risk Factors" contained in the Company's reports filed with the Securities and Exchange Commission.

CORPORATE OVERVIEW

Be Active Holdings, Inc. f/k/a Superlight, Inc. ("we", "Be Active" or the "Company") was incorporated as a Delaware corporation on December 27, 2007. On December 28, 2012, the Company amended and restated its Certificate of Incorporation to change its name from "Super Light Inc." to "Be Active Holdings, Inc."

Since inception and until our merger with Be Active Brands, Inc. ("Be Active Brands") on January 9, 2013, as further described herein, we conducted market analysis on diaper usage in our target market, researched governmental regulations for the importing of such products, and negotiated pricing with possible suppliers.

Prior to the merger, the business we currently operate was conducted through our wholly owned subsidiary Be Active Brands. The discussion of our business both before and after the merger in this Form 10-Q is that of our current business which was and continues to be conducted through Be Active Brands.

Be Active Brands was organized under the laws of the State of Delaware on March 10, 2009. The Company manufactures and sells low fat, low calorie, all natural probiotic enriched frozen yogurt and ice cream under the trade name "Jala" and has trademarked its Jala cow logo. Its frozen yogurt is packaged as low fat sandwiches and bars which are designed to appeal to the health conscious or weight conscious consumer.

Recent Developments

On, March 2, 2015, the Board of Directors of the Company designated and issued 3,000,000 shares of the Company's authorized Preferred Stock, par value $0.0001 per share, as Series D Convertible Preferred Stock (the "Series D Preferred Stock"). Each holder of the Series D Preferred Stock shall have the number of votes on all matters submitted to the stockholders that is equal to the greater of one hundred votes for each one share of Series D and such number of votes per share of Series D that when added to the votes per shares of all other shares of Series D shall equal 50.1% of the outstanding voting record. The Series D are convertible into common stock in an amount equal to one share of the Company's common stock for each one share of Series D. On March 9, 2015, the Company issued 1,000,000 shares of the Series D to each of three officers of the Company to be recorded at the fair value at the date of issuance.

On March 2, 2015, the Series B Convertible Preferred Stock which was then outstanding was cancelled and as a result, the Company's obligation to issue any common shares in connection therewith ended.

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On February 4, 2014, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved and permitted the Company to increase the number of authorized shares of the Company's common stock from 400,000,000 to 525,000,000. On March 12, 2015, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved an increase in the number of authorized shares of the Company's common stock from 525,000,000 to 750,000,000, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment.

On June 19, 2015, the Company re-appointed the former President as a member of the Board of Directors and as a Vice-President.

On September 21, 2015, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved and permitted the Company to increase the number of authorized shares of the Company's common stock from 750,000,000 to 3,000,000,000, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment.

On September 21, 2015, the holders representing a majority of the then outstanding shares of capital stock of the Company voted and approved and permitted the Company to increase the number of authorized shares of the Company's Series D Convertible Preferred stock from 3,000,000 to 15,000,000, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment

On September 21, 2015,in connection with the terms of a ratchet provision for certain warrants issued in 2014, the Company revised the conversion right so that holders of Series C Preferred Stock may, from time to time convert any or all of such holder's shares of Series C Preferred Stock into fully paid and non-assessable shares of Common Stock in an amount equal to five (5) shares of the Corporation's common stock (the "Common Stock") for each one (1) share of series C Preferred surrendered, effective upon filing an amended Certificate of Incorporation with the State of Delaware representing the amendment As of September 30, 2015, only one shareholder can convert at a ratio of five (5) to one (1), while the other shareholder has waived their right for the five to one conversion.

On September 21, 2015, the Company entered into a Securities Purchase Agreement ("2015 Agreement") with certain accredited investors to sell to the Purchasers an aggregate of up to $250,000 of principal amount of notes due September 30, 2016, representing the Purchasers' subscription amount. The New Offering is substantially the same terms and conditions as the December 2014 Notes. In connection with the New Offering, the Company issued allonges to the December 2014 Notes increasing the principal amount of the Notes ("Allonges") pursuant to the terms of the New Offering with such Allonges having a maturity date of September 30, 2016 and a Conversion Price equal to $0.001 per Share (subject to further reduction).

RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 2015 AS COMPARED TO THE THREE MONTHS ENDED SEPTEMBER 30, 2014

Sales
Gross Sales were $127,164 and $0 for the three months ended September 30, 2015 and 2014, respectively. The increase in gross sales of $127,164 was due to an increase in customers.

Reconciling items that included sales discounts, trade spending, and slotting fees totaled $24,868 and $0 for the three months ended September 30, 2015 and 2014, respectively. Net sales for the three months ended September 30, 2015 increased $102,296 as compared to net sales for the three months ended September 30, 2014.

Cost of Goods Sold
Cost of goods sold for the three months ended September 30, 2015 was $90,172, as compared to $0 for the three months ended September 30, 2014. The increase is attributable to an increase in production and sales.

Gross Profit
Gross profit for the three months ended September 30, 2015 was $12,124, as compared to a gross profit of $0 for the three months ended September 30, 2014. The increase in gross profit was due to increased sales.

Operating Expenses
Operating expenses, consisting of selling, general and administrative expenses, stock-based compensation, increase (decrease) in fair value of derivative liability and depreciation and amortization expense for the three months ended September 30, 2015 decreased to expense of $383,229 from an (income) of ($1,996,220) for the three months ended September 30, 2014, an increase in expense of $2,379,449. This increase is due primarily to a decrease in stock based compensation of ($1,901,449), an increase in the fair value of the derivative liability of $594,402and decrease in general and administrative expense for the three months ended September 30, 2015. The stock based compensation in 2014 resulted from the issuance of Series B preferred shares, while in 2015 no such issuances occurred. The decrease in derivative liability from 2014 to 2015 resulted from the input changes in the pricing models used to determine fair values.

Selling expenses consist primarily of advertising, promotion and marketing fees. Selling expenses for the three months ended September 30, 2015 decreased to $56,453 from $83,140 for the three months ended September 30, 2014, an decrease of ($26,687) or 32%. The decrease is primarily due to decreases in marketing expense of ($15,656) and promotion ($19,227), advertising ($12,493) and an increase in freight out of $5,578, storage expenses of $2,783 and travel and entertainment $12,343.

General and administrative expenses consist primarily of office, utilities, computer, internet, and insurance expenses. General and administrative expenses for the three months ended September 30, 2015 decreased to $214,225 from $304,533 for the three months ended September 30, 2014, a decrease of $90,308 or 29%. The decrease is primarily attributable to a decrease in outside services and increase in payroll.

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Other Income (Expense)
Other (expense) increased to ($290,193) for the three months ended September 30, 2015 as compared to other income of $21 for the three months ended September 30, 2014**.** This increase in expense is the result of an increase in expense in amortization of deferred financing costs and debt discount of $289,507 and interest expense $686 all incurred as a result of the capital raise in December 2014 and September 2015.

Net Income (Loss) Attributable to Common Stockholders
Net income per common share for the three months ended September 30, 2015 decreased to $(661,298) from a net income of $1,996,241 for the three months ended September 30, 2014, a decrease of income of $2,657,539. This decrease is due to decreases in stock-based compensation, and a change in fair value of derivative liability as discussed above.

Income (Loss) per Common Share
Basic income or (loss) per share for the three month periods ending September 30, 2015 and 2014 is calculated using the weighted-average number of common shares outstanding during each period. Fully diluted income (loss) per share is computed similar to basic income (loss) per share except that the denominator for fully diluted income per share is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued in order to present their dilutive effect. Potential common shares consist of incremental common shares issuable upon the exercise of warrants and convertible preferred shares. Diluted loss per share excludes the shares issuable upon the exercise of the warrants and convertible preferred stock from the calculation of net loss per share as their effect would be anti-dilutive.

NINE MONTHS ENDED SEPTEMBER 30, 2015 AS COMPARED TO THE NINE MONTHS ENDED SEPTEMBER 30, 2014

Sales
Gross sales were $278,040 and $7,920 for the nine months ended September 30, 2015 and 2014, respectively. The increase in gross sales of $270,120 was due to an increase in customers.

Reconciling items that included sales discounts, trade spending, and slotting fees totaled $128,435 and $0 for the nine months ended September 30, 2015 and 2014, respectively. Net sales for the nine months ended September 30, 2015 increased $141,685 as compared to net sales for the nine months ended September 30, 2014.

Cost of Goods Sold
Cost of goods sold for the nine months ended September 30, 2015 was $170,670, as compared to $6,348 for the nine months ended September 30, 2014. The increase is attributable to increase production and sales.

Gross Profit (Loss)
Gross loss for the nine months ended September 30, 2015 was ($21,065), as compared to a gross profit of $1,572 for the nine months ended September 30, 2014. The gross loss was due to an increase in slotting fees of $75,000 and trade spend of $47,680.

Operating Expenses
Operating expenses, consisting of selling, general and administrative expenses, stock-based compensation, increase (decrease) in fair value of derivative liability and depreciation and amortization expense for the nine months ended September 30, 2015 decreased to $249,192 from of $9,382,712 for the nine months ended September 30, 2014, a decrease in expense of $9,133,520. This decrease is due to a decrease in stock based compensation of $116,369 and a decrease in the fair value of the derivative liability of $9,037,872 for the nine months ended September 30, 2015. The stock based compensation in 2014 resulted from the issuance of Series B preferred shares, while in 2015 no such issuances occurred. The decrease in derivative liability from 2014 to 2015 resulted from the input changes in the pricing models used to determine fair values.

Selling expenses consist primarily of advertising, promotion and marketing fees. Selling expenses for the nine months ended September 30, 2015 increased to $155,651 from $137,851 for the nine months ended September 30, 2014, an increase of $17,800 or 12%. The increase is primarily due to increases in marketing of $7,720, freight out of $14,788, storage expenses of $13,362, and decreases in advertising expense of ($14,396) and entertainment ($10,694).

General and administrative expenses consist primarily of office, utilities, computer, internet, and insurance expenses. General and administrative expenses for the nine months ended September 30, 2015 decreased to $729,708 from $961,301 for the nine months ended September 30, 2014, an decrease of $231,593 or (24%). The decrease is primarily attributable to increases in payroll and insurance and a decrease in charitable contributions and outside services.

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Other Income (Expense)
Other income (expense) decreased to ($959,277) for the nine months ended September 30, 2015 as compared to other income of $247,051 for the nine months ended September 30, 2014**.** This increase in expense is the result of an increase in expense in amortization of deferred financing costs and debt discount of $961,903 and interest expense $22,929 all incurred as a result of the capital raise in December 2014 and September 2015. There was also a decrease in forgiveness of debt income of $221,466 from $247,021 for the nine months ended September 30, 2014 as compared to $25,555 for the nine months ended September 30, 2015.

Net Income (Loss) Attributable to Common Stockholders
Net income (loss) per common share for the nine months ended September 30, 2015 increased to $2,191,270 from a net loss of (9,134,089) for the nine months ended September 30, 2014, an increase of income of $11,325,359. This increase is due to decreases in stock-based compensation, and a change in fair value of derivative liability as discussed above, as well as a gain on extinguishment of Series B preferred stock of $3,420,804 in 2015, which is a component of net income attributable to common stockholders.

Income (Loss) per Common Share
Basic income or (loss) per share for the nine month periods ending September 30, 2015 and 2014 is calculated using the weighted-average number of common shares outstanding during each period. Fully diluted income (loss) per share is computed similar to basic income (loss) per share except that the denominator for fully diluted income per share is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued in order to present their dilutive effect. Potential common shares consist of incremental common shares issuable upon the exercise of warrants and convertible preferred shares. Diluted loss per share excludes the shares issuable upon the exercise of the warrants and convertible preferred stock from the calculation of net loss per share as their effect would be anti-dilutive.

Liquidity and Capital Resources

Total current assets at September 30, 2015 were $400,239, current liabilities were $1,121,230 and we had negative working capital of $720,991. Significant losses from operations have been incurred since inception and there is an accumulated deficit of $17,331,615 and stockholders' deficit of $1,168,089 as of September 30, 2015. Continuation as a going concern is dependent upon the Company obtaining adequate capital to fund operating expenses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations. During the quarter ended September 30, 2015, the Company used $720,145 in cash from operations while raising 237,741 in cash from financing activities. During the comparative 2014 quarter, the Company used $1,259,288 in cash flow from operations, while raising $1,716,110 in cash from financing activities.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements, including unrecorded derivative instruments that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources. We have certain warrants and options outstanding but we do not expect to receive sufficient proceeds from the exercise of these instruments unless and until the trading price of our common stock is significantly greater than the applicable exercise prices of the options and warrants and mainly following any necessary registering of underlying securities.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not Applicable.

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Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

At the end of the period covered by this report, we conducted an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act). Based upon this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are: (i) recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and (ii) accumulated and communicated to our management, including our President and Chief Financial Officer, or officers performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in internal control over financial reporting

There have been no changes in our internal controls over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Our internal control over financial reporting is not currently effective due to the following:

Currently there is a lack of proper segregation of functions, duties and responsibilities with respect to our cash and control over the related disbursements due to our limited staff and accounting personnel. Management is aware that there is a lack of segregation of duties due to the small number of employees dealing with administrative and financial matters. In the future, management intends to continue to utilize additional staff to handle certain administrative financial duties.

In addition, the Company’s limited accounting staff may not allow for us to properly account for complex accounting transactions, which could lead to a material misstatement of our financial statements.

Finally, there has been a lack of controls over the control environment in that the Board of Directors is comprised of three members who are officers of the Company. As of yet, there is no formal audit committee and no compensation committee. As the Company matures, management will continue to expand the Board of Directors.

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings

There are no pending legal proceedings to which the Company is a party or in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of voting securities of the Company, or security holder is a party adverse to the Company or has a material interest adverse to the Company. The Company's property is not subject of any pending legal proceedings. We are not a party to, and our property is not the subject of, any material pending legal proceedings, except as stated below.

Item 1A. Risk Factors

Smaller reporting companies are not required to provide Item 1A disclosure or risk factors in their 10-K

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On April 21, 2015, the Company issued 64,000,000 shares of common stock as full payment of the due diligence fee related to the debt offering on December 31, 2014.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

Not Applicable.

Item 6. Exhibits

Exhibit No.	Title of Document
31.1	Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Principal Financial and Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Principal Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of the Principal Financial and Accounting Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document*
101.SCH	XBRL Schema Document*
101.CAL	XBRL Calculation Linkbase Document*
101.LAB	XBRL Label Linkbase Document*
101.PRE	XBRL Presentation Linkbase Document*
101.DEF	XBRL Definition Linkbase Document*

** Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933 or Section 18 of the Securities Exchange Act of 1934 and otherwise are not subject to liability.*

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SIGNATURES

In accordance with the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	Be Active Holdings, Inc.
November 13, 2015	/s/ Joseph Rienzi By: Joseph Rienzi Its: President and Director (Principal Executive Officer)
November 13, 2015	/s/ David Wolfson By: David Wolfson Its: Chief Financial Officer (Principal Financial and Accounting Officer)